

SAFEGUARDING MOMENTUM TOWARDS RECOVERY





2020 AR THEME



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The Corona Virus Disease 2019 (Covid-19) pandemic made an extraordinary impact on the dynamics of the world economy in 2020, including Indonesia. COVID-19 has not only caused a health and humanitarian crisis, but also slowed down the rate of economic growth.

In accordance with the Government policies, amid the challenges of overcoming the impact of the COVID-19 pandemic, PT Penjaminan Infrastruktur Indonesia (Persero) (PT PII) continued to maintain the momentum of infrastructure development by consistently and sustainably conducting the mandate in providing sovereign guarantees in the infrastructure sector.

In addition to focusing on implementing its key mandate, the Company also performed a role in supporting the Government in the program to overcome the impact of the COVID-19 pandemic. In 2020, the Government gave a new mandate and assignment to the Company to contribute to the National Economic Recovery Program (PEN).

Equipped with more than a decade of experience as the Government's fiscal tool and the spirit to realize the Company's vision and mission as well as support from the Shareholders and all Stakeholders, the COVID-19 Pandemic was not an obstacle for the Company to continue working and contributing to the country's development. Instead, it became a momentum to contribute more optimally in maintaining the development and recovery of the national economy.



CONTINUITY OF THEMES

2016 | Continuously Supporting Infrastructure Development in Indonesia

PT PII is committed to focusing on supporting infrastructure development in Indonesia by providing guarantee on qualified projects through a framework of evaluation, structuring and risk mitigation management. This monitoring process helps ensure a continuity of project development that will provide benefit for all Indonesians as well as increase the competitiveness of Indonesia in the global economic competition.



2017 | Infrastructure Unifies Nation through Guarantee

Provided contribution to infrastructure development in accordance with the government's nine priority agenda (Nawacita) for equitable development all across Indonesia. Through its contribution, the Company as a guarantor institution in infrastructure development is expected to unite the nation from Sabang to Merauke.

2018 | PII, for a Well-Structured Infrastructure

By having fair and balanced risk allocation, guarantee provided by the Company on infrastructure projects will give an assurance for the private sector to be involved in development stages. As well as assurance for the funding institutions. Thus, the role of PT PII is very important, namely to propel infrastructure developments into better arrangement.



2019 | Safeguarding the Infrastructure for a Developed Indonesia

In the first decade of our establishment, PT PII has been carrying out the mandate to provide sovereign guarantees in the field of infrastructure. In the course of time, we are always working hard to build ecosystems and awareness of infrastructure project development in Indonesia through the Public Private Partnership (PPP) scheme. Entering the second decade, with new mandates given, we are strengthening the next move to enhance the role of PT PII in safe guarding infrastructure development in order to drive the nation's aspirations for a developed Indonesia.



PERFORMANCE HIGHLIGHTS 2020

OPERATIONAL PERFORMANCE

Total Investment Value

IDR 315.4trillion

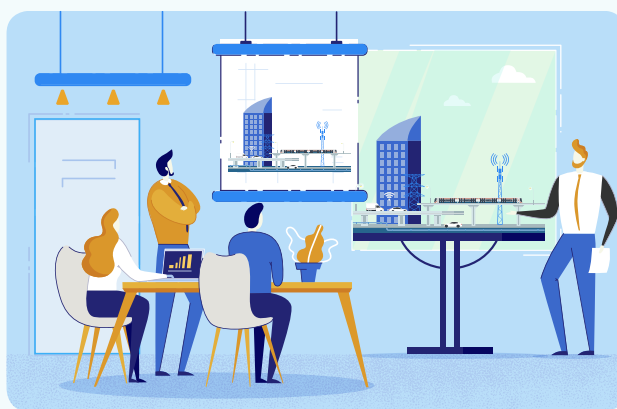
Total investment value of 25 PPP Projects and 5 Direct Lending Projects guaranteed by the Company until 2020.



Number of Projects

8/30

In 2020, 5 additional PPP Projects and 3 Direct Lending Projects were guaranteed by the Company. Total projects that have received guarantees from the Company until 2020 amounted to 30 projects.



GCG Implementation Score

89.12 Excellent



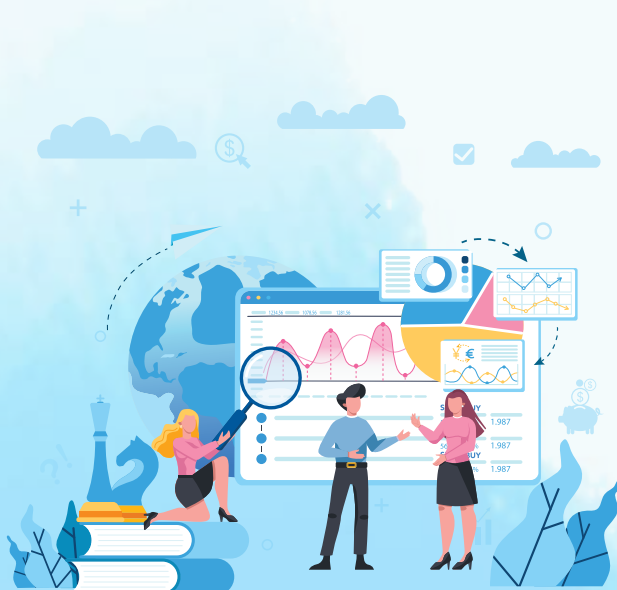
The assessment of the Company's GCG implementation in 2020 was carried out by the Financial and Development Supervisory Agency (BPKP) and obtained a score of 89.120 in the "Excellent" category.

The score increased compared to the previous year of 89.082, also in the "Excellent" category.

Fitch Rating

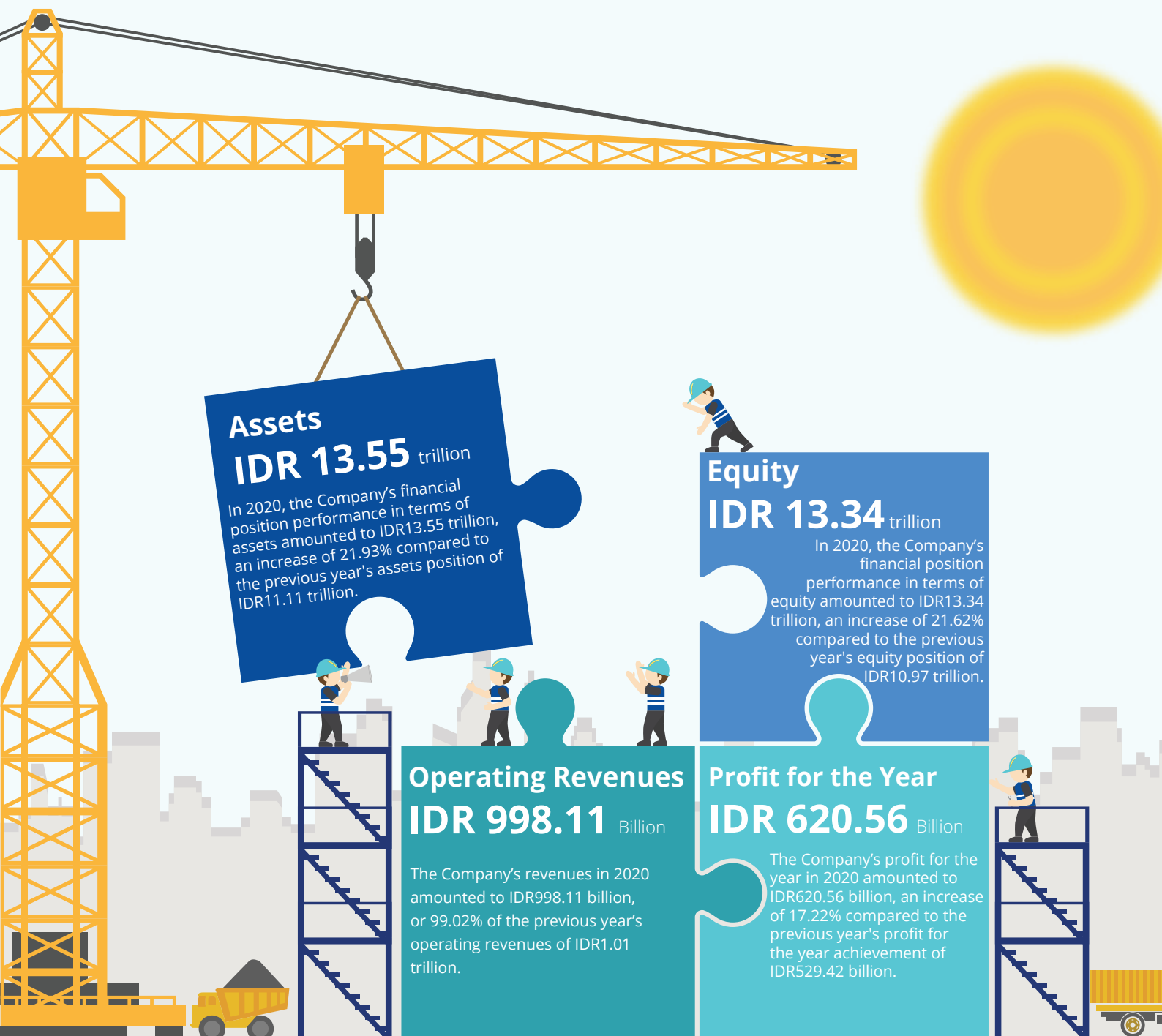
BBB/idAAA

Credit Rating: Fitch-Intl/Fitch Indonesia





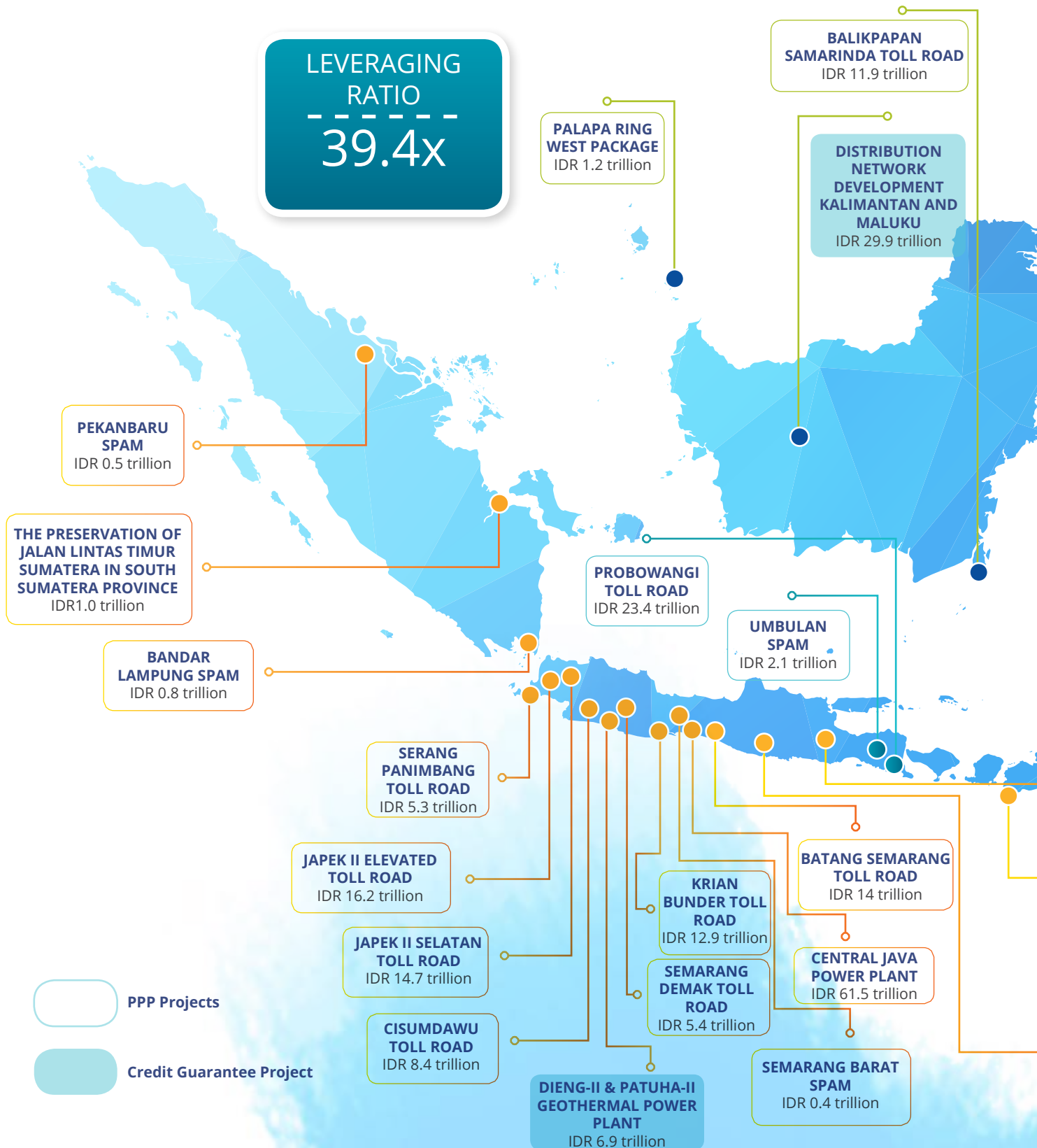
FINANCIAL PERFORMANCE





MAP OF PROJECT DISTRIBUTION UNTIL 2020

Until 2020, with the State Equity Participation (PMN) for infrastructure guarantee of IDR8 trillion, the Company was able to support the construction of 30 infrastructure projects spread all across Indonesia with a total investment value of IDR315.4 trillion.



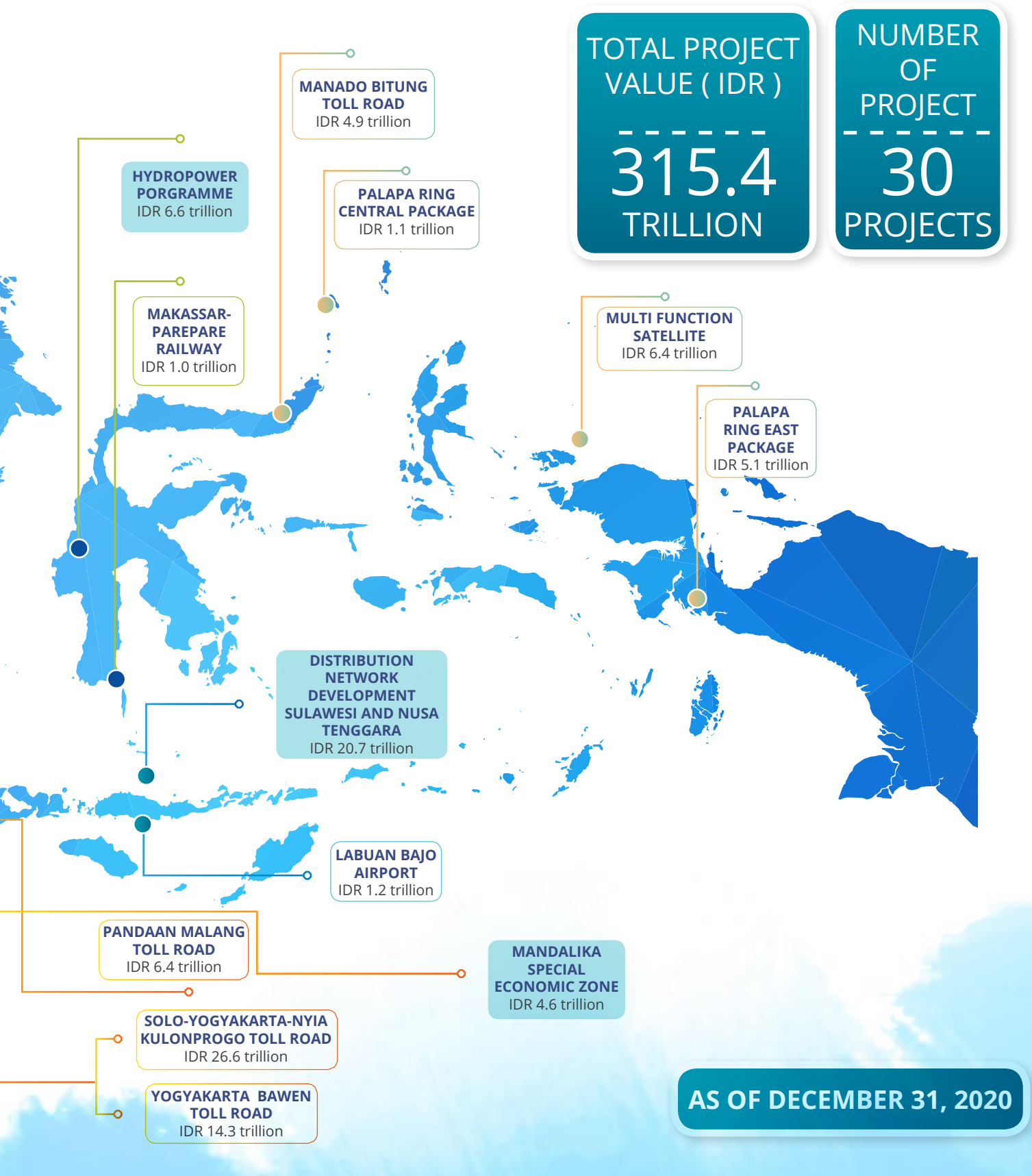




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2020 CONSOLIDATED FINANCIAL STATEMENTS



WESTERN PACKAGE PALAPA RING PROJECT

CABLE LENGTH
MARINE OPTICAL FIBER 1,711 Km
LAND OPTICAL FIBER 427 Km



FINANCIAL HIGHLIGHTS

The expansion of the Company's mandate and its main function as fiscal tools has strengthened its strategic role in equitable distribution of infrastructure development through the implementation of the sustainable pipeline, guarantee business and government risk management.

FINANCIAL HIGHLIGHTS

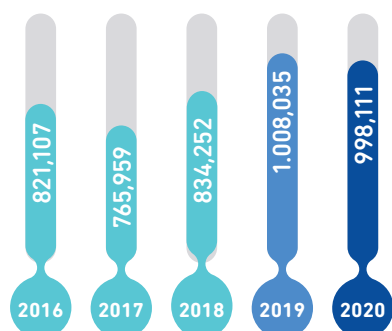
PROFIT OR LOSS AND COMPREHENSIVE INCOME SUMMARY (IN IDR MILLION)

Description	Growth (2020:2019)	2020	2019	2018	2017	2016
Operating Revenues	-0.98%	998,111	1,008,035	834,252	765,959	821,107
Operating Expenses	-8.93%	(376,687)	(413,629)	(356,787)	(313,824)	(315,946)
Profit before Income Tax	4.55%	621,424	594,406	477,465	452,135	505,161
Profit for the Year	17.22%	620,560	529,420	471,080	470,469	502,447
Komprehensif Tahun Berjalan Total Comprehensive Income for the Year	41.13%	912,476	646,568	330,378	528,230	536,751

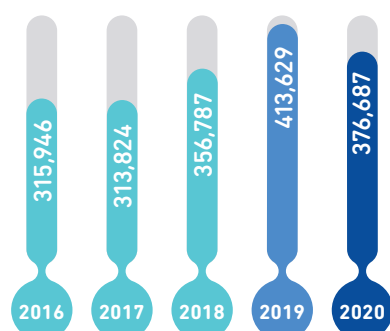
*PT PII is a company with 100% shares owned by the Government of the Republic of Indonesia and is not a listed company. Hence, there has been no profit attributable both to owners of parent entity and non-controlling interest.

CHART OF PROFIT OR LOSS AND COMPREHENSIVE INCOME SUMMARY

Operating Revenues
(in IDR Million)



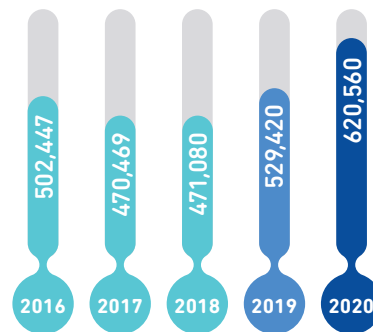
Operating Expenses
(in IDR Million)





Profit For The Year

(in IDR Million)



STATEMENT OF FINANCIAL POSITION (IN IDR MILLION)

Description	Growth (2020:2019)	2020	2019	2018	2017	2016
ASSETS						
Cash and Cash Equivalents	18,117.36%	4,883,893	26,809	1,699,179	1,443,048	2,895,545
Investments	-22.98%	8,380,506	10,881,161	8,673,174	8,672,826	5,785,731
Account Receivables	37.11%	155,189	113,189	79,986	74,836	68,689
Other Receivables	1.40%	12,757	12,581	8,978	6,979	3,936
Prepaid Expenses and Advances	-26.94%	1,147	1,570	2,448	2,423	4,685
Fixed Assets	-26.85%	10,606	14,499	18,776	16,267	20,650
Right-of-Use Assets	(100.00%)	50,293	-	-	-	-
Intangible Assets	12.12%	2,045	1,824	1,195	992	1,690
Deferred Expenses	-28.22%	19,164	26,697	43,360	41,665	57,941
Front End Fee	0.00%	-	-	-	763	763
Prepaid Income Tax	-8.08%	3,870	4,210	368	-	-
Deferred Tax Asset	-3.06%	22,618	23,331	88,106	95,501	77,010
Refundable Deposits	0.00%	5,369	5,369	5,346	5,346	7,789
Total Assets	21.93%	13,547,457	11,111,240	10,620,916	10,360,646	8,924,429
LIABILITIES						
Account Payables	-18.11%	3,089	3,772	7,481	3,342	4,960
Taxes Payables	33.58%	3,258	2,439	4,816	3,484	2,483
Accrued Expenses, Provisions and Other Payables	4.16%	39,570	37,990	42,913	28,722	37,597
Unearned Income	42.80%	15,662	10,968	8,510	8,085	5,385
Finance Lease Liabilities	100.00%	51,094	-	-	-	-

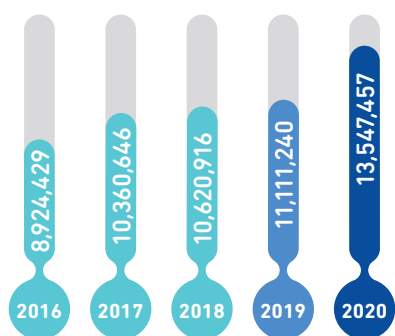
STATEMENT OF FINANCIAL POSITION (IN IDR MILLION)

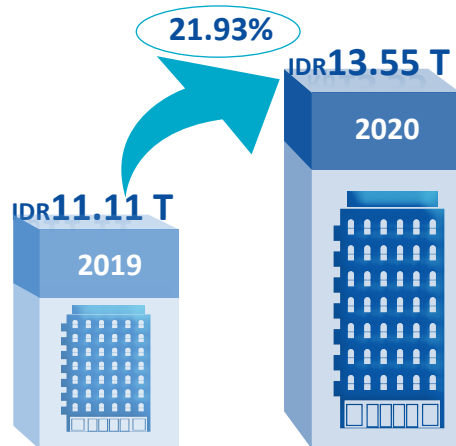
Description	Growth (2020:2019)	2020	2019	2018	2017	2016
Two-Step Loans	0.00%	55,127	55,127	55,127	45,276	35,805
Employee Benefits Obligation	24.22%	36,225	29,161	21,398	20,293	14,335
Total Liabilities	46.30%	204,025	139,457	140,245	109,202	100,565
EQUITY						
Share Capital	19.63%	9,570,000	8,000,000	8,000,000	8,000,000	7,000,000
Unrealised Gain/(Loss) from Financial Assets	4,568.85%	298,993	6,404	(111,375)	32,356	(25,878)
Actuarial (Loss)/Gain, Net of Tax	-317.45%	(461)	212	843	(2,186)	(1,714)
Retained Earnings						
- Appropriated	18.91%	166,471	140,000	116,446	92,922	67,800
- Unappropriated	17.11%	3,308,429	2,825,167	2,474,757	2,128,352	1,783,656
Total Equity	21.62%	13,343,432	10,971,783	10,480,671	10,251,444	8,823,864
Total Liabilities & Equity	21.93%	13,547,457	11,111,240	10,620,916	10,360,646	8,924,429

CHART OF FINANCIAL POSITION SUMMARY

Assets

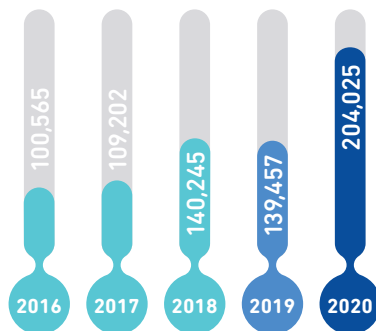
(in IDR Million)



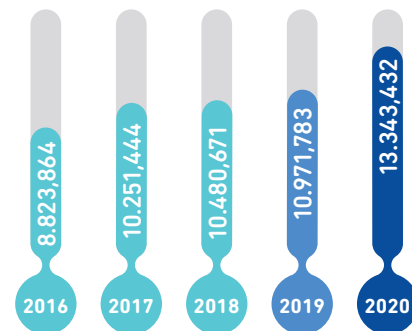


In 2020, the Company recorded Total Assets of IDR13.55 Trillion, increased by 21.93% from the total assets in 2019 of IDR11.11 Trillion.

Liabilities (in IDR Million)



Equity (in IDR Million)



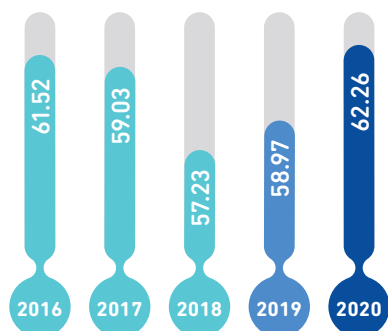
KEY FINANCIAL RATIOS (IN %)

Description	(Increase/Decline) (2020:2019)	2020	2019	2018	2017	2016
Net Operating Margin	3.29	62.26	58.97	57.23	59.03	61.52
Net Income Margin	9.00	62.00	53.00	56.00	61.40	61.19
Return on Equity	0.57	5.49	4.91	4.55	5.14	6.53
Return on Asset	0.53	5.42	4.89	4.50	5.10	6.47
Operating Expense to Operating Income	(3.00)	38.00	41.00	43.00	41.00	38.00

CHART OF FINANCIAL RATIOS

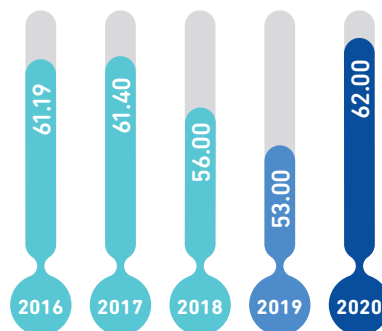
Net Operating Margin

(in %)



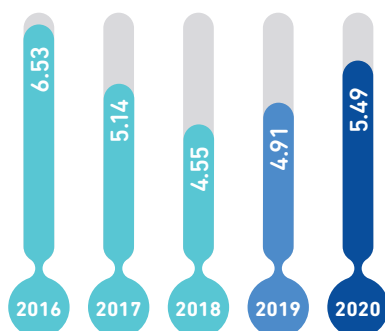
Net Income Margin

(in %)



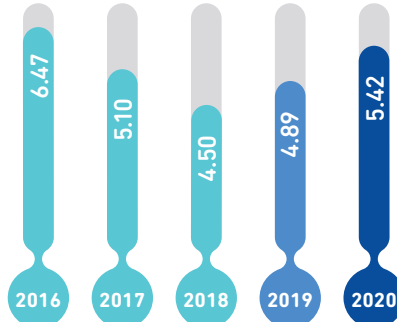
Return On Equity

(in %)



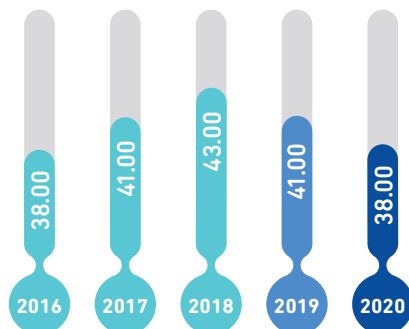
Return on Asset

(in %)



Operating Expense To Operating Income

(Dalam %)



SHARE HIGHLIGHTS

As of the end of 2020, the Company has not traded any shares at the Indonesia Stock Exchange, hence there has been no information containing the following:

1. Number of outstanding shares;
2. Market capitalization;
3. Highest, lowest, and closing share prices; and
4. Trading volume.

BONDS, SUKUK OR CONVERTIBLE BONDS HIGHLIGHTS

As of the end of 2020, the Company has not issued any bonds, sukuk or convertible bonds, hence there has been no information containing the following:

1. Total outstanding bonds/ sukuk/ convertible bonds;
2. Interest rates;
3. Maturity date; and
4. Bonds/sukuk rating.

TEMPORARY SUSPENSION OF SHARE TRADING (SUSPENSION) AND/OR DELISTING OF SHARE

Considering that the Company has not listed its shares on the stock exchange, the Company has not experienced any temporary suspension of share trading or delisting of shares listing.



CORPORATE ACTION

During 2020, the Company did not conducted corporate actions such as stock split, reverse stock, share dividends, bonus shares and changes in the nominal value of shares given that the Company has not listed its shares on the stock exchange. The Company also did not conducted any other corporate actions, such as acquisitions or others.

However, in 2020, there have been several actions taken by the Company, which had a significant impact on its business continuity in the form of an increase in authorized capital and the addition of State Equity Participation (PMN). The shareholders have increased the Company's authorized capital to DR20,000,000,000,000 with the amendment to the Company's Articles of Association through the Notarial Deed of Irma Devita Purnamasari, S.H., M.Kn. No. 14 dated November 19, 2020, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. AHU-0077464.AH.01.02. TAHUN 2020 dated November 19, 2020.

As of December 30, 2020, based on Government Regulation No. 79 of 2020 concerning the Addition of State Equity Participation of the Republic of Indonesia into the Company's share capital, the additional share capital of IDR1,570,000,000,000 has been received by the Company on December 30, 2020. The composition of the Company's shareholders as of December 31, 2020 and 2019 is as follows:

SHARE OWNERSHIP OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA (IN IDR THOUSAND)

Description	2020			2019		
	Number of Shares	Ownership (%)	Value	Number of Shares	Ownership (%)	Value
Share Capital at the Beginning of the Year	8,000,000	100	8,000,000,000	8,000,000	100	8,000,000,000
Additional State Equity Participation (PMN)	1,570,000	-	1,570,000,000	-	-	-
Share Capital at the End of the Year	9,570,000	100	9,570,000,000	8,000,000	100	8,000,000,000



EVENT HIGHLIGHTS



January

The 20th Indonesia Infrastructure Roundtable (IIR)

The Company together with Gadjah Mada University and UNIID held the 20th Indonesia Infrastructure Roundtable (IIR) with the theme “Optimizing Strategies and Alternative PPP Financing Schemes in Urban Waste Management: TPST Piyungan Regional Case Study” in Yogyakarta on January 3, 2020.



February

The Signing of Guarantee Agreement and Recourse Agreement for Komodo Airport Development PPP Project in Labuan Bajo

The Company signed the Guarantee and Recourse Agreement for Komodo Airport Development PPP Project in Labuan Bajo, East Nusa Tenggara (NTT) on February 7, 2020. The development of Komodo Airport was the Government's effort to develop the priority tourism destination in Labuan Bajo as one of the destinations for New Bali and to expand national and international connectivity.



March

Infrastructure Outlook 2020: The Future of Alternative Financing for Sustainable Development

The Company as the Ministry of Finance's Special Mission Vehicles (SMV) held the “Infrastructure Outlook 2020: The Future of Alternative Financing for Sustainable Development” on March 9, 2020. The event was one of the series of activities as part of the Company's 2nd decade anniversary. The Company invited all stakeholders to jointly discuss alternative financing schemes to be implemented in order to accelerate infrastructure development in Indonesia.



April

Appointment of the Board of Directors and the Board of Commissioners

The Minister of Finance of the Republic of Indonesia as the Company's Shareholder appointed Andre Permana as Director based on the Decree of the Minister of Finance No. 127/KMK.06/2020 dated March 23, 2020. Furthermore, on April 20, 2020, through the Decree of the Minister of Finance No. 205/KMK.06/2020, Awan Nurmawan Nuh was appointed as the Company's President Commissioner and Wahyu Utomo as Commissioner.



May

The SMV Synergy CSR Program of Covid-19 Response

The Company, in collaboration with other SMVs of the Ministry of Finance of the Republic of Indonesia, namely the Indonesian Eximbank (LPEI), PT SMI, PT IIF, PT Geodipa Energi, and PT SMF, conducted the CSR Program of Covid-19 Response on May 11, 2020. Throughout 2020, to help the community and medical personnel in dealing with Covid-19 pandemic, the Company distributed various assistance through CSR activities in the form of providing staple food (sembako), PPE for medical personnel, training to MSME owners to conduct business via online media, training for teachers to conduct distance learning via online media, as well as capital assistance for small business for families with disabilities who have been affected by the pandemic.



June

General Meeting of Shareholders (GMS) on the Approval of the Company's Annual Report for the 2019 Fiscal Year

On June 12, 2020, the Company held GMS for the Ratification of the Company's Annual Report for the 2019 Fiscal Year at the Office of the Directorate General of Separated State Assets of the Ministry of Finance of the Republic of Indonesia, Jakarta. The event was held with due observance of the provisions related to the mandatory health protocol for preventing the spread of COVID-19.



Dissemination of PPP Scheme at the Regional Offices of DJKN Aceh, Central Java, Special Region of Yogyakarta, and East Java

The Company held a series of dissemination activities for the implementation of PPP Corner at the Regional Offices of DJKN Aceh, Central Java, Special Region of Yogyakarta and East Java.



The Signing of Memorandum of Understanding between the Indonesian Eximbank (LPEI) and the Company for the Cooperation on Sovereign Guarantee for Corporate Business Actors in Implementation of the of National Economic Recovery Program

On July 29, 2020, a Memorandum of Understanding was signed by the Indonesian Eximbank and the Company for the Cooperation on Sovereign Guarantee for Corporate Business Actors in Implementation of the National Economic Recovery Program.

The Guarantee program for labor-intensive corporations was provided to enable banks in providing financing to business actors, especially labor-intensive corporations, to resume business activities and avoid termination of employment.



The Signing of Guarantee Agreement and Recourse Agreement for Preservation of East Trans Sumatra Road – South Sumatra Section PPP Project

The Company signed the Guarantee Agreement for the Preservation of the East Trans Sumatra Road – South Sumatra Section PPP Project (Jalintim Sumsel), witnessed by the Minister of Public Works and Housing (PUPR) of the Republic of Indonesia, Basuki Hadimuljono, in Jakarta.



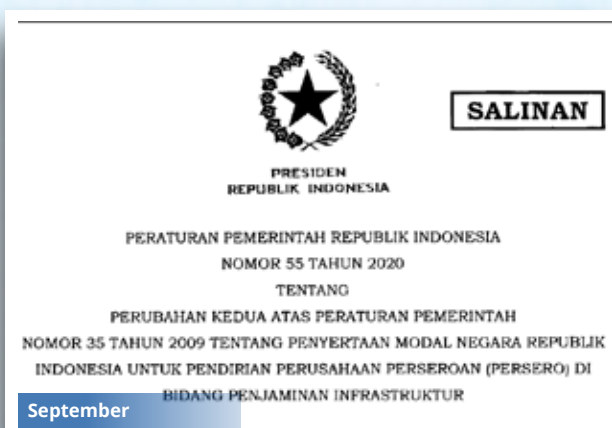
The Signing of Guarantee Implementation Agreement for the Geothermal Power Plant (PLTP) Dieng Unit 2 and Patuha Unit 2 Development Project

On August 19, 2020, the Company and PT Geo Dipa Energy signed an agreement with the Asian Development Bank (ADB) for Geothermal Power Plant (PLTP) Dieng Unit 2 and Patuha Unit 2 Development Project as part of the effort for electricity supply through the utilization of geothermal New Renewable Energy. The project signing included the signing of loan agreement between PT Geo Dipa Energy and ADB, the signing of Guarantee Agreement between the Ministry of Finance and ADB, and the signing of Guarantee Implementation Agreement between the Company and PT Geo Dipa Energy.



The Signing of Guarantee Agreement and Recourse Agreement for Solo-Yogyakarta-NYIA Kulon Progo Toll Road PPP Project

On September 9, 2020, the Company signed Guarantee and Recourse Agreement for Public Private Partnership (PPP) Project, namely the Solo-Yogyakarta-NYIA Kulon Progo Toll Road PPP Project, at the Auditorium of the Ministry of Public Works and Housing, Jakarta. The project was expected to have major impact on economic improvement through increased connectivity between regions, especially those used as logistics, tourism, access roads to ports and airports as well as savings in vehicle operating costs and travel time.



Issuance of Government Regulation No. 55 of 2020

Government Regulation No. 55 of 2020, which was the basis for expanding the Company's mandate was issued on September 29, 2020. Based on the said Government Regulation, the Company's aims and objectives shall no longer be limited to sovereign guarantee in the infrastructure sector, but also the sovereign guarantee in financing for other sectors based on government assignments and conduct activities related to the implementation of sovereign guarantee as well as other activities related to the implementation of projects that support the national economy, both central and regional.



October

Media Visit from Bisnis Indonesia

The Company had the opportunity to conduct Virtual Media Visit with “Bisnis Indonesia” news agency. The Virtual Media Visit was attended by the Chief Editor of Bisnis Indonesia – Maria Y. Benyamin, Managing Editor Representative – Hendri Tri Asworo, editorial representatives, reporter representatives, GM Marketing, Marketing Manager and Marketing Staff as well as from the Company, namely the Company's President Director – M. Wahid Sutopo, the Company's Executive Director of Finance & Project Assessment – Salusra Satria, Executive Director of Business – Andre Permana and the several senior managers.



MENTERI KEUANGAN
REPUBLIK INDONESIA
SALINAN

KEPUTUSAN MENTERI KEUANGAN REPUBLIK INDONESIA

NOMOR: 497/KMK.06/2020

TENTANG

PERUBAHAN ANGGARAN DASAR PERUSAHAAN PERSEROAN (PERSERO)
PT PENJAMINAN INFRASTRUKTUR INDONESIA

MENTERI KEUANGAN REPUBLIK INDONESIA
SELAKU RAPAT UMUM PEMEGANG SAHAM,

November

Addition of the Company's Authorized Capital

On November 4, 2020, the Decree of the Minister of Finance No. 497/KMK.06/2020 was issued, which became the basis for the approval of the Minister of Finance as the GMS of PT PII on the amendment to the Company's Articles of Association which included changes to the Company's purposes and objectives, business activities, and Authorized Capital.



November

The Signing of Guarantee Agreement and Recourse Agreement for Yogyakarta – Bawen Toll Road PPP Project

On November 13, 2020, the Company signed Guarantee and Recourse Agreement for Yogyakarta – Bawen Toll Road PPP Project, in the Marga Utama Area of Borobudur Temple, Magelang, Central Java. The project was expected to have major impact on increasing regional economic growth in Central Java and Yogyakarta as well as improving the connectivity between regions, especially Semarang – Yogyakarta access.



The Signing of Cooperation Agreement for the Assignment to Provide Loss Limit Support related to the Government Guarantee for the National Economic Recovery Program

On November 19, 2020, a Cooperation Agreement was signed between the Company and the Ministry of Finance concerning the Assignment to Provide Loss Limit Support related to the Government Guarantee for the National Economic Recovery Program.



The Signing of Cooperation Agreement for the Implementation of Loss Limit Support related to the Government Guarantee for Corporate Business Actors for the National Economic Recovery Program

On December 15, 2020, a Cooperation Agreement was signed between the Company and the Indonesian Eximbank (LPEI) concerning the Implementation of Loss Limit Support related to the Government Guarantee for Corporate Business Actors for the National Economic Recovery Program.



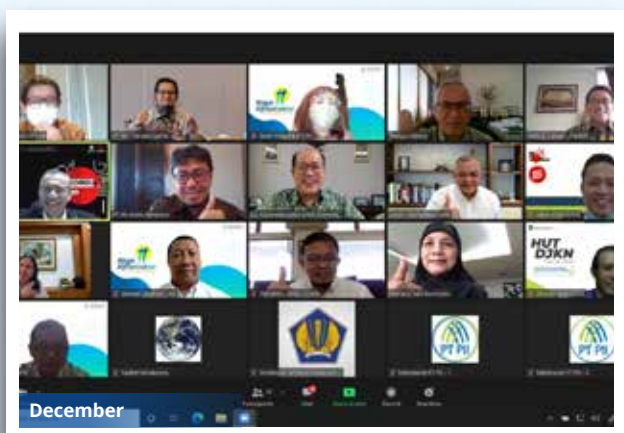
The Signing of Guarantee Agreement and Recourse Agreement for Pekanbaru City SPAM PPP Project

On December 15, 2020, the Company signed an agreement related to Sovereign Guarantee for PPP Projects in the Clean Water sector, namely the Pekanbaru City Drinking Water Supply System (SPAM) Project. The Pekanbaru City SPAM project was expected to increase the capacity to serve up to 61,000 SL, or nearly four times the capacity of the current number of customers served.



The Signing of Guarantee Implementation Agreement for the PLN Distribution Network Development Project

On December 16, 2020, Sovereign Guarantee Agreement was signed by the Ministry of Finance and the Company for direct lending from the Asian Development Bank (ADB) to PT PLN for financing Kalimantan and Maluku – Papua Distribution Network, as well as the signing of guarantee agreement with KfW, a development financing institution owned by the German Government, for financing the development project of Sulawesi and Nusa Tenggara Distribution Network through direct lending to PT PLN. By providing the guarantee for the project, the Company together with the Ministry of Finance, committed to supporting the development of major electricity infrastructure in Eastern Indonesia.



GMS for the Amendments to the Company's 2020 Work Plan and Budget and GMS for the Approval of the Company's 2021 Work Plan and Budget

On December 21, 2020, the Company held the Extraordinary General Meeting of Shareholders (EGMS) for the Approval of the Amendments to the Company's 2020 Work Plan and Budget. On the same day, the Annual General Meeting of Shareholders (AGMS) for the Approval of the Company's 2021 Work Plan and Budget was held.

The meetings were conducted through video conference given the considerations of the provisions related to health protocols in preventing the spread of COVID-19. The EGMS for the Amendments to the Company's 2020 Work Plan and Budget was carried out to adjust the expansion of the Company's mandate which implementation was started in 2020.



The Signing of Cooperation Agreement for the Implementation of Joint Guarantee Assignment related to the Government Guarantee for the National Economic Recovery Program

On December 23, 2020, a Cooperation Agreement was signed between the Company and the Ministry of Finance concerning the Implementation of Joint Guarantee Assignment related to the Government Guarantee for the National Economic Recovery Program.



Addition of the Company's State Equity Participation (PMN)

On December 30, 2020, Government Regulation No. 79 of 2020 was issued, which became the basis for the addition of the Company's State Equity Participation (PMN). The PMN is a form of capacity support from the Government to the Company in order to support the National Economic Recovery Program by the Government as well as to drive the national economy through the assignment to PT PII.



**BATANG – SEMARANG
TOLL ROAD PROJECT**
75 KM TOLL ROAD



MANAGEMENT REPORT

Infrastructure is one of the main pillars in supporting Indonesia's development. Quality infrastructure is needed to improve connectivity, reduce logistics costs, and encourage growth, equity, and economic independence, so that Indonesia's aspirations to become a developed country can be realized.



REPORT OF THE BOARD OF COMMISSIONERS



AWAN NURMAWAN NUH

President Commissioner



Dear Distinguished Shareholders and Stakeholders,

Praise and gratitude to the presence of God Almighty for all the blessings and grace that have enabled PT Penjaminan Infrastruktur Indonesia (PT PII) in passing through the year 2020, which was full of challenges, especially amid the COVID-19 pandemic situation. Furthermore, allow us to present the accountability report of the Board of Commissioners for the implementation of its duties to supervise and advise the Company's management for the 2020 Fiscal Year, which ended on December 31, 2020.

SUPERVISION ON STRATEGY IMPLEMENTATION

During 2020, expansion of mandate was given to the Company through the issuance of Government Regulation No. 55 of 2020 in which the Company's scope of business activities shall no longer be limited to guarantee activities and other infrastructure-related activities, but also include the provision of sovereign guarantee to financing other sectors that support the national economy. Moreover, in conducting the business, the Company has also received additional assignments from the Government related to the National Economic Recovery Program (PEN), which aimed to protect, maintain and improve the economic capacity of business owners from real and the financial sector.

In implementing the key mandate and functions, the Company continued to implement good governance practices as the foundation for establishing a trustworthy and respected organization. The Company's efforts to carrying out the mandate and two main functions have greatly affected the implementation of duties of the Board of Commissioners in supervising the implementation and accountability of the Company's 2020 Work Plan and Budget.

One of the functions of the Board of Commissioners is to supervise the Company's management and its implementation, which is conducted by the Board of Directors. During 2020, the Board of Commissioners has carried out duties, obligations and responsibilities in supervising the management policies as well as the Company's management.

In implementing the supervisory function, the Board of Commissioners actively provides direction and input to the Board of Directors through regular meetings, which are held at least once a month. The Board of Commissioners together with its organs also holds regular meetings with deputies and the Company's Internal Audit Unit. In addition, the Board of Commissioners and Board of Directors joint meetings are also held at certain times as needed, apart from the regular monthly meetings, in the event whereas the Company faces crucial issues which require immediate decisions.

Throughout 2020, the Board of Commissioners held 19 internal meetings and 18 joint meetings. The Board of Commissioners also provided direction and input to the Board of Directors in the form of written letters when a meeting was not possible, or when the Board of Commissioners considered that advice provided through written letters to be more effective.

PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTOR

Operational Performance

Based on the audited report, the Company's operational performance was relatively good. Throughout 2020, PT PII has guaranteed 30 infrastructure projects with an estimated project value of IDR315.3 trillion, and the guarantee value of IDR66.4 trillion. The 30 projects were divided into 6 infrastructure sectors, including: 1) 14 projects of Road Sector; 2) 4 projects of Telecommunication sector; 3) 5 projects of Electricity Sector; 4) 4 projects of Drinking Water Supply System (SPAM) sector; 5) Transportation sector with 2 projects of Railway and Airport; and 6) 1 Tourism Zone project. As of 2020, the Company has received State Equity Participation (PMN) funds amounted to IDR8 trillion to support the Government's infrastructure program. Therefore, the leverage for the use of PMN funds given to the Company reached 39.4x.

To achieve the performance of fund management revenue in 2020 amounted to IDR854.7 billion, the Company has allocated investment, following the provisions required in the Regulation of the Minister of Finance No. 95/PMK.08/2017, in the form of time deposits and bonds. The placement of funds in time



deposit investment amounted to IDR7.25 trillion, while the placement of bonds instrument amounted to IDR4.41 trillion including Government bonds, SOEs bonds and private corporate bonds with the minimum rating as required in the Regulation of the Minister of Finance.

In line with the increasing number of projects guaranteed by PT PII, the Company's Board of Commissioners consistently encouraged the Board of Directors in refining the project pipeline to obtain quality pipeline, which could also have an impact on the efficiency of Business Development Expenses. New extensification measures of The Government Contracting Agency (GCA) with the Ministries/Institutions or Local Governments have been undertaken to broaden the base of potential Contracting Agency. In addition, the Board of Commissioners has also provided direction and support to the Board of Directors to process projects in a fast and accountable manner and by still taking into account the principles of Good Corporate Governance.

Financial Performance

In general, the Board of Commissioners considered the Company's financial performance until the end of 2020 to be relatively good. The Company's revenue amounted to IDR998.11 billion, a decline of IDR9.92 billion or 0.98% of the revenue recorded in 2019 of IDR1.01 trillion. The realized revenue achieved 95.53% of the Company's Work Plan and Budget target of IDR1.05 trillion. The Company's revenue in 2020 derived from the infrastructure guarantee revenue from of Upfront fee and Recurring fee of IDR121.45 billion, revenue from Loss Limit guarantee of IDR7.68 million, PDF revenue of IDR21.92 billion, and income from investments of IDR854.73 billion.

The Company's revenue from infrastructure guarantee in 2020 amounted to IDR121.46 billion, an increase of IDR17.42 billion or 16.74% of the revenue from the guarantee in 2019 of IDR104.04 billion. Meanwhile, revenue from the project preparation and transaction advisory in 2020 amounted to IDR21.92 billion, declined by IDR6.21 billion or 22.08% of revenue from project preparation and transaction advisory in the previous year of IDR28.13 billion.

Meanwhile, the Company's realization of operating expenses in 2020 amounted to IDR376.69 billion, declined by IDR36.94 billion or 8.93% compared to 2019 of IDR413.63 billion. With the achievement of revenue and operating expenses as abovementioned, the Company's realization of Profit for the Year in 2020

amounted to IDR620.56 billion, an increase of IDR91.14 billion or 17.22% of Profit for the Year in 2019 of IDR529.42 billion. Meanwhile, the realization achieved 112% of the Company's Work Plan and Budget target of IDR554 billion. The increase in profit was due to business efficiency, as reflected in the decline in total operating expenses, which was higher than the decline in the Company's revenue. Hence, the increases in revenue and growth in net profit were still in line with the 2020 growth target as directed by the shareholders, namely at least 5.5% and 4.5% for growth in revenue and net profit respectively.

Based on the description of operational and financial performance as well as the results of the audit conducted by Public Accounting Firm Tanudireja, Wibisana, Rintis & Rekan, in overall the Company achieved 105.95% of the corporate performance contract. The Board of Commissioners considered that the achievement was excellent given the current situation of Covid-19 pandemic, which greatly affected not only the soundness aspect, but also social and economic aspects.

PERFORMANCE OF THE BOARD OF COMMISSIONERS AND PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS' COMMITTEES

As mandated in Article 24 of the Regulation of the Minister of Finance No. 88/PMK.06/2015, the Board of Commissioners has been assigned with KPI as determined by the General Meeting of Shareholders (GMS) of which its realization has been regularly reported to the GMS. The KPI is an assessment to measure the success of the implementation of the Board of Commissioners' duties & responsibilities in supervising and providing advice.

In accordance with the provisions, the realization of the Board of Commissioners' KPIs has also been reviewed by Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (PwC) with the achievement of 105.29% and has been reported to the GMS.

The KPI realization was inseparable from the implementation of duties and functions of the Board of Commissioners' committees, namely the Secretariat, Audit Committee and Risk Monitoring Committee. The Secretariat assisted the Board of Commissioners in resolving all administration matters of the Board of Commissioners. The committees under the Board of Commissioners include the Audit Committee and Risk Monitoring Committee. The Audit Committee



assisted the Board of Commissioners in reviewing the Company's financial statements before reported to the stakeholders, and other stakeholders, conducting studies on the Company's internal assessment reports as well as other duties according to the assignments given by the Board of Commissioners.

Meanwhile, the Risk Monitoring Committee assisted the Board of Commissioners in monitoring the implementation of risk management and GCG in the Company. The Risk Monitoring Committee also reviewed the adequacy, completeness and effectiveness of the implementation of the Company's risk management procedures and recommended policy directions, if necessary, as well as other duties following the assignments given by the Board of Commissioners.

The Board of Commissioners regularly evaluates the effectiveness of the performance of the Board of Commissioners' organs. The Board of Commissioners considered that during 2020 the Board of Commissioners' committees has conducted their duties and responsibilities effectively, as seen from the overall KPI achievements of the Board of Commissioners.

VIEWS ON THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE (GCG)

The Board of Commissioners consistently strived to encourage all members of the Company's Board of Directors and Management to be fully committed and make Good Corporate Governance (GCG) the basis for every decision making and implementation of the business activities. The Board of Commissioners considered that GCG principles within the Company have been well implemented as an organizational management approach based on sound corporate management principles and practices, which shall become the basis in the Company's efforts to improve performance, develop business, and ensure its business continuity in the long term.

The Board of Commissioners observed that the Company established standard rules as required by the regulator. The Company also continuously striving to improve the quality of Corporate Governance principles implementation by making adjustments and updates to the soft structure of Corporate Governance.

Together with the Board of Directors, the Board of Commissioners consistently implement GCG practices in every strategic decision making. The Board of Commissioners also constantly monitor and evaluate as well as assess the implementation of GCG principles carried out by the Company's Board of Directors, and encourage the Board of Directors to ensure that all of the Company's personnel have good work ethics and high motivation in fulfilling the demands and rights of stakeholders through the Company's performance improvement.

2020 was the Company's 5th year for conducting Good Corporate Governance (GCG) assessment. As in previous years, in 2020, the Company has also requested assistance from the Financial and Development Supervisory Agency (BPKP) as the independent assessor for the Company's 2020 GCG implementation. The Board of Commissioners performed an active role during the assessment by assigning Committees and Secretary of the Board of Commissioners to discuss the assessment results with the BPKP assessment team as well as the management team. At the technical level, the discussion results were used as materials for the Board of Commissioners and the Board of Directors to provide responses and plan for improvement.

Based on the results of the assessment from BPKP, the Company received the score of 89.12 ("Excellent" category) for its GCG implementation. With the score, PT PII was able to maintain the "Excellent" category as it has achieved in the previous year. The achievement in maintaining the implementation of GCG practices in the 'Excellent' category showed the commitment of all of the Company's personnel, the Shareholders, the Board of Commissioners, and the Board of Directors, to consistently implement GCG practices. The Board of Commissioners has given direction to pay special attention to the areas for improvement recommended and monitor the follow up actions to improve the Company's GCG implementation every year. In the end, the increasingly improved GCG implementation shall be expected to further improve the Company's performance and contribution in accordance with the mandate given by the Shareholders.



THE BOARD OF COMMISSIONERS' VIEWS ON INTERNAL AUDIT

The Board of Commissioners also placed great attention on the implementation of GCG pillars through the empowerment of the internal audit function. Through the Audit Committee, the Board of Commissioners continually observes the implementation of internal audit to ensure that the management functions were carried out according to GCG principles. Reviews on internal audit activities were conducted starting from the preparation of the annual plan to ensure that the internal audit has implemented a risk-based audit plan properly. Reviews were also conducted on the implementation of internal audit and its results to ensure that the internal audit has provided sufficient information and recommendations to improve weaknesses found in the audit. The Board of Commissioners also periodically conducted follow ups, at least once every three months, to ensure that internal audit recommendations were completed on time.

In 2020, internal audit has been conducted on the management of Non-PPP Guarantee function, guarantee process of the PPP Project for East Trans Sumatra Road – South Sumatra Section, management of Human Capital function, guarantee process of the PPP Project for Komodo Airport Development-Labuan Bajo, management of Procurement function, and Implementation of Internal Control System of Entity Level in 2020. The audit results of these functions assured that these functions have been performed properly and there were no high-risk findings. As of the end of 2020, there were 22 outstanding recommendations, which were still in the follow-up process, consisting of 18 moderate risk recommendations and 4 low-risk recommendations.

The Board of Commissioners requested the Board of Directors to immediately follow up on all recommendations in a timely manner and to take the lesson learned from the audit findings to improve the effectiveness of the Company's risk management and business. For 2020, following the business practices in the digital era as well as learning from the impact of Covid-19 pandemic, the Board of Commissioners gave special concern on the results of internal audit and strengthening of internal control in the aspects of human resources and information technology. The Board of Commissioners has requested the Board of Directors to formulate and implement HC and information technology management to ensure that the Company could maximize business opportunities by relying on competent human resources with an increasingly positive work climate.

THE BOARD OF COMMISSIONERS' VIEWS ON RISK MANAGEMENT

As a company engaged in the core business of guarantee activities, the Company's control over various aspects of risk management became a mandatory. Therefore, this aspect became one of the main concerns of the supervisory activities conducted by the Board of Commissioners. The Board of Commissioners regularly or through assignment to the Risk Monitoring Committee conducted discussions/reviews of risk management practices performed by the Company. These activities include reviewing the value of the guaranteed risk as well as the availability of guarantee capacity, the realization of the amount/percentage of guaranteed risk, which under the 'Safe' category (one of the corporate KPIs related to risk management), the progress of projects included in the guarantee process, monitoring on the risk at the corporate level as well as its mitigations, the work program of the division which handling the Company's risk management program, and also other actual issues.

Based on the results of these discussions, the Board of Commissioners considered that the risk management practices implemented by the Company to be fairly good. External parties also acknowledged the good risk management practices, which could be seen from the appreciation given at the TOP GRC Awards, the largest and most comprehensive award related to Governance (GCG), Risk (Risk Management) and Compliance (Compliance Management). In 2020, the Company received the Four Stars TOP GRC Awards. The Company also received 2 (two) other awards, namely Top Most Committed GRC Leader 2020 and The High Performing Corporate Secretary.

The Board of Commissioners constantly encouraged the Company to continue improving the quality of risk management; therefore the Board of Commissioners supported and appreciated several initiatives undertaken by the Company in enhancing the increasingly improved risk management efforts, including the Development of an Anti-Bribery Management System (SMAP) with reference to ISO 37001. The Anti-Bribery Management System is expected to provide systematic guidance in establishing, implementing and continuously improving the compliance program or SMAP to identifying, preventing and detecting bribery.



THE BOARD OF COMMISSIONERS' VIEWS ON THE IMPLEMENTATION OF WHISTLEBLOWING SYSTEM (WBS)

The Board of Commissioners viewed that the Whistleblowing System (WBS) was designed to strengthen GCG, especially in providing the reporting tool to all of the Company's employees against any actions that may result in financial and non-financial losses, including deterioration of the Company's image. The WBS was designed to ensure that any violations found within the Company's environment, both external and internal, shall be immediately followed up without interrupting the ongoing business processes and without affecting the Company's image and reputation.

The Board of Commissioners observed that the implementation of WBS has been going well. Since being implemented in 2018, the Company has conducted dissemination, internalization and implemented WBS. The Board of Commissioners considered the Board of Directors has been committed to following up on the reported violations, while still ensuring that the whistleblowers with valid complaints, both employees of the Company or external parties, shall be protected following the Company's commitment to upholding ethics, morals and law. The Board of Commissioners consistently supported the improvement of WBS implementation effectiveness, and encouraged the Management to improve WBS management as an effort to create a work environment with integrity as well as a climate of transparency towards the Company's resources.

The Board of Commissioners has given directions for the implementation of WBS, and through the Audit Committee, monitored the complaint management as part of the Whistleblowing Management Team (TP3). The team was determined by a Joint Decree of the Board of Directors and the Board of Commissioners No. 011/SK/PII-BOD/1220 and No. KEP-07/KOM/PII/12/2020 concerning the Whistleblowing Management Team of PT Penjaminan Infrastruktur Indonesia (Persero). During 2020, the Company has not received any complaints. Therefore, there has been no information from the WBS which needed to be followed up.

THE BOARD OF COMMISSIONERS' VIEWS ON THE MANAGEMENT OF CORPORATE SOCIAL RESPONSIBILITY (CSR)

In the Company's 2020 Work Plan and Budget, the total funds allocated for CSR activities amounted to IDR3 billion, which was planned to fund educational, health, religious, economic empowerment and environmental CSR activities. In its progress as part of the Company's efforts to contribute to humanitarian activities or donations related to the prevention of Covid-19, the Company established the policy to provide additional funds of IDR330 million, which derived from the reallocation of other activities. The policy added to the total budget available for CSR programs 2020 amounted to IDR3.3 billion.

As of the end of 2020, the realization of CSR implementation amounted to IDR3.54 billion from the total budget of IDR3.3 billion. The additional use of these funds was due to the need for further implementation of CSR programs to support community economic empowerment amid the conditions of Covid-19 pandemic with a total cost of IDR298.2 million conducted by the Company at the end of 2020. In more detail, the realization of CSR funds was distributed to planned activities, namely education (22%), health (18%), religion (11%), economic empowerment (33%), the environment (4%) and social (18%).

The Board of Commissioners always paid attention to the management of CSR implemented by the Company, regular meetings both at planning and realization stages were consistently held. In general, the Board of Commissioners viewed that the Company's CSR management continued to improve every year. One of which could be seen in 2020 whereas the Company was able to optimize the CSR funds to contribute to the current conditions of the Covid-19 pandemic experienced by the community.

The good CSR management could also be seen from the award received by the Company for its performance on the implementation of Corporate Social and Environmental Responsibility. In 2020, the Company received the 2020 Nusantara Corporate Social Responsibility (CSR) Award as a company with the best commitment and contribution to the community and the environment in 4 categories, namely Education Quality Improvement, Community Economic Empowerment, Community Involvement in Handling Waste and Community Economic Recovery.



In continuing to improve the performance of CSR management, the Board of Commissioners provided directions, including: (i) the importance of maintaining the sustainability of CSR programs, therefore the Board of Directors was asked to classify CSR targets with multi-year program categories along with the achieved targets and milestones in every year, (ii) increasing synergy with similar programs carried out by the Government and (iii) maintaining Good Corporate Governance in CSR management.

VIEWS ON BUSINESS OUTLOOK PREPARED BY THE BOARD OF DIRECTORS

The Company's 2021 business outlook was formally outlined in the Work Plan and Budget for the 2021 fiscal year. The 2021 business outlook was formulated based on several key assumptions, both at the macro level and in the Company's internal capacity. At the macro level, the outlook was compiled by referring to government policies as outlined in the 2021 State Budget. These policies include the State Budget, which would still be focused on encouraging the acceleration process for national economic recovery from the impact of the Covid-19 pandemic. The government still determined infrastructure as the development priority to support the improvement and sustainability of national economic performance. Another factor considered in preparing the business outlook for the Company's internal capacity, whereas the main strategy would be

focused on strengthening and deepening the existing mandate and optimizing business opportunities arising from the implementation of the new mandate. In more detail, these matters were contained in the corporate action plan, profit and asset targets, operational targets, etc.

Therefore, the Board of Commissioners was very supportive of the business outlook formulated by the Board of Directors. The support was provided with a number of considerations, including consistency with government policies, conformity with shareholder directives as well as in-depth discussion of business prospects with the Board of Commissioners. Hence, the Board of Commissioners also believed that the defined targets to be very realistic, both in terms of operational and financial perspective and also supported by the good quality of human resources and the reliability of information technology.

CHANGES IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS

During 2020, there have been changes in the composition of the Company's Board of Commissioners, namely the appointment of Awan Nurmawan Nuh as President Commissioner and Wahyu Utomo as Commissioner. Therefore, the composition of the Board of Commissioners as of December 31, 2020 is as follows:

Name	Position	Basis of Appointment
Awan Nurmawan Nuh	Commissioner	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 205/KMK.06/2020.
Mariatul Aini	Commissioner	Appointed as Commissioner since December 21, 2018 based on the Decree of the Minister of Finance of the Republic of Indonesia No. 861/KMK.06/2018 and reappointed based on the Decree of the Minister of Finance No. 720/KMK.06/2019.
Wahyu Utomo	Commissioner	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 205/KMK.06/2020.



CLOSING

Overall, the Company was able to achieve good performance in 2020.

On behalf of the Board of Commissioners, we would like to express our gratitude and appreciation to the Shareholders and stakeholders for the support, cooperation and trust entrusted to the Board of Commissioners.

The Board of Commissioners would also like to express its appreciation and gratitude to the Board of Directors and Management as well as all employees for their hard work, dedication and enthusiasm to continue striving to improve the Company's performance in accordance with the objectives, vision and mission as mandated by the Shareholders and the GMS.

We believed that optimal resource management and supported by reliable IT and systems shall result in the Company's positive growth. In the future, the Company is expected to be able to develop business and open new opportunities to provide sustainable growth in the long term. And through the Company's contribution in one of the National Economic Recovery (PEN) Programs, PT PII is also expected to enhance the confidence and optimism towards national economic recovery.

Hence, we presented the accountability report of the Board of Commissioners for the implementation of supervisory and advisory duties during the 2020 Fiscal Year. Hopefully, it could be taken into consideration by the distinguished Shareholders to accept and approve the Board of Commissioners' report as the Annual GMS Resolution for the 2020 Fiscal Year.

Jakarta, April, 2020
PT Penjaminan Infrastruktur
Indonesia
On Behalf of the Board of
Commissioners,

Awan Nurmawan Nuh
President Commissioner



Wahyu Utomo
Commissioner

Awan Nurmawan Nuh
President Commissioner

Mariatul Aini
Commissioner

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REPORT OF THE BOARD OF DIRECTORS



**MUHAMMAD WAHID
SUTOYO**

President Director

“ The COVID-19 pandemic became a momentum for PT PII to conduct transformation in optimizing both the Company’s internal potential and the PPP ecosystem. The transformation process was implemented in the form of strategic policies to ensure the achievement of the Company’s targets. ”

Dear Distinguished Shareholder and Stakeholders,

Praise and gratitude to the presence of God Almighty for the abundant blessings and grace that have enabled the Company to pass the 2020 fiscal year successfully. On this good occasion, on behalf of the Board of Directors, allow us to present the results of the Company’s management and performance during the 2020 fiscal year.

NATIONAL ECONOMIC REVIEW

In 2020, the Indonesian economy was in a negative zone during the first year of the COVID-19 pandemic. The impact of the COVID-19 pandemic has resulted in significant decline in the overall national economic growth.

Based on the data from the Central Bureau of Statistics (BPS), Indonesia’s economic growth in 2020 experienced a growth contraction of 2.07% compared to 2019. Several components of economic growth were negative, such as production, which experienced the highest growth contraction occurred in the Transportation and Warehousing Business Sector of 15.04%. While in terms of expenditure, almost all components experienced contraction with negative growth, such as the Export of Goods and Services Component with the highest negative growth of 7.70%. Meanwhile, the Import of Goods and Services component, as the deduction factor, with negative growth of 14.71%.

While in the fourth quarter of 2020, the Indonesian economy experienced negative growth of 0.42% against the fourth quarter of 2019. In terms of production, negative growth of 20.15% occurred in the agriculture, forestry, and fishery sector. In terms of expenditure, the highest growth was achieved by the Government Consumption Expenditure (PKP) Component, which grew by 27.15%.

Efforts to coordinate and synergize macroeconomic policies between the Government and relevant regulators have succeeded in generating positive signals for Indonesia’s future economic prospects. The improvement signs have been seen since quarter III-IV of 2020, in which the economic contraction was not as significant as in the second quarter of 2020. The

realization of the PEN program as part of Government Consumption has driven the improvement in household consumption growth from -4.05% (YoY) in the third quarter of 2020 to -3.61% (YoY) in the fourth quarter of 2020, in line with the improvement in the community mobility. The realization of the Government’s stimulus in the social protection program contributes to maintaining people’s purchasing power during the COVID-19 pandemic. Furthermore, the support provided by the National Economic Recovery Program (PEN) for MSMEs and Corporations was able to maintain the business sector sustainability, which enabled business actors in responding to the improvements in domestic demand by increasing their production activities. The improved business outlook has supported improvements in terms of investment (Gross Fixed Capital Formation – GFCF), which grew by -6.15% (YoY) in the fourth quarter of 2020, improved from the third quarter of 2020 of -6.48% (YoY). At the same time, global demand recovery and increase in global commodity prices have encouraged Indonesia’s exports. Improvements could also be seen in terms of the business sectors, whereas the key sectors, such as the manufacturing industry, trade, as well as transportation and warehousing have been recovered. In accordance with the focus on encouraging improvements in terms of health, health services and social activities have also managed to grow significantly throughout 2020.

The Government’s commitment to continue the PEN Program, including the implementation of credit guarantee program as well as vaccination program would be a game-changer in the economy in 2021. The Government believed these strategic steps would encourage the economy to rebound in 2021 with positive growth. The Government’s economic projections were also supported by the strengthening of macroeconomic policy synergies with relevant regulators.

Related to the PEN program, the Company has been directly involved and has implemented the Labor Intensive Corporate Guarantee mandated by the Regulation of the Minister of Finance No. 98 of 2020 and also the preparation of SOEs Guarantee as mandated by the Regulation of the Minister of Finance No. 211 of 2020.



THE COMPANY'S ROLE AND STRATEGIC POSITION

Since its establishment in 2009 in accordance with Government Regulation No. 35 of 2009 (which was then amended by Government Regulation No. 50 of 2016) as SOE and Special Mission Vehicles (SMV) under the Ministry of Finance, PT PII has further strengthened the Company's role and strategic position to support the acceleration of infrastructure provision in Indonesia. The Company performed its strategic role in increasing the trust and participation of the private sector to contribute in infrastructure development through the provision of sovereign guarantee for contractual risks related to government actions for infrastructure projects with PPP scheme as well as guarantee for loans provided for infrastructure projects (direct lending). The Company's role ranged from ecosystem capacity development, project preparation and transaction advisory, project appraisal, guarantees, to project monitoring, which showed the real and comprehensive role of PT PII in accelerating infrastructure development in Indonesia. The year 2020 was a momentum for the Company to expand its strategic role through the expansion of its mandate and assignments. In connection with the issuance of Government Regulation No. 55 of 2020, the purposes and objectives of the Company have been changed to:

1. Provide sovereign guarantee in the infrastructure sector;
2. Conduct activities related to the implementation of sovereign guarantee and other activities related to the implementation of projects development which support the national economy; and
3. Provide a sovereign guarantee in financing in sectors other than infrastructure based on government assignments.

In accordance with the Government Regulation No. 55 of 2020, the Company's scope of business activities shall no longer be limited to guarantee activities and other infrastructure provision-related activities, but also include the provision of sovereign guarantee to financing other sectors which support the national economy. Therefore, a review of the Company's vision and mission as well as and adjustments to the Company's Long-Term Plan, shall be conducted to balance the dynamics of Company's business activities development as well as optimizing the Company's role and benefits for development to be conducted in the following years.

In addition to the expansion of its mandate, the Company has received additional assignments from the Government to contribute to the National Economic Recovery (PEN) Program, which aimed to protect, maintain and improve the economic capacity of business players from the real sector as well as financial sector in conducting their businesses considering the impact of COVID-19 pandemic, which occurred Indonesia since the end of the first quarter of 2020.

Regarding the PEN program, the Government has issued Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program to Support State Financial Policy for Handling the 2019 Corona Virus Disease Pandemic (COVID-19) and/or Facing Threats that Endanger the National Economy and/or Financial System Stability and Save the National Economy. As a follow-up to the Government Regulation, Government Regulation No. 43 of 2020 was issued as a revision of Government Regulation No. 23 of 2020 in which the Indonesian Eximbank (LPEI) and PT PII were assigned as guarantee business entities of the Government to implement the PEN Program. In regards to this, Regulation of the Minister of Finance No. 98/PMK.08/2020 concerning Government Guarantees Procedures to Corporate Business Actors through Appointed Guarantee Business Entities for the Implementation of the National Economic Recovery Program was issued.

With the issuance of the policy that became the basis for the Company's assignment in the PEN program, series of activities were then carried out to support the implementation of the guarantee as referred to in Regulation of the Minister of Finance No. 98 of 2020, starting from the issuance of further policies, agreements between related parties, to the strengthening of the Company's capacity to implement the Program. Further policies issued include the Decree of the Minister of Finance No. 523/KMK.08/2020 concerning the Assignment to PT Penjaminan Infrastruktur Indonesia (Persero) for Implementing sovereign guarantee Loss Limit Support in the Implementation of the National Economic Recovery Program and Decree of the Minister of Finance No. 522/KMK.08/2020 concerning the Assignment to PT Penjaminan Infrastruktur Indonesia (Persero) for Implementing Joint Guarantee with the Indonesian Eximbank for Corporate Business Actors in Implementing the National Economic Recovery Program.



As a follow up to the assignment based on the Decree of the Minister of Finance, the following cooperation agreements were signed between the parties:

1. Cooperation Agreement No. PRJ-428/PR/2020-009/ PLLPEN/DRU/1120 between the Ministry of Finance and PT PII concerning the Assignment to Provide Loss Limit Support related to the Government Guarantee for the National Economic Recovery Program on November 19, 2020.
2. Cooperation Agreement No. 565/PKS/12/2020/010/ PLLPEN/DRU/1220 between the Indonesia Eximbank and PT PII regarding the Implementation of Loss Limit Support related to the Government Guarantee for Corporate Business Actors for the National Economic Recovery Program on December 15, 2020.
3. Cooperation Agreement No. PRJ-553/PR/2020-011/ PPBPEN/DRU/1220 between the Ministry of Finance of the Republic of Indonesia and PT PII regarding the implementation of joint guarantee assignment related to the sovereign guarantee for the National Economic Recovery Program on December 23, 2020.

As capacity support and for the purpose of implementing the mandate and assignment given, the Minister of Finance as the Company's Shareholder in 2020 approved the amendment to the Company's Articles of Association, which included changes to the Company's purposes and objectives, and business activities, as well as the addition of the Company's authorized capital to IDR20 trillion. Further on December 30, 2020 based on Government Regulation No. 79 of 2020, the Company received an additional State Equity Participation of IDR1.57 trillion as capacity support for the implementation of the PEN Program assignment.

From the internal side, to ensure the effective implementation of the expansion of its mandate and assignment, the Company has prepared supporting infrastructure including internal policy frameworks, human resources, supporting systems as well as adjustments to work plans and budgets. Considering that the expansion of the mandate and assignment to the Company was only given in the fourth quarter of 2020, to adjust its work plan and budget, on December 21, 2020, the Company held an Extraordinary General Meeting of Shareholders (EGMS) with the agenda of Approval of Amendment to the Company's Work Plan and Budget for the 2020 Fiscal Year. Through EGMS, the Company's Shareholder approved and ratified the changes to the Company's Work Plan and Budget for the 2020 Fiscal Year as well as activities conducted regarding the assignments of the PEN program.

With the expansion of new mandates and assignments, 2020 became an important milestone in the Company's history. Currently, 11 years after its establishment, with the support of stakeholders and shareholders, the challenges faced during the COVID-19 pandemic which happened globally have become a momentum for the Company to adapt swiftly and transform in new ways to strengthen its contribution in maintaining the development and recovery of the national economy through the implementation of sovereign guarantee.

PERFORMANCE ANALYSIS 2020

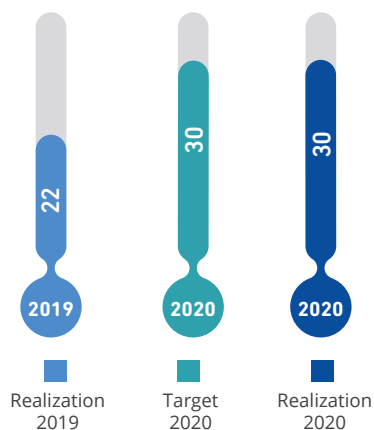
In 2020, the company has guaranteed 30 infrastructure projects with the estimated project value of IDR315.4 trillion, and guarantee value of IDR66.4 trillion. The guaranteed projects consisting of 6 infrastructure sectors, including: 1) Road Sector, comprised of 14 Toll Road and Non-Toll Road projects; 2) 4 projects in Telecommunication sector; 3) 5 projects in Electricity Sector; 4) 4 projects in Drinking Water Supply System (SPAM) Sector; 5) 2 projects in Transportation Sector; 6) Tourism Sector, with 1 Economic Zone project. As of 2020, the Company has received additional State Equity Participation (PMN) amounted to IDR8 trillion, which aimed to support the Government's guarantee program in the infrastructure sector. Therefore, as of the end of 2020, the leverage for the use of PMN funds given to the Company for infrastructure guarantee has reached 39.4x.

Meanwhile, in terms of fund management, the Company has allocated investment to achieve the performance of IDR831 billion in 2020, in accordance with the provisions required in Regulation of the Minister of Finance No. 95/PMK.08/2017. The placement of funds in time deposit investment amounted to IDR7.25 trillion, while the placement of bonds instrument amounted to IDR4.41 trillion including Government bonds, SOEs bonds and private corporate bonds with the minimum rating as required in the Regulation of the Minister of Finance No. 95/PMK.08/2017.



Guarantee Projects

(In project unit)



In addition, the Company has prepared and conducted PPP Project Preparation and Implementation for the Provision of Infrastructure according to the assignment in the Regulation of the Minister of Finance No. 73/PMK.08/2018, which was then amended by the Regulation of the Minister of Finance No. 180/PMK.08/2020 concerning Facilities for the Preparation and Implementation of Transactions of Government Cooperation Projects with Business Entities in the Provision of Infrastructure. As of the 2020 fiscal year, the Company has received assignments of project preparation and transaction advisory for 7 (seven) projects, including: 1) Development of East Trans Sumatra Road – South Sumatra Section Project; 2) Development of East Trans Sumatra Road – Riau Section Project; 3) Dharmais Cancer Hospital Project; 4) Makassar – Parepare Railway Project; 5) Development of Zainoel Abidin Hospital Project (Aceh); 6) Development of Bekasi BPLJSKB Proving Ground Project; and 7) Development of the South Badung Ring Road Project.

Comparison of Target vs. Realization

In general, the Company's achievement of financial performance was still under control. The Company's assets as of December 31, 2020, amounted to IDR13.55 trillion, an increase of 21.93% compared to its position as of December 31, 2019, of IDR11.11 trillion. Meanwhile, the asset position achieved 102.89% of the Company's 2020 Work Plan and Budget target of IDR13.17 trillion. In terms of composition, the investment portfolio was the largest component with 61.86% of the Company's total assets, followed by cash and cash equivalents at 36.05%. In general, the increase in total assets was contributed by the increase in the amount of cash and cash equivalents of IDR4.88 trillion.

The Company's liabilities as of December 31, 2020, amounted to IDR204.03 billion, an increase of 46.30% compared to its position as of December 31, 2019, of IDR139.46 billion. Meanwhile, the position achieved 99.72% of the Company's 2020 Work Plan and Budget target of IDR204.60 billion. The increase in total liabilities was mainly due to finance lease liabilities, additional unearned income and employee benefit obligations. The Company's equity as of December 31, 2020 amounted to IDR13.34 trillion, an increase of 21.62% compared to its position as of December 31, 2019 of IDR10.97 trillion. Meanwhile, the position achieved 102.94% of the Company's 2020 Work Plan and Budget target of IDR12.96 trillion. The increase in equity was derived from the increase in capital and retained earnings from the Profit for the Year 2020.

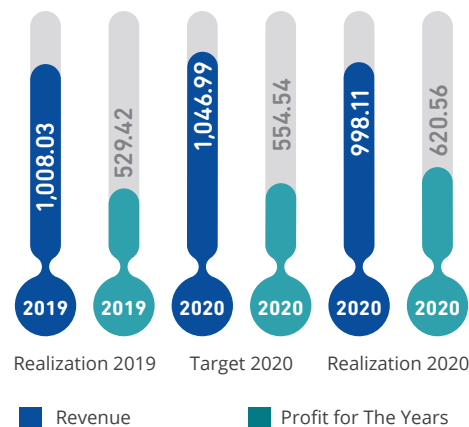
The Company's revenue amounted to IDR998.11 billion, a decline of IDR9.92 billion or 0.98% of the revenue recorded in 2019 of IDR1.01 trillion. The realized revenue achieved 95.53% of the Company's Work Plan and Budget target of IDR1.05 trillion. The Company's revenue in 2020 derived from the infrastructure guarantee revenue of Upfront fee and Recurring fee of IDR121.45 billion, revenue guarantee from Loss Limit Support of IDR7.68 million, PDF revenue of IDR21.92 billion and income from investments of IDR854.73 billion. The Company's revenue from the guarantee activities in 2020 amounted to IDR121.45 billion, an increase of IDR17.41 billion or 16.73% of the revenue from guarantee activities in 2019 of IDR104.04 billion. Meanwhile, revenue from project preparation and transaction advisory in 2020 amounted to IDR21.92 billion, declined by IDR6.21 billion or 22.08% towards revenue from project preparation and transaction advisory in the previous year of IDR28.13 billion.

The Company's realization of Profit for the Year in 2020 amounted to IDR620.56 billion, an increase of IDR91.14 billion or 17.22% of Profit for the Year in 2019 of IDR529.42 billion. Meanwhile, the realization of

Profit for the Year achieved 111.91% of the Company's Work Plan and Budget target of IDR554.54 billion. The increase in Profit for the Year was due to the decline in the Company's operating expenses.

Financial Performance

(in IDR billion)



CORPORATE STRATEGY

The COVID-19 pandemic throughout 2020 has put pressure on economic activity and budget limitations which impacted both central and local government in the country. Aside from being a challenge for PT PII, it is also momentum for transformation of internal and infrastructure provision ecosystem with alternative financing schemes. Transformation in optimizing the Company's internal potential and viewing business opportunities in the midst of the current pandemic, through innovations and policy breakthroughs, which could expand the scope of the Company's business and improve its performance. Business development policies that continued to prioritize occupational health and safety were in accordance with the business continuity plan and risk consideration. Communication transformation needed to be built within the PPP ecosystem with the Ministries and Regional Governments to enable a more effective communication.

Due to these conditions and developments, the Company has conducted strategic planning and efforts to ensure the achievement of the targets. The strategic efforts which have been made by the Company in supporting the performance achievement in 2020, namely:

1. Implementation of a Sustainable PPP Pipeline

In line with the Company's Long-Term Plan in accelerating the provision of guarantees for PPP projects in the infrastructure sector, in 2020, one of the main focuses was the sustainability of PPP guarantee pipeline through continuity in project preparation and transaction advisory as well as the effort for infrastructure ecosystem development. The year 2020 was a continuation of the "expanding stage" of 2019 strategic initiatives.

In 2020, the Company continued to strengthen the sustainability of its role in accelerating project readiness through the assignment on the PDF facilities. The Company shall consistently strive to complete the assignments which have been received in accordance with the assignment contract by coordinating with the relevant stakeholders. The Company considered the quality of assignment completion to be the main focus.



In pursuing the sustainability of the guarantee pipeline, the Company strived to perform the central role in the development of the infrastructure ecosystem to encourage infrastructure projects through the development of the role and scope of IIGF Institute as well as looking for additional new sectors. Through guarantee, PT PII also performed the role in encouraging infrastructure projects which can have a large economic impact and be perceived by the wider community.

2. Strengthened Guarantee Business

In strengthening the guarantee business, the Company implemented structured efforts and conducted debottlenecking and reconciliation between stakeholders to encourage projects that have submitted Screening Forms, especially the understanding of investors/lenders of the added value of guarantee (bankability) and continued to maintain and strengthen foreign and local infrastructure market, investors, project consultants, multilateral agencies as well as the media. In addition, efforts were made to maintain a consistent time span between the stages of guarantee processing, starting from the implementation of advisory for the submission of Guarantee Application Package, the underwriting (appraisal and structuring) process for guarantee in parallel to the bidding process by the Government's Contracting Agencies (GCA) and the monitoring process since the signing of 3 agreements (PPP Agreement, Guarantee Agreement and Recourse Agreement). The Company ensured that appraisal/assessment standards were conveyed in assessing the feasibility of a project, which could be used as reference for GCA in preparing the project, proposing an optimal, credible and bankable guarantee structure, and ensuring reasonable risk allocation until the project is ready for business entity bidding by GCA in order to further confirm the project success. Implementation of the provision of guarantee that emphasized the quality evaluation and intensive support for project success has become the Company's main focus in strengthening the guarantee business.

3. Sovereign Risk Management

As a government risk manager, the Company has always been active in monitoring projects both through GCA and directly to the Project Company and also at the field to support project risk management in order to ensure the achievement of Financial Closed and to avoid unnecessary fiscal risks. The implementation of the aforementioned

strategy was inseparable from the efforts to continue good governance practices and establish a clean and dignified organization. The results of the monitoring carried out by the Company, until the end of 2020 showed that the number of risks that were included in the safe category for 30 (thirty) projects guaranteed by the Company achieved 96.62%.

4. Commitment and Consistency in the Implementation of Good Corporate Governance

The Company is committed to become a company which upholds the implementation of Good Corporate Governance (GCG) to become a respectable and trusted company by its stakeholders and shareholders. The management's effort to ensure GCG implementation could be seen from the periodic evaluation and assessment of GCG implementation by an independent party. Since 2016, the assessment of GCG implementation in the Company was conducted by the Financial and Development Supervisory Agency (BPKP) with consistently improved achievement every year until 2018, in which the Company received "Excellent" predicate, which the Company was able to maintain until the latest assessment for 2020 fiscal year. Another evidence of the Company's GCG implementation was the AAA rating received by the Company for national and BBB rating for international (sovereign rating) from the international rating agency Fitch Rating. The achievement was an important asset for the Company to continue improving the Good Governance practices and establishing PT PII as a respectable and trusted organization to provide the greatest benefits to the people of Indonesia.

CHALLENGES AND ITS SOLUTIONS

In conducting the management of sovereign guarantee projects throughout 2020, we realized that there would be various constraints and challenges. From macroeconomic perspective, the national economy was under pressure due to the COVID 19 pandemic, which impacted the adjustment of the Government's development targets and budget allocations.



In terms of project operations, changes in project budget allocations (land or support) or changes in GCA officials during the planning, preparation and transaction of PPP projects, constraints in meeting document standards and guarantee eligibility criteria, dynamics in the project approval process at the Regional/Local Government level (also related to Regional Parliament/DPRD), as well as other challenges that might cause the failure in achieving guarantee project stages as expected.

The Company's business processes and projects involve various external stakeholders ranging from the Ministries, Institutions or State-Owned Enterprises (BUMN)/Regional-Owned Enterprises (BUMD). Hence, the success in carrying out business activities depended heavily on the support and good coordination of all stakeholders. To anticipate this, we optimized our role as the facilitator of relevant stakeholders and mediate various issues during the project in order to accelerate the project process. We also continued to provide assistance as well as capacity building in order to disseminate knowledge and obtain commitment from all stakeholders. In addition, we were also faced with capacity and capital adequacy challenges in ensuring the Company's ability to implement the mandate as guarantor of infrastructure projects.

Therefore, the Company also established joint guarantees with the Ministry of Finance including the addition of State Equity Participation (PMN) funds and strived to continue strengthening the cooperation and relationships with multilateral institutions as partners in increasing the Company's guarantee capacity.

In anticipating existing challenges, the Company performed improvements and changes within the Company to improve the performance of various aspects including the aspect of capacity building in transactions. In addition, coordination with GCA was also enhanced to find common solutions related to the impact of the COVID-19 pandemic on budget transfer and possible shifts in work completion.

BUSINESS OUTLOOK

One of the factors which significantly support economic growth is the availability of sufficient infrastructure for public economic activities. Infrastructure development is one of the strategic options to accelerate Indonesia's economic growth and equitable development distribution.

The spirit of said acceleration has been stated in the 2020-2024 National Medium Term Development Plan (RPJM) IV, in which the Government has set the infrastructure sector to be a priority for national plans and policies to support economic development and basic services. One of the RPJMN development agendas was infrastructure strengthening, which aimed at supporting economic activity and promoting equitable distribution of national development. The Indonesian government shall ensure that infrastructure development shall be based on regional needs and advantages by: 1) Making regional excellence as reference for identifying regional infrastructure needs; 2) Enhancing regulation, guidance and supervision in development; 3) ICT-based urban infrastructure development; 4) Rehabilitation of inefficient facilities and infrastructure; and 5) Facilitating the licensing for infrastructure development.

Hence, in the 2020-2024 periods, infrastructure development shall be prioritized on three main focuses, namely Infrastructure for Equitable Development, Infrastructure for Economic Development, and Infrastructure for Urban Development. Development on these three main focuses shall be supported by the development of energy, electricity, and implementation of digital transformation, and the prioritization of disaster resilience, gender equality, good governance, sustainable development, as well as capital and socio-culture as the mainstreaming in the 2020-2024 infrastructure development frameworks.

In the efforts to achieve the GDP growth target of moderate scenario in the 2020-2024 RPJMN, the need for infrastructure expenditure was estimated to achieve IDR6,445 trillion or an average of 6.08% of GDP. Meanwhile, the Government's ability to finance infrastructure expenditure was only IDR2,385 trillion (37% of total demand) or the capacity to provide was only 3.46% of GDP, which showed a significant gap in infrastructure funding. Therefore, creative efforts shall be needed to encourage the participation of the public and business entities through Public-Private Partnership (PPP) scheme. In addition, the Government shall also conduct several efforts to increase infrastructure funding capacity, such as reviewing tariff policies, increasing fiscal capacity and reallocating government spending.



In line with the new paradigm of infrastructure funding that made State Budget (APBN)/Regional Budget (APBD) as the last alternative funding, provided wide space and business outlook for the Company in performing a role in guaranteeing both through PPP and non-PPP schemes. Therefore, the Company feels optimistic about the business opportunities in the future. This was reinforced by the expansion of its mandate/assignment given by the Government through the issuance of Government Regulation No. 55 of 2020 so that the scope of business activities shall no longer be limited to guarantee activities and other infrastructure-related activities, but also include the provision of sovereign guarantee to financing other sectors and Government Regulation No. 43 of 2020 as a revision of Government Regulation No. 23 of 2020 related the involvement in the National Economic Recovery Program through guarantees for Labor Intensive Corporate Business Actors.

The experience and knowledge for a decade of the establishment have equipped the Company to consistently support the development of national infrastructure. We believed that the Company's business outlook shall be better and its performance improvement shall also be achieved, as well as the ability to capture various opportunities and adapt to changes in the increasingly complex business environment in the future.

IMPLEMENTATION OF CORPORATE GOVERNANCE

The management believes that consistent GCG implementation would strengthen the Company's competitiveness position, maximize its value, manage resources and risks more efficiently and effectively, which in the end would strengthen the confidence of the shareholders and stakeholders, to enable the Company in providing maximum benefits to stakeholders and carrying out the Company's vision to support sustainable development. The management consistently strived to improve and enhance the implementation of GCG within the Company by strengthening the supporting infrastructure for GCG, monitoring, evaluating and assessing GCG, as well as continuously instilling the commitment for GCG implementation to the Company's personnel. Throughout 2020, in addition to its routine activities, the Company also updated policies related to the Gratification Control Unit and Whistleblowing Management Team (TP3) through a Joint Decree of the Company's Board of Commissioners and Board of Directors.

In monitoring the consistency of GCG implementation within the Company's environment, as well as receiving inputs for improvement and development of GCG implementation, the Company consistently measured GCG implementation based on the assessment by an independent party. Since 2016 the Company's GCG assessment has been carried out by the Financial and Development Supervisory Agency (BPKP) and has shown a consistent increase for five consecutive years until 2020, with a score of 89.12 "Excellent".

The Company has implemented integrated governance between the aspects of governance, risk and compliance (GRC) and implemented it into every process of planning, development, and business operations of the Company. As a manifestation of the results of GRC implementation, the Company has received an award from the 2020 Top Governance, Risk & Compliance (GRC) Award for the Top GRC 2020 #4Star category, The 2020 Most Committed GRC Leader, and The High Performing Corporate Secretary on GRC 2020.

Being a company that has the function as fiscal tools and risk manager for the Government, the implementation of GRC was not only a fulfillment of obligations but also the Company's basic needs in carrying out its business activities. Realizing this, the Company continued to develop the GRC structure and mechanism in accordance with the applicable laws and regulations as well as best practices. The successful implementation of the Company's integrated GRC for both internal corporate management as well as the main business activities became one of the main keys to the Company's success. This has been shown with the recognition given to the Company, which was named as PPP Agency of the Year for 2 consecutive years in 2019 and 2020 by The Asset Triple A Asia Infrastructure Awards.

These achievements were inseparable from the support of the Shareholders, the Board of Commissioners and other stakeholders who have assisted the Company in upholding its commitment to implementing Good Corporate Governance. By emphasizing its business activities on the principles of GCG and GRC, the Company is expected to create long-term business continuity and the basis of a healthy, respectable and trustworthy company.



HUMAN RESOURCES DEVELOPMENT

The role of professional human resources (HR) is considered to be very crucial in achieving the success of an organization. The Board of Directors gives great attention to human resource management to deliver innovative, creative and leading-edge employees in their respective fields of expertise. Assessments and adjustments shall continue to be made to enable continuous improvements in order to support the success of the Company's mandates. The approach to be taken shall be to anticipate the balance of workload ratio and the number of employees through monitoring and development of human resources quality.

In addition, the Company has allocated competent, experienced, and sufficient personnel to support the implementation the Company's role in the corporate guarantee scheme, in supporting the preparation of business processes as well as in planning of additional personnel, particularly in corporate financing and credit assessment to support the implementation of the Company's mandate.

Related to the reliable HR personnel, the Company carried out continuous HR development through competency improvement training. In 2020, the Company has admitted its employees in various public and in-house training, both domestic and overseas, with the total development budget amounted to IDR1.07 billion.

IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY

The Company viewed that Corporate Social Responsibility (CSR) activities were not only the fulfillment of its obligations, but a form of its commitment to establish harmony with the community and the surrounding environment and to be involved in sustainable development. The management believed that the implementation of a sustainable CSR program in the long term shall provide many benefits for the Company, especially in the aspect of developing trust, creating harmony with stakeholders, and improving its reputation, which in turn could create added value that shall drive the effective implementation of the Company's business and growth. In conducting the CSR

program, the Company involved various elements of the community, the environment and also the Company's personnel as well as other Special Mission Vehicles (SMV) of the Ministry of Finance.

In 2020, which was the first year the COVID-19 pandemic occurrence in Indonesia, the Company strived to help alleviate the impact of the pandemic experienced by the community. In response to these conditions, in 2020 the Company adjusted its CSR program activity plan and budget into 4 focuses, namely:

1. providing assistance for basic needs for people in need;
2. assistance of Personal Protective Equipment (PPE) and health facilities for medical personnel and hospitals;
3. assistance in the education through training for teachers to hold online teaching activities; and
4. community economic empowerment, especially for MSME business doers affected by the pandemic.

In terms of budget, based on the Company's 2020 Work Plan and Budget, which was approved by the GMS on December 17, 2019, the budget for the Company's CSR program in 2020 amounted to IDR3 billion. Then based on the direction of the Company's Shareholders, as an effort to encourage humanitarian activities or donations related to the COVID-19 response, the religious holiday allowance of the Company's Board of Commissioners and Board of Directors in 2020 of IDR330 million was allocated for CSR programs. The policy added to the total budget available for CSR programs in 2020 amounted to IDR3.3 billion.

Based on the adjustment of the work plan and budget, the realized distribution of CSR funds in 2020 amounted to IDR3.54 billion or 106% of the budget. The highest budget realization for CSR programs was for community economic empowerment, health and social programs. This showed the Company's commitment as SOE and SMV of the Ministry of Finance, to fully support the Government's efforts in dealing with the COVID-19 pandemic which has a major impact on the economic, social and health sectors.



The Company's commitment to CSR activities was recognized by the 2020 Nusantara Corporate Social Responsibility (CSR) Awards as a Company which has the best commitment and contribution to society and the environment for 4 categories, namely Education Quality Improvement, Community Economic Empowerment, Community Involvement in Handling Waste and Community Economic Recovery. In addition, the Company also received awards from the TOP CSR Awards for 2 categories, namely TOP CSR 2020 #4 Stars and Top Leader on CSR Commitment 2020. These recognitions were inseparable from the full support of the Shareholders, the Board of Commissioners and all parties who have supported the Company's CSR commitments and programs.

In increasing the impact and benefits of the Company's program, the management continued to evaluate the programs which have been implemented to conduct improvements. One of the efforts to improve the implementation of the Company's CSR program was to update the Guidelines and SOPs for the Implementation of the Company's Social and Environmental Responsibility in 2020. By updating these policy tools, it was expected that the CSR programs conducted by the Company shall be in accordance with the targets and contribute to the environment and community.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

In 2020, there have been changes in the Company's management. Based on the Decree of the Minister of Finance No. 127/KMK.06/2020, Andre Permana was appointed as member of the Board of Directors on March 23, 2020. Hence, the composition of the Company's Board of Directors in 2020 is as follows:

Name	Position	Basis of Appointment
Muhammad Wahid Sutopo	President Director	Appointed for the first time as Director based on the Decree of the Minister of Finance of the Republic of Indonesia No. 885/KMK.06/2017 and then reassigned as President Director since November 29, 2019 based on the Decree of the Minister of Finance No. 890/KMK.06/2019.
Salusra Satria	Finance and Project Assessment Executive Director	Decree of the Minister of Finance of the Republic of Indonesia No. 46 / KMK.06/2016
Andre Permana	Business Executive Director	Decree of the Minister of Finance of the Republic of Indonesia No. 127/ KMK.06/2020



APPRECIATION

For all of the Company's achievements in 2020, we would like to express our highest appreciation for the dedication given by the employees. We also would like to convey our gratitude to the Board of Commissioners, shareholders, business partners and stakeholders for their support and trust. Such support provided significant contribution to the Company's success in navigating the challenging years to come.

We fully realized that the coming years shall be full of challenges as well as opportunities for the Company to be more advanced, superior and reliable. With the support and cooperation from the stakeholders, the Company feels optimistic to achieve higher progress in realizing its vision, mission and objectives.

Jakarta, April 2021
PT Penjaminan Infrastruktur
Indonesia
On Behalf of the Board of Directors,

Muhammad Wahid Sutopo
President Director



Salusra Satria
Executive Director of Finance
and Project Appraisal

Muhammad Wahid Sutopo
President Director

Andre Permana
Executive Director
of Business

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Mute



Stop Video



Security



Participants

C



AMINAN &
STRUKTUR
e & Infrastructure



M. Wahid Sutopo



Salusra Satria



Andre Permana

Chat

Share Screen

Record

Reactions

End



TANGGUNG JAWAB ATAS LAPORAN TAHUNAN 2020

Surat Pernyataan Anggota Dewan Komisaris dan Anggota Direksi tentang Tanggung Jawab atas Laporan Tahunan 2020 PT Penjaminan Infrastruktur Indonesia (Persero)

Kami yang bertanda tangan di bawah ini menyatakan bahwa semua informasi dalam Laporan Tahunan PT Penjaminan Infrastruktur Indonesia (Persero) tahun 2020 telah dimuat secara lengkap dan bertanggung jawab penuh atas kebenaran isi Laporan Tahunan Perusahaan.

Jakarta, April 2021

DEWAN KOMISARIS, Board of Commissioners,

Awan Nurmawan Nuh
Komisaris Utama
President Commissioner

Mariatul Aini
Komisaris
Commissioner

Wahyu Utomo
Komisaris
Commissioner

STATEMENT OF ACCOUNTABILITY FOR THE 2020 ANNUAL REPORT

Statement of Accountability of The Board of Commissioners and Board of Directors for The 2020 Annual Report of PT Penjaminan Infrastruktur Indonesia (Persero)

We, the undersigned, hereby declare that all information contained in the 2020 Annual Report of PT Penjaminan Infrastruktur Indonesia (Persero) has been presented in full and we shall be fully accountable for the accuracy of the contents of the Company's Annual Report.

Jakarta, April 2021

DIREKSI,
Board of Directors,

Muhammad Wahid Sutopo
Direktur Utama
President Director

Salusra Satria
Direktur Eksekutif Keuangan dan Penilaian Proyek
Finance and Project Assessment Executive Director

Andre Permana
Direktur Eksekutif Bisnis
Business Executive Director



DISTRIBUTION NETWORK DEVELOPMENT PROJECT FOR EAST JAVA AND BALI

MEDIUM VOLTAGE NETWORK DEVELOPMENT (JTM)
LOW VOLTAGE NETWORK (JTR)

COMPANY PROFILE

Since its establishment, PT Penjaminan Infrastruktur Indonesia (Persero) was designed to bridge the cooperation between public and private in the provision of infrastructure through the Public-Private Partnership (PPP) scheme. In the second decade since its establishment, through the experiences and successes achieved, the Shareholders trusted the Company to develop its business activities by giving the mandate to provide sovereign guarantees on direct loans for the development of infrastructure projects, to conduct preparation and transaction advisory or Project Development Facility (PDF) of PPP Project through assignment from the Ministry of Finance as well as to provide sovereign guarantees for corporate business actors for the implementation of the National Economic Recovery Program. With the expansion of its mandate, the Company has increasingly strengthened its role as the Special Mission Vehicle of the Ministry of Finance and the main driver SOE in, accelerating sustainable infrastructure development to improve the living quality of the Indonesian people.



CORPORATE IDENTITY



PENJAMINAN & INFRASTRUKTUR
Guarantee & Infrastructure

COMPANY NAME

PT PENJAMINAN INFRASTRUKTUR INDONESIA
(PERSERO)



TYPE/LEGAL ENTITY OF THE COMPANY

State-Owned Enterprise (SOE)



DATE OF ESTABLISHMENT

December 30, 2009



LEGAL BASIS OF ESTABLISHMENT AND ITS AMENDMENT

Deed of Establishment No. 29 dated December 30, 2009 by Notary Lolani Kurniati Irdham-Idroes, SH., LL.M.

The Company's Articles of Association have been amended several times and lastly amended through Deed No. 14 dated November 19, 2020 by Notary Irma Devita, S.H., MKn.



AUTHORIZED CAPITAL AS OF DECEMBER 31, 2020

IDR20,000,000,000,000, comprised of 20,000,000 shares with par value of IDR1,000,000 per share



ISSUED AND FULLY PAID CAPITAL

IDR9,570,000,000,000, comprised of 9,570,000 shares with par value of IDR1,000,000 per share



COMPOSITION OF SHAREHOLDER

100% owned by the Republic of Indonesia, hence, the Company:

- Has not issued any shares
- Has no ESOP policy

CORPORATE SECRETARY

Pratomo Ismujatmika
(EVP Corporate Secretary and Communication)

EMAIL :
info@iigf.co.id

MAIN BUSINESS ACTIVITIES IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION

- Provide sovereign guarantee in the infrastructure sector;
- Provide sovereign guarantee in financing other sectors other than infrastructure based on government assignments; and
- Conduct activities related to the implementation of sovereign guarantee as well as other activities related to the implementation of project development that support the national economy, both in central and regional



COMPANY STATUS

State Owned Enterprise (SOE) under the guidance and supervision of the Minister of Finance



NUMBER OF EMPLOYEE

130 people



NETWORK

1 Head Office



LISTING ON THE STOCK EXCHANGE

PT Penjaminan Infrastruktur Indonesia (Persero) is a State-Owned Enterprise (SOE) that has not listed its shares on any stock exchange



HEAD OFFICE

Capital Place, 7th & 8th Floor
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Jakarta 12710 – Indonesia
Phone. 021-5795 0550, Fax. 021-5795 0040



MENU ON THE COMPANY'S WEBSITE

The website contains, among others:

1. About Us
2. Corporate Governance
3. Whistleblowing
4. Products
5. News
6. e-proc
7. Projects
8. Risk Management
9. Sustainability
10. IIGF Institute

PHONE/FAX

TELP. 021-5795 0550,
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EMAIL

info@iigf.co.id

BRIEF HISTORY OF THE COMPANY



Infrastructure is the foundation of the nation's development. Improving the existing and developing new infrastructures are required to drive the improvement and sustainability of the national economic performance, which results in to the increased social welfare of the community. Amid the limited State Budget (APBN), the Government responded to the challenges of financing infrastructure development by providing opportunities for the private sector to contribute to the infrastructure development acceleration, one of which through the Public Private Partnership (PPP) scheme.

In supporting the implementation of PPP in Indonesia, on December 30, 2009 the Government established PT Penjaminan Infrastruktur Indonesia (Persero)"/"PT PII", a State-Owned Enterprise (SOE) assigned as a single-window for evaluating, developing the guarantee structure and providing guarantees for PPP infrastructure projects. As the basis for implementing PPP, the Government has issued Presidential Regulation No. 38 of 2015 concerning Government Cooperation with Business Entities in Infrastructure Provision. The implementation of PPP was intended to meet the sustainable funding needs in the provision of infrastructure through the participation of private funds, to realize the provision of quality, effective, efficient, targeted, and timely infrastructure, as well as to create an investment climate which encourages Business Entities to provide infrastructure based on sound business principles.



The infrastructure guarantee provided by the Company is a form of support from the Government to provide certainty to the private sector related to the commitment of the Government's Contracting Agencies (GCA) in fulfilling its financial obligations in the PPP agreement. The Company's presence is expected to increase certainty in obtaining project financing (financial close) through the increase in creditworthiness or bankability of PPP projects, while maintaining the Government's interests, mainly related to contingency obligations that may arise.

As a State-Owned Enterprise that conducts the function of providing sovereign guarantee, the Company is designed to be a credible guarantee institution through Good Corporate Governance, risk management, accountable framework supported by transparency, professionalism and independence. In conducting the main mandate for infrastructure guarantee, as of now the Government has provided equity participation from the State Budget to the Company amounted to IDR8 trillion. The Company will gradually reduce its dependency on the Stated Budget and increase its guarantee capacity through cooperation with various financial institutions, including multilateral institutions (World Bank, ADB, IDB, MIGA), bilateral institutions, etc.

In 2016, based on Government Regulation No. 50 of 2016 concerning Amendment to Government Regulation No. 35 of 2009, expansion of mandate was given to the Company, which enabled the Company to provide guarantees for Non-PPP projects. The expansion of mandate was followed up with the issuance of Regulation of the Minister of Finance No. 101 of 2018 on Procedures of Issuance and Implementation of Joint Government Guarantees or Through Infrastructure Guarantee Entity of Payment Default Risk from State-Owned Enterprises Incurring Loans and/or Bonds Issuance to Finance Infrastructure Provision.

In addition, since 2018 the Company has also received the assignment from the Ministry of Finance to provide assistance for the preparation and transaction advisory of PPP infrastructure project as stipulated in the Regulation of the Minister of Finance No. 73/PMK.08/2018. Therefore, the scope of the Company's business activities shall no longer be limited to guarantee, but also conducting assistance from the preparation up to the transaction stage.

In supporting the Government's policies to meet the increasing needs for sovereign guarantee, in 2020 through the issuance of Government Regulation No. 55 of 2020, the expansion of the Company's mandate was given by the Government, which made the Company to have the purpose and objectives to:

1. Provide sovereign guarantee in the infrastructure sector;
2. Carry out activities related to the implementation of sovereign guarantee as well as other activities related to the implementation of project development which supports the national economy,
3. Provide sovereign guarantee in financing in other sectors other than infrastructure based on government assignments

The expansion of the mandate was then followed up with amendments to the Company's Articles of Association. Pursuant to the Decree of the Minister of Finance No. 497/KMK/06/2020, the Minister of Finance as the GMS of PT PII, approved the amendment to the Company's Articles of Association, which includes changes to the Company's purposes and objectives, business activities, as well as the addition of authorized capital to IDR20 trillion. The decision was then stated in the Deed of Notary Irma Devita Purnamasari, S.H., M.Kn. No. 14 dated November 19, 2020 and has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in the Decree No. AHU-0077464.AH.01.02. YEAR 2020 on November 19, 2020.



In 2020, to support the Government in the program to overcome the impact of the COVID-19 pandemic, there have been several key regulations having impact on the Company's business activities, including:

1. Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program to Support State Financial Policy for Handling the 2019 Corona Virus Disease Pandemic (COVID-19) and/or Facing Threats that Endanger the National Economy and/or Financial System Stability and Save the National Economy;
2. Government Regulation No. 43 of 2020 concerning Amendments to Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program to Support State Financial Policy for Handling the 2019 Corona Virus Disease Pandemic (COVID-19) and/or Facing Threats that Endanger the National Economy and/or Financial System Stability and Save the National Economy;
3. Regulation of the Minister of Finance No. 98/PMK.08/2020 concerning Procedures for the Granting of Government Guarantees to Corporation Business Players through Appointed Guarantee Business Entities for the Implementation of the National Economic Recovery Program;
4. Decree of the Minister of Finance No. 523/KMK.08/2020 concerning the Assignment to PT Penjaminan Infrastruktur Indonesia (Persero) for Implementing Government Guarantee Loss Limit Support in the Implementation of the National Economic Recovery Program; and
5. Decree of the Minister of Finance No. 522/KMK.08/2020 concerning the Assignment to PT Penjaminan Infrastruktur Indonesia (Persero) for Implementing Joint Guarantee with the Indonesia Eximbank for Corporation Business Players in the Implementation of the National Economic Recovery Program.

In implementing the expansion of its mandate and assignment, in 2020 the Company carried out a series of preparations, one of which was by making adjustment to the Company's Work Plan and Budget, which was carried out through the Extraordinary General Meeting of Shareholders (EGMS) on December 21, 2020. The Shareholders Resolution to approve and ratify the changes to the Company's 2020 Work Plan and Budget during the EGMS was then stated in the Notary Deed of Irma Devita Purnamasari, S.H., M.Kn. No. 20 dated December 30, 2020.

In terms of financial capacity, following up on the increase in the Company's authorized capital to IDR20 trillion, on December 30, 2020, Government Regulation No. 79 of 2020 has been issued as the basis for additional State Equity Participation (PMN) to the Company of IDR1.57 trillion. The addition of PMN was a form of capacity support from the Government to PT PII in the context of implementing the PEN program and encouraging the national economy through the government's assignment to PT PII. The addition of PMN has been recorded as the paid-up capital of PT PII based on the Decree of the Minister of Finance No. 61/KMK.06/2021, which then stated in the Deed of Notary Irma Devita Purnamasari, S.H., M.Kn. No. 4 dated March 9, 2021 and has been notified to the Minister of Law and Human Rights of the Republic of Indonesia

DESCRIPTION OF NAME CHANGE

In accordance with the Company's brief history description, since its establishment until present (2009-2020), there has been no change in the Company's name. The name of the Company is PT Penjaminan Infrastruktur Indonesia (Persero).



THE COMPANY'S BRAND/LOGO



Brand/Logo

The basic idea behind PT PII's logo refers to the Indonesian original craft, namely woven crafts, representing the Company's mandate to drive the acceleration of infrastructure development.



**PENJAMINAN &
INFRASTRUKTUR**
Guarantee & Infrastructure

The blue color on the logo represents:

trust, responsibility and strength. It represents the Company as a trusted, responsible and professional company in realizing its vision to become the main driver SOE in accelerating a sustainable infrastructure development for improving the living quality of the Indonesian people.

The green color on the logo represents:

growth, financial, harmony (balance, alignment), and environment (environment; community). The color is in line with the Company's mission to ensure the acceleration of a sustainable infrastructure development by providing guarantees and added value for infrastructure development which:

- Has the most beneficial impact for the Indonesian people;
- Protect the Government's interests of in fulfilling infrastructure development needs through a transparent and accountable process; and
- Increase the trust of investor by providing investment convenience as well as payment assurance of risk claim on the loss suffered in infrastructure project partnership.



MILESTONES

Establishment of PT PII:

On December 30, 2009, the Government of Indonesia established PT Penjaminan Infrastruktur Indonesia (Persero)/PT PII, as a State-Owned Enterprise (SOE) through State Equity Participation (PMN) of the Republic of Indonesia of IDR1 Trillion in accordance with the Government Regulation No. 35 of 2009 concerning State Equity Participation of the Republic of Indonesia for the Establishment of Limited Liability Company in Infrastructure Guarantee Sector.

2009

Launching of the Company's Operations:

On May 11, 2010, the Company launched its official operation in accordance with the mandate to provide guarantee for infrastructure projects using Public Private Partnership (PPP) scheme as an effort to accelerate Indonesia's infrastructure development.

Presidential Regulation No. 78 of 2010 and Regulation of the Minister of Finance No. 260 of 2010:

The issuance of Presidential Regulation No. 78 of 2010 dated December 21, 2010 and Regulation of the Minister of Finance No. 260 of 2010 dated December 31, 2010 became the Company's Guidelines to guarantee infrastructure projects and strengthen the existence of PT PII as Infrastructure Guarantee Business Entity (BUPJ).

2010

MOU between PT PII and Multilateral Investment Guarantee Agency (MIGA):

On January 24, 2011, the Company signed an MOU with the Multilateral Investment Guarantee Agency (MIGA) to promote infrastructure investment through various joint activities.

2011

Acuan Alokasi Risiko:

In March 2011, the Company published the Risk Allocation Guidelines containing the category and distribution of infrastructure risks, as the guidelines for parties involved in infrastructure projects under PPP scheme.

Signing of the Central Java Steam Power Plant Project Guarantee:

On 6 October 2011, the Company signed the Guarantee Agreement for Central Java Steam Power Plant 2x1,000 MW Project in Batang, Central Java. This was the first project under PPP scheme, which was successfully implemented by the Government using a joint guarantee facility by the Company and the Ministry of Finance of the Republic of Indonesia.

Signing of Memorandum of Understanding between PT PII and ICIEC:

On April 20, 2012, the Company and the Islamic Corporation for Insurance of Investment and Export Credits (ICIEC) signed Memorandum of Understanding at the 2012 Asia Finance and Risk Mitigation Forum in Makati City, Philippines.

2012

IIGF Institute:

Soft launching of IIGF Institute and the signing of Memorandum of Understanding between PT PII and three universities - University of Indonesia, Bandung Institute of Technology and University of Gadjah Mada - regarding the program to increase the understanding and capacity of stakeholders in the provision of infrastructure.

2013

Enhancing Guarantee Capacity and Credit Rating Recognition:

In early 2013, the Company obtained a loan facility from World Bank amounted to USD25 million and the implementation of Co-guarantee with MIGA amounted to USD50 million to increase guarantee capacity and obtain a Credit Rating. The Company obtained a BBB- (stable outlook) credit rating from FitchRating, an international financial rating agency, equivalent to the Indonesia sovereign credit rating which shows recognition of the Company's financial capacity and performance.

Indonesia Infrastructure Roundtable II (IRR) :

On February 28, 2013, the IIGF Institute together with University of Indonesia, Bandung Institute of Technology and the University of Gadjah Mada organized the Indonesia Infrastructure Roundtable II with the topic 'Private Sector Investment in the Water Supply Sector in Tangerang District'.



2014

Collaboration with Sriwijaya University and Hasanuddin University:

The Company, through the IIGF Institute, signed Memorandum of Understanding with Sriwijaya University (August 18, 2014) and Hasanuddin University (October 17, 2014) for cooperation in the fields of education, research, community service, capacity building and partnerships in environmental, social and community development.

National Seminar on Infrastructure for the People:

PT PII, in collaboration with the University of Indonesia, Bandung Institute of Technology and University of Gajah Mada, held a national seminar on "Infrastructure for the People, the Return of the State's Role in Basic Infrastructure Provision" as a form of socialization on the results of the 2013-2014 Indonesia Infrastructure Roundtable (IIR) sponsored by PT PII.

2015

Issuance of Presidential Regulation No. 38 of 2015:

The issuance of Presidential Regulation No. 38 of 2015 concerning Government Cooperation with Business Entities in Infrastructure Provision, expanded the sectors for PPP infrastructure project to be guaranteed by PT PII to 19 sectors, including the social infrastructure sector.

Central Java Steam Power Plant Batang (CJPP):

On August 28, 2015, a groundbreaking ceremony was held for the construction of Central Java Steam Power Plant-Batang project. The ceremony was conducted by President Joko Widodo and the Minister of Finance, Minister of SOEs, Minister of Agrarian Affairs and Spatial Planning, Governor of Central Java, Regent of Batang, PT PLN, PT PII and developer investors. This project was the first PPP project in electricity sector which was guaranteed by PT PII.

Establishment of UNIID:

Through IIGF Institute, the Company facilitated the establishment of University Network for Indonesia Infrastructure Development (UNIID) on December 16, 2015, as a forum for academics to contribute in promoting national infrastructure development.

2016

Palapa Ring Project – West Package:

The signing of Guarantee Agreement and Recourse Agreement for the Palapa Ring Project – West Package was carried out by the Company and PT Palapa Ring Barat as Business Entity and between the Company and the Ministry of Communication and Informatics as the Government's Contracting Agency (GCA) on February 29, 2016. Financial Close of the Palapa Ring Project – West Package was held on July 25, 2016.

Palapa Ring Project – Central Package:

The signing of Guarantee Agreement and Recourse Agreement for the Palapa Ring Project – Central Package was carried out by the Company and PT Len Telekomunikasi Indonesia as Business Entity and the Ministry of Communication and Informatics as the Government's Contracting Agency (GCA) on March 4, 2016. The Financial Close of Palapa Ring Project – Central Package was held on September 29, 2016.

Signing of Guarantee Agreement for 4 Toll Road Projects:

In 2016, the Company signed guarantee agreement for 4 (four) projects in the Toll Road sector, namely Batang – Semarang, Balikpapan – Samarinda, Pandaan – Malang, and Manado – Bitung Toll Roads.

Financial Close of Central Java Steam Power Plant 2x1.000 MW:

On June 6, 2016, the financial close phase was implemented for Central Java Steam Power Plant Batang project of 2 x 1,000 MW with the investment amounted to USD4 billion (~IDR52 trillion). The project was guaranteed by the government through the Ministry of Finance together with the Company.

Umbulan Drinking Water Supply System (SPAM) Project:

The signing of Guarantee Agreement between the Company and PT Meta Adhya Tirta and Recourse Agreement between the Company and the Governor of East Java, were carried out on July 21, 2016 to guarantee the Umbulan Drinking Water Supply System (SPAM) Project. The Financial Close of Umbulan SPAM project was implemented on December 30, 2016.

Signing of MoU with the Deputy Attorney General for Civil and State Administration:

The Company signed a Memorandum of Understanding with the Deputy Attorney General For Civil And Administrative Affairs (Jamdatun) on August 2, 2016 for the collaboration in providing legal assistance to accelerate infrastructure development in Indonesia.

Expansion of the Company's Mandate:

The issuance of Government Regulation No. 50 of 2016 as the amendment to Government Regulation No. 35 of 2009 concerning State Equity Participation of the Republic of Indonesia for the Establishment of Limited Liability Company (Persero) in the Infrastructure Guarantee Sector expanded the Company's mandate, which enabled the Company to guarantee infrastructure projects outside the PPP scheme.



Signing of Guarantee Agreement for 6 Toll Road Projects:

In 2017, the Company signed guarantee agreement for 6 (six) Toll Road projects, namely: (1) Cileunyi-Sumedang-Dawuan Toll Road; (2) Serang-Panimbang Toll Road; (3) Jakarta-Cikampek II Elevated Toll Road (4) Krian-Legundi-Bunder-Manyar Toll Road, which were signed on February 22, 2017. While, the other 2 (two) Toll Road projects were signed on December, 2017, namely (5) Probolinggo-Banyuwangi Toll Road and (6) South Jakarta-Cikampek II Toll Road.

Financial Close of Palapa Ring Project – East Package:

The Financial Close of the Palapa Ring Project – East Package on March 29, 2017 completed the previous Financial Close of the West Package and Central Package of the Palapa Ring Project, which were signed in July and September 2016.

2017

Awards:

In 2017, the Company received an award from the ASEAN Risk Award – Public Initiative Category, which was organized by the Enterprise Risk Management Academy. The Company was also awarded by Investor Magazine as the best SOE under the Ministry of Finance.

New Members of the Board of Directors:

Referring to the Decree of the Minister of Finance of the Republic of Indonesia No. 885/KMK.06/2017 concerning the Transfer of Duties and Appointment of Members of the Board of Directors of PT Penjaminan Infrastruktur Indonesia (Persero), dated November 27, 2017, the Minister of Finance of the Republic of Indonesia as the Shareholder appointed Armand Hermawan as President Director, and Salusra Satria and M. Wahid Sutopo as Director.

Bandar Lampung Drinking Water Supply System Project:

On February 14, 2018, the Company signed Guarantee Agreement and Recourse Agreement for Bandar Lampung Drinking Water Supply System (SPAM) project.

West Semarang Drinking Water Supply System Project:

On November 23, 2018, the Company signed Guarantee Agreement with PT Air Semarang Barat and Recourse Agreement with PDAM Tirta Moedal for the West Semarang SPAM Project.

Mandalika Special Economic Zone Project Loan:

On December 28, 2018, the Company signed Guarantee Implementation Agreement with Indonesia Tourism Development Corporation/ PT Pengembangan Pariwisata Indonesia (Persero) for the Guarantee of Loans for the Development of Infrastructure Facilities in Mandalika Special Economic Zone, Lombok.

2018

Assignment and Implementation of PPP Project Facilities :

In 2018, the Company received an assignment from the Ministry of Finance to provide facilities of Project Preparation and Transaction Advisory for PPP Project of: 1) Makassar-Parepare Public Railway, developed by the Ministry of Transportation, 2) East Trans Sumatra Road, 3) East Trans Riau Road, developed by the Ministry of Public Works and Housing, and 4) Dharmais Cancer Hospital, developed by the Ministry of Health.

Awards:

In 2018, the Company received another award from the ASEAN Risk Award in the Public Initiative category. In addition, the Company also awarded as Indonesia Most Trusted Companies in the 2018 Corporate Governance Perception Index (CGPI) Award.



Assignment and Implementation of PPP Project Facilities:

The signing of assignment agreement of Zainoel Abidin Regional Hospital PPP Project between the Director General of Financing and Risk Management and the Company's President Director was conducted on January 8, 2019.

Makassar-Prepare Railway PPP Project :

On April 5, 2019, the Company signed Guarantee Agreement with PT Celebes Railway Indonesia (CRI) and Recourse Agreement with the Ministry of Transportation to guarantee the Makassar-Parepare Railway PPP Project. This project was the first PPP project in the transportation sector.

Inauguration of the President Director of PT PII (Persero) :

On December 5, 2019, the inauguration and oath ceremony M. Wahid Sutopo as the Company's President Director was held based on the Decree of the Minister of Finance of the Republic of Indonesia No. 890/KMK.06/2019 concerning the Dismissal and Transfer of Duties of Members of the Board of Directors of PT PII.

Indonesia's Multifunctional Satellite PPP Project:

On May 3, 2019, the Company signed Guarantee Agreement with PT Satelit Nusantara Tiga as the Implementing Business Entity (BUP) and Recourse Agreement for Indonesia's Multifunctional Satellite PPP project (SATRIA) with the Minister of Communication and Informatics of the Republic of Indonesia as the Government's Contracting Agency (GCA).

Awards:

In 2019, the Company received various national, regional and international awards, namely the 3rd winner in the 2018 Annual Report Award for the category of Non-Listed Financial SOEs, 1st winner in the ASEAN Risk Award for the category of Public Risk, Public Initiative and Risk Educator, and was awarded as "PPP Agency of the Year" by the Asia Infrastructure Award.

Semarang-Demak Toll Road PPP Project :

On September 23, 2019, the Company signed Guarantee Agreement with PT Pembangunan Perumahan Semarang Demak and Recourse Agreement with the Minister of Public Works and Housing for the guarantee of Semarang-Demak Toll Road PPP Project.

2019



The Company received an expansion of its mandate with the issuance of Government Regulation No. 55 of 2020

With the issuance of Government Regulation No. 55 of 2020, the purpose and objectives of PT PII are no longer limited to sovereign guarantee in the infrastructure sector, but also include sovereign guarantee in the financing in other sectors based on government assignments, and to conduct activities related to the implementation of sovereign guarantee as well as other activities related to the implementation of projects which support the national economy, both central and regional.



2020



LINE OF BUSINESS



Business Activities Based on the Company's Latest Articles of Association

In achieving the purpose and objectives of the Company in accordance with the Articles of Association, the Company may conduct the following:

1. Provide guarantee for the Government's financial obligations in the PPP cooperation agreement in infrastructure projects, which are capable to realize the accountability of the Government's contingency obligations as well as to improve credit worthiness of PPP projects in infrastructure sector.
2. To provide guarantee for the Government's financial obligations in infrastructure projects.
3. To provide guarantee for default risk of the State-Owned Enterprises ("SOEs") based on the assignments and/or the provisions set by the Minister of Finance arising from:
 - a. The implementation of loan agreements with financial institutions; and
 - b. Issuance of debt securities/bonds and/or other financial instruments.
4. To provide guarantee for default risk of the Regional-Owned Enterprises ("ROEs") and/or Regional Government based on the assignments and/or the provisions set by the Minister of Finance arising from:
 - a. The implementation of loan agreements with financial institutions; and
 - b. Issuance of debt securities/bonds.
5. To provide guarantee for other financial risks of the State-Owned Enterprises ("SOEs"), Regional-Owned Enterprises ("ROEs"), and/or business entities based on the assignments and/or the provisions set by the Minister of Finance arising from obtaining financing or financial risk mitigation facilities other than loan and debt securities/bonds.
6. To provide guarantee to other business entities in accordance with the assignments and/or provisions set by the Minister of Finance.
7. To provide consulting services, providing information, planning facilities, preparation, and feasibility assessment, on project or program and other matters related to risk mitigation/risk monitoring and/or activities related to risk allocation and project financing structure.
8. Cooperation with other parties, including international financial institutions/organizations in the implementation of guarantee provision as referred to in number 1, 2, 3, 4, 5, 6, and 7.
9. Joint ventures or equity participation in other legal entities that have similar purpose and objectives with the Company's.
10. Other activities to achieve the purpose and objectives of the Company in accordance with prevailing law and regulation.

Line of Business Engaged by the Company

The Company's engaged in line of business as referred to the line of business specified in the Company's Articles of Association.

Products/Services

1. Sovereign guarantee in infrastructure development for Public Private Partnership (PPP);
2. Sovereign guarantee for SOEs loan and bonds issued to finance the provision of infrastructure;
3. Project preparation and transaction advisory (Project Development Facility);
4. Sovereign guarantee for Corporate Business Actors for the Implementation of the National Economic Recovery Program.

20 SECTORS TO BE GUARANTEED

(Based on the Regulation of the Minister of National Development Planning No. 2 of 2020)

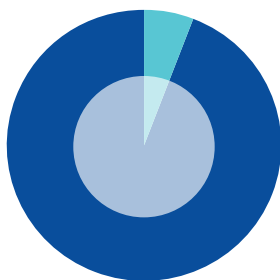
	Drinking Water		Transportation
	Central Waste Water Treatment System		Roads
	Local Waste Water Treatment System		Water Resources and Irrigation
	Oil and Gas, and Renewable Energy		Waste Management System
	Energy Conservation		Electricity
	Urban Facilities		Telecommunications and Information
	Tourism		Educational Facilities
	Healthcare		Sport and Arts Facilities
	Correctional Facilities		Region
	Public Housing		State Buildings



2020 LEVERAGING RATIO

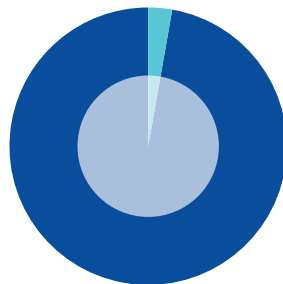
Until 2020, with State Equity Participation (PMN) amounted to IDR8 trillion given for infrastructure guarantee, the Company was able to support Infrastructure Projects with total investment value of IDR315.4 trillion. The leverage ratio of the use of PMN funds provided by the Government to the Company in supporting the development of infrastructure projects in Indonesia reached 39.4x.

Tourism



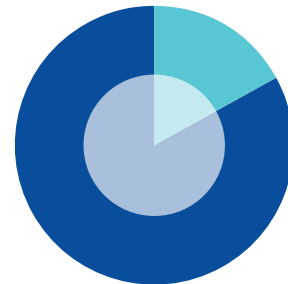
0.6X

Transportation



0.3X

Telecommunications and Information



1.7X

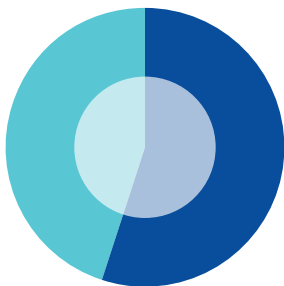


IDR 315.4 trillion
Total Investment Value

IDR 8 trillion
State-Equity Participation (PMN)
for Infrastructure Guarantee

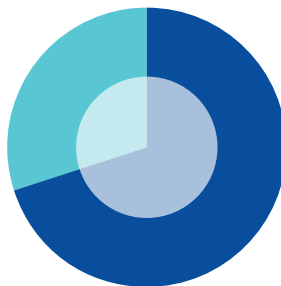
39.4x
Leveraging Ratio

Electricity



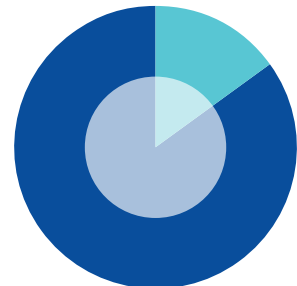
15.7X

Roads

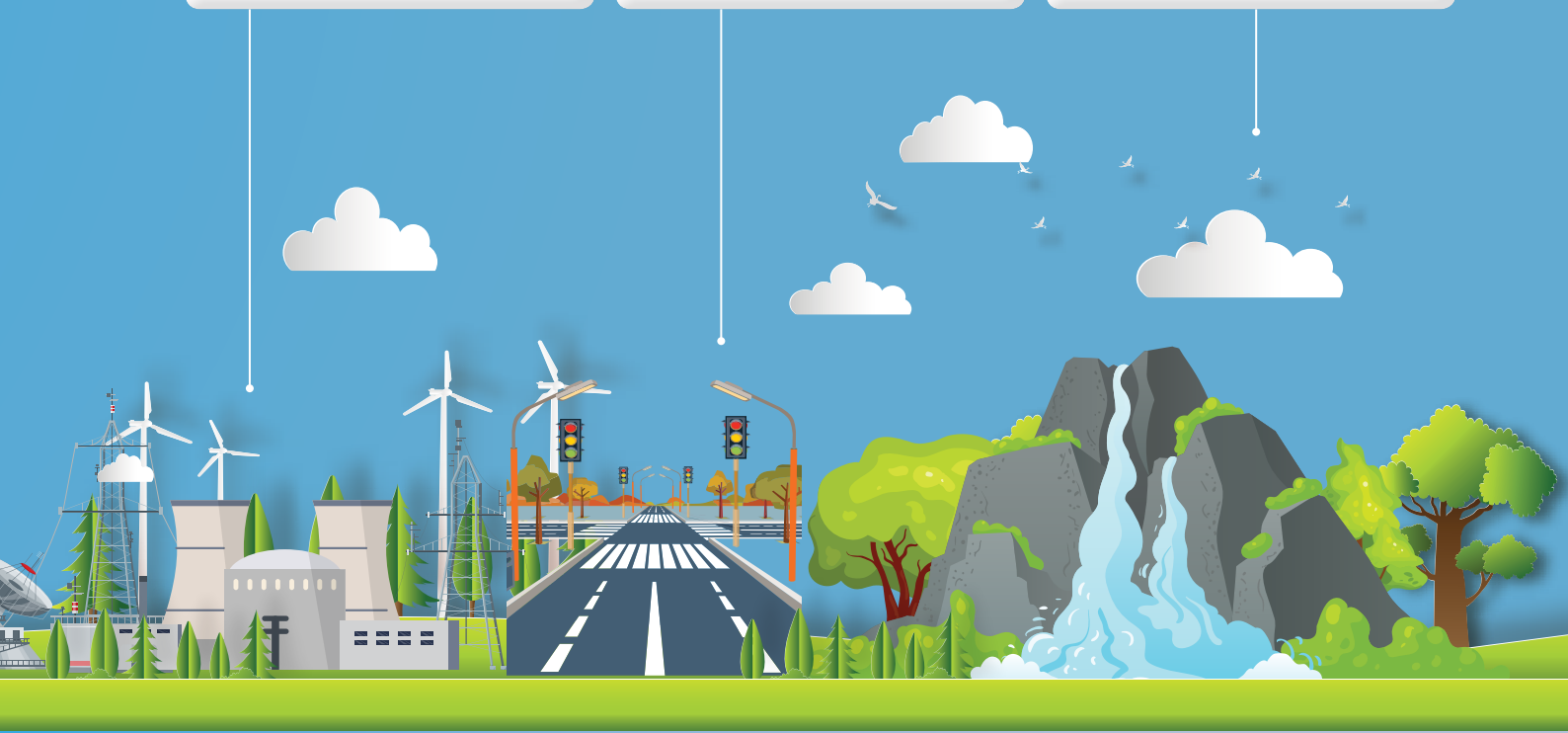


20.6X

Drinking Water

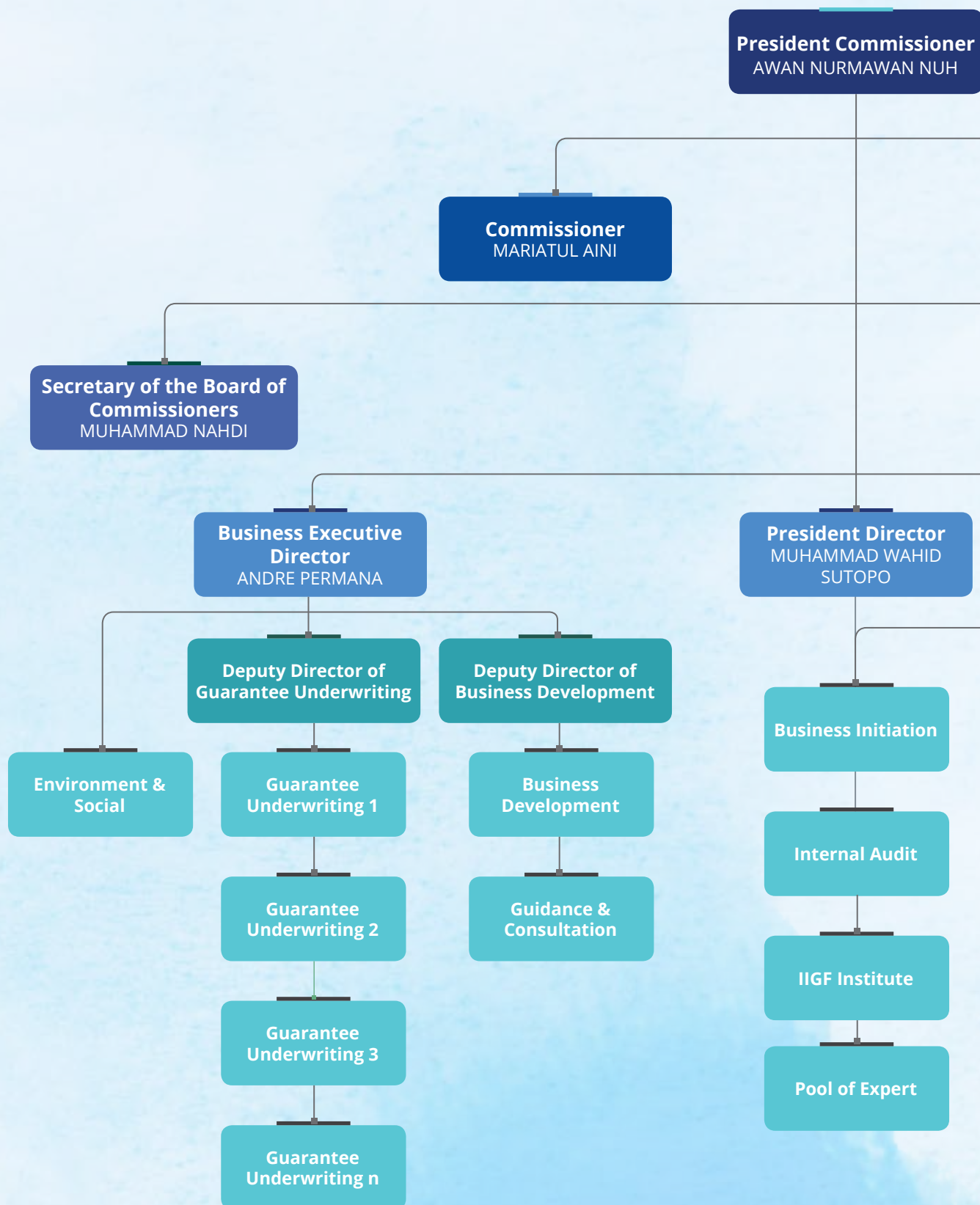


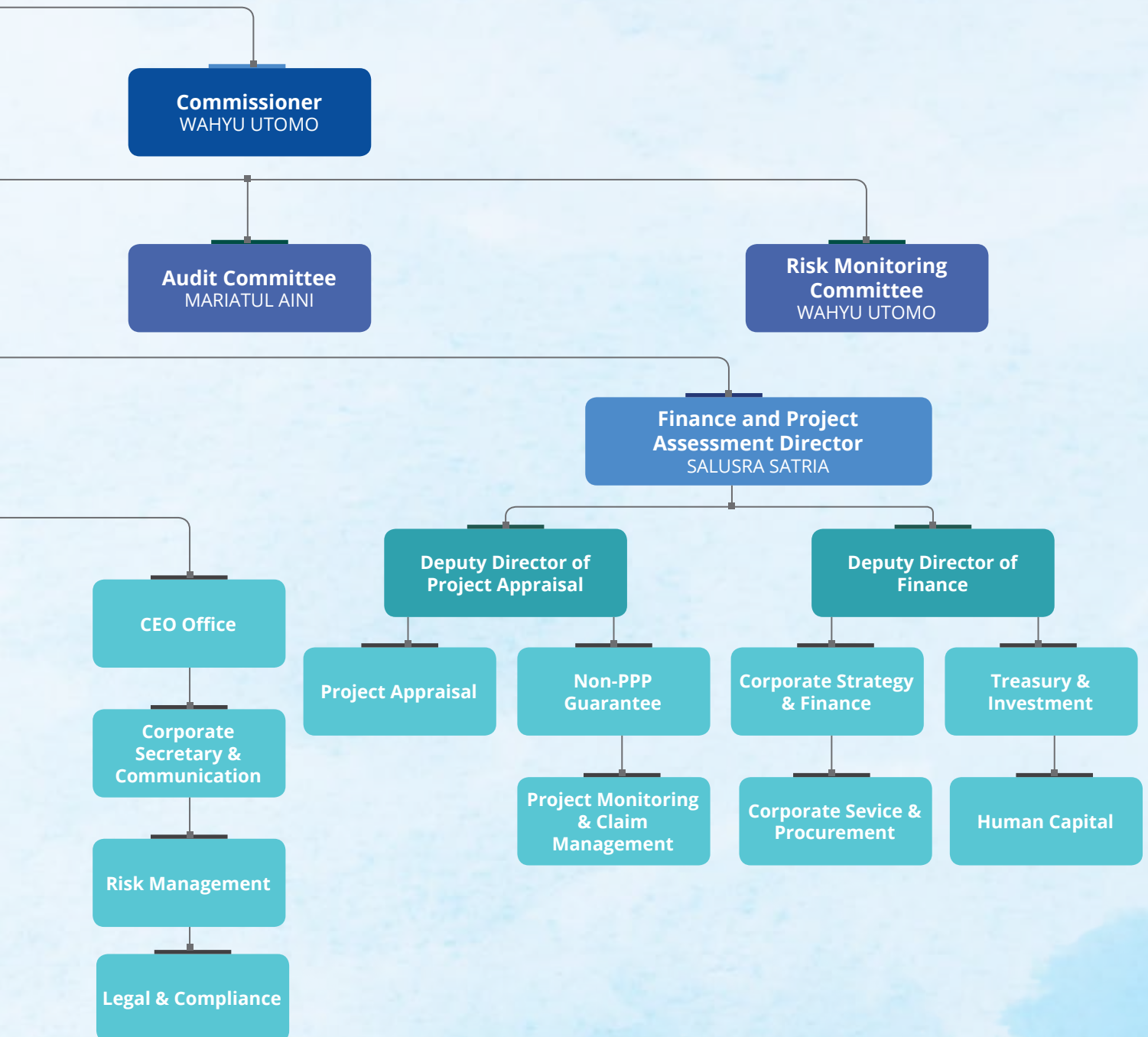
0.5X





ORGANIZATION STRUCTURE





THE COMPANY'S VISION, MISSION AND CULTURE

VISION



Become an active main driver SOE in accelerating a sustainable infrastructure development for improving the living quality of the Indonesian people

MISSION

Ensure the acceleration of a sustainable infrastructure development by providing guarantee and added value for infrastructure development which:

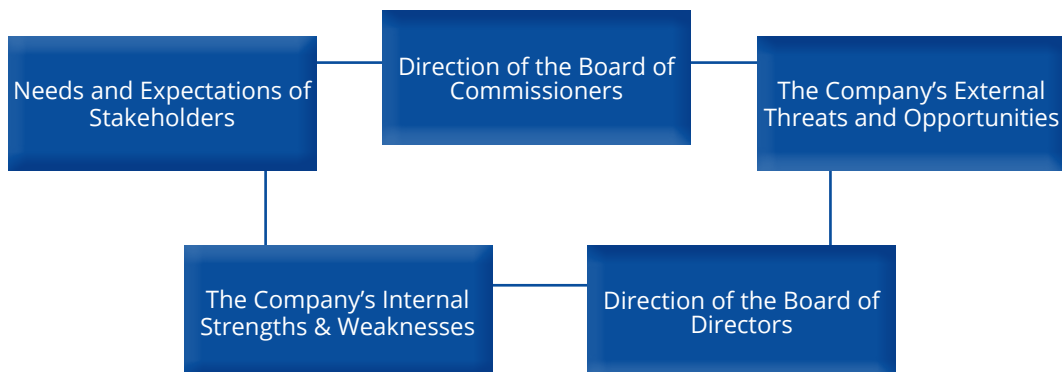
- Has highest beneficial impact for the Indonesian people.
- Protects the Government's interest in fulfilling infrastructure development needs through a transparent and accountable process.
- Increase the trust of investors by providing investment convenience as well as payment assurance of risk claim on the loss suffered in infrastructure project partnership



Ratification of Vision and Mission

The Company's Vision and Mission have been ratified in the General Meeting of Shareholders (GMS) for the Company's 2018-2022 Long-Term Plan on December 27, 2017.

Chart of the Establishment of Vision and Mission



KEY VALUES : IN TIME



INTEGRITY

- Work with the highest ethical standards.
- Be honest with oneself and others in all matters.
- Prioritize the Company's interests above personal interests, groups and/or other parties.
- Maintain commitment in carrying out duties.
- Comply with the Company's rules.
- Take responsibility for all actions



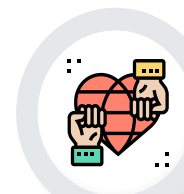
THINK BIG

- Broad-minded and cognizant of the latest issues.
- Consider various alternatives for better results for the Company and the stakeholders.
- Continuously explore new ideas for the Company's development.
- Be open to various developments in the surrounding for the best results while implementing the principles of Good Corporate Governance.



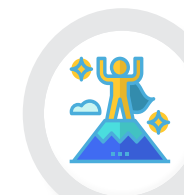
TEAMWORK

- Operate as a team.
- Give contribution in the form of skills and knowledge
- Prioritize the team's interest in achieving the Company's objectives



MUTUAL TRUST

- Uphold business ethics together with all of the Company's internal components as well as with its partners.
- Consistently meet the promised service standards.
- Trust and respect each other in good faith to earn the trust of colleagues and business partners.



EXCELLENCE

- Committed to be the best in performing the duties.
- Strive for continuous improvement.
- Have in-depth knowledge to support the duties and get results that exceed expectations

Statement Regarding Corporate Culture

The Company is required to apply good and right principles in carrying out its roles and responsibilities. These principles must become a living culture in the Company's organization. At the moment, the Company applies cultural values known as InTIME, namely Integrity, Teamwork, Think Big, Mutual Trust and Excellence.

Implementation of Corporate Culture

The implementation of Corporate Culture is the responsibility of all levels of the Company. The Board of Commissioners and Board of Directors are responsible for the implementation of Values and Culture within the Company. All levels within the Company also have the same responsibility.



PROFILE OF THE BOARD OF COMMISSIONERS



AWAN NURMAWAN NUH
President Commissioner

Age	52 years old
Citizenship	Indonesian
Domicile	Jakarta
Legal Basis of Appointment	Appointed as President Commissioner since April 20, 2020 based on the Decree of the Minister of Finance of the Republic of Indonesia No. 205/KMK.06/2020.
Educational Background	Earned Bachelor of Economics from Gadjah Mada University in 1992 and Master of Business Taxation from the University of Southern California in 1997.
Working Experience	Has held various key positions at the Directorate General of Taxes, Ministry of Finance of the Republic of Indonesia, including as Head of the Foreign Investment III Tax Service Office (2009), Director of Taxation Regulations I (2011), Secretary of the Directorate General of Taxes (2013), Director of Extensification and Appraisal (2015) and Head of the Regional Office of the Directorate General of Taxes for Central Java I (2016). Currently, he serves as Expert Staff for Tax Regulation and Enforcement of the Ministry of Finance of the Republic of Indonesia.
Affiliates	Has no affiliation with the member(s) of the Board of Directors and other member(s) of the Board of Commissioners.
Training and Competency Development	Information on training shall be presented separately in this chapter



MARIATUL AINI
Commissioner

Age	57 years old
Citizenship	Indonesian
Domicile	Jakarta
Legal Basis of Appointment	Appointed as Commissioner since December 21, 2018 based on the Decree of the Minister of Finance of the Republic of Indonesia No. 861/KMK.06/2018 and reappointed based on the Decree of the Minister of Finance No. 720/KMK.06/2019.
Educational Background	Earned Engineer degree in Soil Science from Bogor Institute of Agriculture in 1987 and Master of Business Administration from the University of Wisconsin in 1994.
Working Experience	Has held various key positions at the Directorate General of Budget, Ministry of Finance of the Republic of Indonesia, including as Director of Budgeting Regulations Harmonization (2011) and Director of Non-Tax State Revenue (2018). Currently, serves as Secretary of the Directorate General of Budget, Ministry of Finance of the Republic of Indonesia.
Affiliates	Has no affiliation with the member(s) of the Board of Directors and other member(s) of the Board of Commissioners.
Training and Competency Development	Information on training shall be presented separately in this chapter



WAHYU UTOMO
Commissioner

Age	56 years old
Citizenship	Indonesian
Domicile	Jakarta
Legal Basis of Appointment	Appointed as Commissioner since April 20, 2020 based on the Decree of the Minister of Finance of the Republic of Indonesia No. 205/KMK.06/2020.
Educational Background	Earned Bachelor of Engineering majoring in Civil Engineering in 1987 from Bandung Institute of Technology, Master of Science in Regional Science in 1999, and PhD in Regional Science in 2002, both from Cornell University.
Working Experience	Currently, serves as Deputy for the Coordination of Infrastructure Acceleration and Regional Development at the Coordinating Ministry for Economic Affairs of the Republic of Indonesia and Chief Executive of the Committee for the Acceleration of Priority Infrastructure Provision as well as several other positions. Previously, he held various key positions at the Coordinating Ministry for Economic Affairs of the Republic of Indonesia, including Assistant Deputy for Housing, Land Affairs and Public Private Partnerships (2007-2014), Assistant Deputy for Infrastructure and Regional Development for Kalimantan-Sulawesi (2005-2007), and Head of Economic Decentralization Division (2002-2005).
Affiliates	Has no affiliation with the member(s) of the Board of Directors and other member(s) of the Board of Commissioners.
Training and Competency Development	Information on training shall be presented separately in this chapter

IDENTITY AND BRIEF PROFILE OF THE BOARD OF DIRECTORS



MUHAMMAD WAHID SUTOPO
President Director

Age	51 years old
Citizenship	Indonesian
Domicile	Jakarta
Legal Basis of Appointment	Appointed for the first time as Director based on the Decree of the Minister of Finance of the Republic of Indonesia No. 890/KMK.06/2019 and reassigned as President Director since November 29, 2019 based on the Decree of the Minister of Finance No. 890/KMK.06/2019.
Educational Background	Earned Bachelor of Engineering majoring in Electrical Engineering from Bandung Institute of Technology in 1993 and Master of Management from IPMI Business School, Jakarta in 2002.
Working Experience	Has held various key positions including as Director of PT Perusahaan Gas Negara (Persero) Tbk. (2011-2017), President Commissioner of PT PGAS Telekomunikasi Nusantara (2011-2017), President Commissioner of PT PGN LNG Indonesia (2015-2016) and Executive Director of Business of PT Penjaminan Infrastruktur Indonesia (Persero) (2017-2019) before being appointed as President Director of PT Penjaminan Infrastruktur Indonesia (Persero).
Affiliates	Has no affiliation with the member(s) of the Board of Commissioners and other member(s) of the Board of Directors.
Training and Competency Development	Information on training shall be presented separately in this chapter

**SALUSRA SATRIA**Finance and Project Assessment
Executive Director

Age	55 years old
Citizenship	Indonesian
Domicile	Jakarta
Legal Basis of Appointment	Appointed as Director since June 16, 2016 based on the Decree of the Minister of Finance of the Republic of Indonesia No. 465/KMK.06/2016.
Educational Background	Earned Bachelor of Economics from University of Indonesia in 1990, and Master's Degree in Finance from Macquarie University, Sydney in 1993.
Working Experience	Has held various key positions, including as Director of the Deposit Insurance Corporation (2010-2016) and Executive Director of Business of PT Penjaminan Infrastruktur Indonesia (Persero) (2016-2017) before serving as Executive Director of Finance and Project Appraisal of PT Penjaminan Infrastruktur Indonesia (Persero).
Affiliates	Has no affiliation with the member(s) of the Board of Commissioners and other member(s) of the Board of Directors.
Training and Competency Development	Information on training shall be presented separately in this chapter



ANDRE PERMANA
Executive Director of Business

Age	44 years old
Citizenship	Indonesian
Domicile	Tangerang Selatan
Legal Basis of Appointment	Appointed as Director since March 23, 2020 based on the Decree of the Minister of Finance of the Republic of Indonesia No. 127/KMK.06/2020.
Educational Background	Earned Bachelor of Engineering majoring in Civil Engineering in 1998 and Master of Engineering in Project Management in 2003, both from University of Indonesia, before earning Doctorate Degree from Nanyang Technological University, Singapore in 2012.
Working Experience	Continuing his previous profession related to construction and infrastructure project development, his professional career at PT Penjaminan Infrastruktur Indonesia (Persero) began in 2010 and has held various strategic positions including as Head of the Risk and Compliance Division, Head of the Business Development Division, CEO Office and most recently served as Executive Vice President of Project Appraisal before being appointed as Director of PT Penjaminan Infrastruktur Indonesia (Persero).
Affiliates	Has no affiliation with the member(s) of the Board of Commissioners and other member(s) of the Board of Directors.
Training and Competency Development	Information on training shall be presented separately in this chapter



PROFILE OF EXECUTIVE OFFICERS



Donny Hamdani

Deputy Director of Finance

Age	41 years old
Citizenship	Indonesian
Domicile	Jakarta
Degree	Bachelor of Accounting
University	University of Indonesia



Tanti Hidayati

Deputy Director of Business Development
in the assignment to Business Initiation Division

Age	48 years old
Citizenship	Indonesian
Domicile	Jakarta
Degree	Bachelor's Degree in Social Economic of Agriculture
University	Bogor Institute of Agriculture



NUMBER OF EMPLOYEES AND COMPETENCY DEVELOPMENT

As of December 31, 2020, the total number of the Company's employees amounted to 130 people, compared to 132 people in 2019. With a composition of 112 permanent employees and 18 non-permanent employees. The number of employees in 2020 has been adjusted to the Company's requirements, both in terms of quantity and quality of competencies which the Company possessed and required. Details of the number of employees can be seen in the table as follows:

NUMBER OF EMPLOYEES BY WORK LEVEL

Description	2020	2019	2018
Deputy Director	2	2	2
Executive Leader	6	7	5
Senior Leader	26	27	27
Middle Level	46	44	46
Staff	52	54	50
Total	130	132	128

NUMBER OF EMPLOYEES BY POSITION

Description	2020	2019	2018
EVP	6	7	5
VP SVP	26	27	27
DSM AVP	24	25	27
AM-M	47	40	36
Staff	27	33	33
Total	130	132	128

NUMBER OF EMPLOYEES BY EDUCATION LEVEL

Description	2020	2019	2018
Doctoral	3	4	4
Master's Degree	48	51	52
Bachelor's Degree	74	71	68
Diploma	5	6	4
Total	130	132	128

NUMBER OF EMPLOYEES BY EMPLOYMENT STATUS

Description	2020	2019	2018
Permanent	112	111	100
Non-Permanent	18	21	28
Total	130	132	128

**NUMBER OF EMPLOYEES BY AGE**

Description	2020	2019	2018
41 – 56 years old	28	30	27
31 – 40 years old	54	52	54
20 – 30 years old	48	50	47
Total	130	132	128

NUMBER OF EMPLOYEES BY GENDER

Description	2020	2019	2018
Male	71	73	69
Female	59	59	59
Total	130	132	128

EMPLOYEE COMPETENCY DEVELOPMENT**Employee Development Policy**

The Company's employee development program is divided into 3 (three) classifications, namely in-house training, public training, and knowledge sharing. The development program is expected to be able to increase employee competency equally, both for general abilities and specific abilities required by each employee to improve their performance. Every employee has equal opportunity and is open to participating in the development program. The person responsible for developing employee competency is each individual employee who is coordinated by the Human Capital Division.

Throughout 2020, the Company has organized employee education and training in the form of in-house training, public training and knowledge sharing as follows:

Types of Training	Number of Training	Number of Participants	Average Number of Participants per Training
In House Training	7	326	47
Public Training	265	467	2
Knowledge Sharing	8	517	65



TABLE OF IN-HOUSE TRAINING IMPLEMENTATION

No.	Title of Training	Number of Participants
1	The PPP Certification Foundation Training	56
2	Inhouse Training Soft Competency Senior Leader : Becoming a Nurturing People Leader "Strategically Planning Your Team's Learning and Development"	26
3	Inhouse Training Soft Competency Middle Level : Individual Development Plan	40
4	Inhouse Training Soft Competency Staff-AM Level : Individual Learning Plan	54
5	Business Writing	105
6	Training on ISO27001 Certification: Awareness & Internal Audit	23
7	ERM Fundamental - Risk Officer	22
TOTAL		326

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
1	[Fitch & CFA] ESG in Credit Webinar Series – ESG in Fixed Income
2	2020 Annual Technical Update : Financial Services Accounting & Tax Webinar
3	2nd Strategic Internal Communication Conference 2020
4	A New Reality Series I Globalization revisited: trade, investment and value chains in Asia Pacific
5	Adaptation of New Transportation Habits Towards Advanced Indonesia
6	ADW Procurement Talks "VENDOR MANAGEMENT SYSTEM – Vendor is an asset, how to manage it?"
7	Alternative Infrastructure Financing in a Post Covid Environment
8	Amendment to PSAK 73 Leases: COVID-19 related Rent Concessions
9	An Introduction to People Analytic
10	Socio-Economic Impact Analysis
11	Anticipating IPR Violations in E-Commerce Business Players
12	APAC Regional Webinar: Moving Minds: Influence without authority and power of positive persuasion
13	Taxation Aspects of SFAS 71, SFAS 72 & SFAS 73
14	Business Communication Language
15	Best Communication And Negotiation Skill
16	Best Practice Financial Modelling
17	Talk with Taste
18	The Audit Board of the Republic of Indonesia (BPK) in SOEs Financial Audit

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
19	BSC Masterclass
20	Business, Finance and Accounting Conference "Resilience Toward Recovery Path : Indonesia's Business Landscape in 2021"
21	Canada Day - MAPLE (Maximising and Amplifying Potentials - Live Event)
22	Capacity Building Financing Transportasi
23	Capacity Building Optimization of Creative Financing Schemes to Accelerate the Fulfillment of National Transportation Development Needs, by the Ministry of Transportation
24	Certified Procurement Specialist (CPSP)
25	Challenge in New Normal
26	CLDP PPP Webinar Series: Pre-Qualification and Evaluation
27	Communication In Time Of Crisis
28	Communication Skill with NLP dan Hypnosis
29	Construction Projects and Disputes: Looking Past the Lockdown - 2020 and Beyond
30	Corporate Counsel Forum: Digital Evolution of In-House Counsel and How COVID-19 is A Momentum - From Business Leaders Perspective
31	Corporate Internal Control and Governance Embracing the New Normal Era
32	CP3P Level Execution
33	CPO Summit Jakarta
34	Creating Positive Mindset in Facing Time of Crisis

**TABLE OF PUBLIC TRAINING IMPLEMENTATION**

No	Topic of Public Training
35	Creative Financing & PPP for SOEs Strategic Project Financing
36	Creative Financing in Infrastructure Provision
37	Creative Project Financing
38	Creative Project Financing PPP 101
39	Creative Project Financing: KPBU 101
40	Creative Thinking and Problem Solving
41	Impact of Covid - 19 on Macro and Micro Economy
42	Strategic Impact of the Merger of Sharia SOEs Banks
43	Developing a Green Finance Facility to Catalyse Private Investment
44	Dialog Kita (Our Dialogue), July 2020 edition, Development of the 2020 State Budget Financing
45	Digital Comic and Illustration (Coloring & Story and Development)
46	Digital Comic and Illustration (Composting & Final Test)
47	Digital Comic and Illustration (Environment & Character Design)
48	Digital Comic and Illustration (Introduction & Character Consistency)
49	Digital Comic and Illustration (Proportion & Gesture)
50	Digital PR : Strategy, Skill, Tools and Data Analysis
51	Procurement Digitalization "Opportunities and Challenges in the Next Normal Era"
52	Support for Export-Oriented Small and Medium Enterprises
53	Dunamis Webinar : Moving Forward_The Role Of HR During Unanticipated Challenges
54	Dunamis Webinar - Adapting New-Normal Behavior
55	Dunamis Webinar - Better Synergy Across Remote Team
56	Dunamis Webinar - Filling Your Innovation Pipeline While Working Remotely
57	Dunamis Webinar - How To Handle Your Direct Report Who Wont Take Feedback
58	Dunamis Webinar - Leader as Innovation Driver
59	Dunamis Webinar - Moving Forward - The Role of HR During Unanticipated Challenges
60	Dunamis Webinar Make Better Decision in Uncertain Times
61	Dunamis Webinar_Learning Adaptability : How to Make Your Remote Learning Effective
62	Dunamis Webinar_Speak with Candor for Performance Coaching

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
63	Editing Programme (Discontinuity Concept & Paralel Editing)
64	Editing Programme (Dynamic Cutting & Transition and Effect)
65	Editing Programme (Introduction & Basic Editing)
66	Editing Programme (Final Project)
67	Editing Programme (Working with Script and Cutting Camera)
68	Effective Communication Skill
69	Employee Health and Wellness Forum
70	Enhancing Your Personal Effectiveness [Live Training Webinar]
71	Essential Things in Project For First Timers
72	Evaluation of the Implementation of E-Court and E-Litigation: Barriers and Expectations
73	FGD Developing a Green Finance Facility
74	FGD on the Position of State Rights in the Law concerning Bankruptcy and Suspension of Debt Payment Obligation (PKPU)
75	Financial Modeling and Forecasting Financial Statement
76	Financial Modelling
77	Financial Modelling for Sensitivity & Scenario Analysis
78	Fitch on Indonesia – Addressing The Coronavirus Challenge - (Part 1: Sovereign, Economic and Financial Institutions)
79	Fitch on Indonesia – Addressing The Coronavirus Challenge - (Part 2: Corporates, Infrastructure, International Public Finance)
80	Focus Group Discussion I Sovereign Guarantee – SOEs Guarantee
81	Focus Group Discussion II Sovereign Guarantee – Regional Guarantee
82	Geothermal Project Management Training
83	Globalization revisited trade investment and value chains in Asia Pacific
84	GRI Standard Certified Training Course + Assessment to SR Specialist
85	Growing infrastructure – enabling & structuring for private sector participation in finance and innovation module 1
86	World Anti-Corruption Day (Hakordia) 2020 - Talkshow "Building a Culture of Integrity and Its Challenges"
87	How to Lead Courageously During a Crisis
88	How To Unlock Your Brain's Potential



TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
89	How Well Does Your Team Function
90	HR Post COVID-19 ; The New Normal of Work
91	IIA Indonesia Forum – RBIA Challenge & Cybersecurity Risk Assurance
92	Implementation and Improvement of Access to Distance Education (E-Learning) in Indonesia
93	Improving Vehicle Safety in Indonesia through proving ground
94	Indonesia Economic Challenge Awareness of Sharia Economy
95	Indonesia Outlook 2020
96	Indonesia's – Credit Profile in the Age of COVID-19
97	Indonesian Public Affairs Conference 2020
98	Infrastructure Business Case: International
99	Infrastructure Business Cases: International Foundation Course
100	Infrastructure Business Cases: International Practitioner Course
101	Regional Infrastructure Financing Innovations for Economic Recovery
102	Inspira Webinar – Strong Mentality to Getting Through the Difficult Times
103	Inspira Webinar – Addressing the Uncomfortable Zone
104	Integration of Renewable Energy in Energy Systems Perspectives on Investment, Technology, and Policy
105	International Visitor Leadership
106	International Webinar Rebuilding Cities Post COVID-19
107	Islamic Social Finance and Its Roles for Achieving SDG
108	ISO 31000 : ERM Fundamental and Certification Exam of ERMAP-ERMCP (Ujian Sertifikasi)
109	Fiscal Policy in the New Normal Period
110	Employment Policy in the Middle of a Pandemic: Knowing the Rights, Obligations and Opportunities for Workers and Employers
111	Online Class (Webinar) on Procurement of Goods/ Services in Emergency Situation and Handling of Covid-19 (Technical Implementation, Document Standards, Risk Mitigation, Legal, Audit & Financial Aspects)
112	Knowledge Management Certification
113	Collaboration in Responding to the Impact of the Covid-19 Pandemic and Recovery Strategies on the New Normal Arrangement in Transportation Sector

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
114	National Economic Recovery Program Press Conference (1805)
115	"City for All" from the Perspectives of Government, Parliament and Developer
116	Legal for Non Legal
117	Live Seminar - CSR in New Normal
118	Becoming More Productive in the New Era
119	Making Indonesian vehicles safer through a proving ground
120	Benefits of developing PLTP Dieng 2 and Patuha 2
121	The Future of Legal Sector in Facing the New Normal Era
122	Organizing Work Relationships from a Legal Aspect in the New Normal
123	Anticipating Bankruptcy Claims and Disputes as well as Suspension of Debt Payment Obligation (PKPU) During Current Situation
124	Becoming an Effective Leader: 7 Proactive Steps to Lead Your Team to Results
125	Maintaining Employee Mental Health During Pandemic
126	Mini Class on Economic Feasibility Analysis and Socio-Economic Impact Analysis
127	Moving Forward : The Role of HR During Unanticipated Challenges
128	Ms. Excel For Accountant
129	Multilevel Water Governance
130	Navigating Transportation Infrastructure Development Amid Pandemic Uncertainty
131	New Terminal Experience
132	P-10 Public Private Partnership Foundations
133	Online Training on Procurement Strategy
134	Patimban Port and National Logistics Performance
135	Competency Training and Certification of Goods/Services Procurement Experts (Certified Procurement Specialist - CPSP)
136	PPP Training
137	Training on ISO27001 Awareness Certification
138	Opportunities and Challenges of Public Private Partnership in Oil and Gas Sector
139	Launching of Working Capital Credit Guarantee for MSMEs in the context of the National Economic Recovery Program
140	Infrastructure Development Prioritizes Humanity for Better Economy Post Pandemic

**TABLE OF PUBLIC TRAINING IMPLEMENTATION**

No	Topic of Public Training
141	Updating of Ministerial Regulation 2
142	Alternative Funding and Preparation of Reliable Infrastructure HR
143	Procurement of Goods/Services During Emergency and Handling of Covid-19 (Technical Implementation, Document Standards, Risk Mitigation, Legal, Audit & Financial Aspects)
144	Land Acquisition and Resettlement
145	Multi Project Management in Oil & Gas Corporations
146	Strengthening of Governance and Risk Management in the Financial Sustainability of Public Sector Organizations During the New Normal
147	The Importance of Disclosing Money Laundering Crimes (TPPU) in Corruption Cases
148	Writing of Official Letters
149	Submission of the 2020 Annual Corporate Tax Return and Institutional Transformation
150	The Role of the Law and Legal Profession in the Disruptive Dynamics of Change
151	The Role of Risk Management Competencies in Indonesia's Economic Recovery Efforts
152	Indonesia's Competitiveness Ranking 2020
153	Force Majeure Events and Its Settlement by Arbitration
154	Recent Developments, Opportunities and Challenges for Mediation in Indonesia
155	Consumer Protection in the Digital Business Era
156	PMO Model : No One Size Fits All
157	PMP® Fast Track Virtual Learning Experience
158	Prepopulated VAT version 3.01
159	PPP Foundation
160	Pre-Course Workshop Waste to Energy Short Term Awards
161	Preparing PMP Certification Exam in The Pandemic Time
162	Enterprise Risk Management Academy Re-Certification Program
163	Project Finance Fundamentals
164	Prospects for infrastructure demand during Covid-19 Pandemic
165	Public Speaking You Can Too
166	PwC Tax Briefing Covid-19 Pandemic PwC Tax Briefing Covid-19 Pandemic – update on tax regulations
167	Renewable Energy Scheme

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
168	Renewable Energy& Geothermal (Sharing Session by ENGIE & Supreme Energy)
169	Restructuring As A Way to Bounce Back After COVID-19
170	Corona Risk & Odd-Even Policies for DKI Jakarta
171	Robotic Process Automation For Finance Function in Indonesia
172	Seminar on "Utilization of Sharia PPP Schemes in Regional Infrastructure Financing"
173	Online National Seminar on "Alternative Financing and Preparation of Reliable Infrastructure HR"
174	National Seminar of APIP - SPI - APH Supervision Synergy "Synergy to Guard the Country, Towards Advanced Indonesia"
175	Business Communication Series
176	Certification of Infrastructure Business Case: International
177	Sharing Session of Waste Sector
178	Shift Happens: Adapting and Thriving in Crisis
179	Short course Infrastructure: Financing structures, instruments and incentives Short Term Award
180	Jabodetabek Integrated Mode Integration System
181	Smooth Delivering To Operation
182	Soft Skills for Project Manager
183	Socialization of Regulation of the Minister of National Development Planning Agency No. 2 of 2020
184	Sosialisasi Pokok Perubahan Permen PPN 2/2020 (Tata Cara KPBU)
185	Adaptation and Recovery for Sea, River, Lake and Ferry Transportation
186	Strategic procurement
187	Supporting Sustainable Development Goals While Making Money
188	Sustainable Infrastructure Fellowship Program: Academic Session 1 - Challenges and Opportunities
189	Sustainable Infrastructure Fellowship Program: Academic Session 2 - Infrastructure Project Design and Preparation
190	Sustainable Infrastructure Fellowship Program: Academic Session 3 - Risk Management in Greenfield Infrastructure
191	Sustainable Infrastructure Fellowship Program: Academic Session 4 - Infrastructure Project Design and Preparation



TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
192	Legal Challenges as an Instrument to Save Indonesia in the Transition Period from COVID-19 Crisis
193	Data Governance and Utilization of Government Data Bid
194	Tax Update Omnibuslaw of taxation cluster
195	Template for PPP Project Transaction Document of Housing Sector
196	Template for PPP Project Transaction Document of Urban Transportation Sector
197	The Digital Indonesia International Geothermal Convention (DIIGC) 2020 "The Future is Now: Committing Geothermal Energy for Indonesia's Sustainable Development"
198	Thru Covid and Beyond: Extending Social Safety Nets for the Lower Middle Class
199	Time To Take Care Our Most Important Asset
200	Time Value of Money
201	Tips On Negotiation In Virtual Setting While Work From Home
202	Tips on Negotiations in Virtual Settings While Work From Home
203	Training DMS of Corporate Secretary Division – Board of Directors Bureau
204	Training for Trainers
205	Training Need Analysis and Training Design
206	Training on the Guidelinees for Using Zoom Application
207	Training on the Template for PPP RFP
208	Transportation To Unify Diversity
209	Turning Inwards What Asia's Self-Sufficiency Drive Means for Business and Investors
210	UAT DMS
211	Updating of the Latest Tax Regulations Regarding COVID-19 Pandemic
212	Urban Infrastructure Management
213	US – China Relations Under a Biden Presidency
214	Virtual Public Discussion: COVID-19 Update: Indonesia's Economic & Political Review
215	Virtual Public Speaking for the New Normal
216	Virtual Seminar-Accounting
217	Webinar - Optimization of Creative Financing in the Provision of Infrastructure for National Economic Recovery (PEN)

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
218	Webinar "Patimban Port and Regional Economic Development"
219	Webinar "Protection of SOEs Assets in the Perspective of State Finances"
220	Webinar APAC Power and Renewable Infrastructures (FitchRatings)
221	Webinar of the Research and Development Agency of the Ministry of Transportation "Collaboration in Responding to the Impact of Covid-19 and the New Normal Recovery Strategy in the Transportation Sector"
222	Webinar of BPS Central Java Province "Poverty and Population Inequality of Central Java Province March 2020"
223	Webinar CB Kemhub-PDPPI-BAPPENAS-PII
224	Webinar Communications in Times of Uncertainty
225	Webinar on Digitalization of Archives Management Maintaining Performance Accountability and Transparency During Pandemic
226	Webinar on Transportation Sector Financing
227	Webinar Fitch on Bank Regulation Session 1
228	Webinar on the Coordination Forum for Ministries and Institutions
229	Webinar Global and APAC Sovereign and Economic Outlook
230	Webinar Global Panel: COVID-19 Implications (CFA Institute)
231	Webinar of the 75th Indonesian Independence Day "Regional Infrastructure Financing Innovations for Economic Recovery"
232	Webinar ICAIOS "Efforts to Improve Health Resilience of the Acehnese People Through Sharia Public-Private Partnership Scheme"
233	Webinar ICIDES PKN STAN "Optimizing Creative Financing in the Provision of Infrastructure for National Economic Recovery (in the Persective of Sector, Fiscal, and SOEs)"
234	Webinar of the Ministry of Transportation "Optimizing Creative Financing Schemes in Accelerating the Fulfillment of National Transportation Development Needs"
235	Webinar on Communication with Empathy: Increase Synergy with Colleagues
236	Webinar on the Benefits of the Development of Geothermal Power Plant (PLTP) Dieng 2 and Patuha 2 Project
237	Webinar on COVID-19 and the New Normal – Jakarta Returns to the Workplace
238	Webinar on the Role of SOEs in the Country's Economic Recovery Due to Covid-19 Pandemic

**TABLE OF PUBLIC TRAINING IMPLEMENTATION**

No	Topic of Public Training
239	Webinar on Infrastructure Demand Outlook During Covid-19 Pandemic
240	Webinar Series # 5: SOEs Transformation and Strategy to Overcome Crisis
241	Webinar Series UNIID - IIGF Institute - Efforts to Improve Aceh Public Health Resilience through Sharia PPP Scheme
242	Webinar Series UNIID - IIGF Institute Series 1 – PPP Policy Directions for Current and Post-Pandemic
243	Webinar Series UNIID - IIGF Institute Series 2 – Social Benefits of Infrastructure Development During Pandemic
244	Webinar Series UNIID - IIGF Institute Series 3 - Investment and Economic Aspects of Current and Post-COVID-19 Infrastructure Development
245	Webinar Series UNIID - IIGF Institute Series 4 - Legal Aspects of Current and Post-COVID-19 Infrastructure Development
246	Webinar Series UNIID - IIGF Institute Series 5 - The COVID 19 Pandemic and the Impact of Infrastructure Development in Indonesia: Post-Pandemic Infrastructure Development Innovations
247	Webinar of SMERU Research Institute “Looking at the Adaptation and Resilience of Health Services and Vulnerable Groups in Facing the COVID-19 Pandemic”
248	Webinar on Procurement Strategy
249	Webinar of Syailendra Talks “Getting to Know Index and ETF Mutual Funds Investment”
250	Webinar The Economic Impact of COVID-19

TABLE OF PUBLIC TRAINING IMPLEMENTATION

No	Topic of Public Training
251	Webinar The impact of COVID-19 on PPPs
252	UGM Webinar: Public Communication during the Covid-19 Pandemic Crisis
253	Webinar: Global Forecast 2020
254	Webinar: The Impact of Coronavirus on Indonesia Credit
255	What Next for the Global Economy?
256	Why Oversight of Public Spending on COVID-19 is crucial
257	Workshop Best Practices Planning, Financing, and Delivering Transportation Infrastructure
258	Workshop on Draft Base Template of RFQ, RFP and PPP Agreement for PPP Projects
259	Workshop on PPP Draft Agreement for PPP Projects
260	Workshop Of Fiscal Risk Management and The Use Of PFRAM
261	Workshop on Integration of Renewable Energy in Energy Systems: Perspectives on Investment, Technology, and Policy
262	Workshop on Whistleblower Protection “Whistleblower and Its Protection System”
263	Workshop on Pekanbaru SPAM Recourse
264	World of Cost Living: How is COVID-19 Affecting the Prices of Consumer Goods
265	Zoomdemic : Data Protection and Privacy Policy in WFH



TABLE OF KNOWLEDGE SHARING IMPLEMENTATION

No.	Title of Training	Number of Participants
1	Sharing Session of Kartini Day: Modern Women's Financial Management	50
2	Talkshow: Overcoming Anxiety in Facing the COVID-19 Pandemic	30
3	Sharing Session of Waste Sector by SMI	9
4	Knowledge Sharing Workshop: Concept and Implementation of Results Based Lending Schemes	23
5	Sharing Session: Stay Healthy and Productive in the New Normal Era	97
6	Talk Show : Charismatic Communication with Creative Thinking for New Normal and New You	100
7	2020 GRC Forum	90
8	Webinar on World Anti-Corruption Day (HAKORDIA)	118
TOTAL		517

Costs Of Employee Competency Development

Costs of the Company's employee competency development are borne by the Human Capital Division. In 2020, the Company's total cost of employee education and training for competency development amounted to IDR1.07 billion, while in the previous year it was IDR2.9 billion.

Evaluation On The Implementation Of Competency Development

The Company conducts evaluation on the learning activities which is have been held for competency development in 2020 through employee portal, which submitted by employees after completing their education and training.



STRUCTURE AND COMPOSITION OF THE SHAREHOLDERS

MAJOR AND CONTROLLING SHAREHOLDERS



SHARE OWNERSHIP OF 5% OR MORE

100% of the Company's shares are owned by the Republic of Indonesia, therefore there is only 1 (one) shareholder with share ownership of 5% or more, namely the Republic of Indonesia.

COMPOSITION OF SHAREHOLDERS AS OF DECEMBER 31, 2020

Composition of the Company's Shareholder as of December 31, 2020 is 100% owned by the Republic of Indonesia.

Name of Shareholders	Number of Shares	Percentage
The Republic of Indonesia	9,570,000 shares	100%

Hence, the Republic of Indonesia is the sole shareholder of PT Penjaminan Infrastruktur Indonesia (Persero).



SHARE OWNERSHIP OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The Company's shares are fully owned by the Government of the Republic of Indonesia; hence the Board of Commissioners and Board of Directors do not have any shares ownership in the Company.

LIST OF SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES/ SPECIAL PURPOSE VEHICLE

Subsidiaries

As of December 31, 2020, PT Penjaminan Infrastruktur Indonesia (Persero) has not established any subsidiary.

Associates

As of December 31, 2020, PT Penjaminan Infrastruktur Indonesia (Persero) has not established any associates.

Jointly Controlled Entities

As of December 31, 2020, PT Penjaminan Infrastruktur Indonesia (Persero) has not established any jointly controlled entities.

Joint Venture Company

As of December 31, 2020, PT Penjaminan Infrastruktur Indonesia (Persero) has not established any joint venture companies.

Special Purpose Vehicle (SPV)

As of December 31, 2020, PT Penjaminan Infrastruktur Indonesia (Persero) did not have a special purpose vehicle.

GROUP STRUCTURE

As of December 31, 2020, the Company has not established Subsidiaries, Associates, Joint Venture or Special Purpose Vehicle. Therefore, there has been no information presented related to Corporate Group Structure.



CHRONOLOGY ON SHARE LISTING

The Company has not presented chronological information on the share listing as until December 31, 2020, PT Penjaminan Infrastruktur Indonesia (Persero) has not listed its shares on any stock exchange.

CHRONOLOGY OF OTHER SECURITIES LISTING

As of December 31, 2017, the Company has not issued any securities in any form, which traded at any stock exchange. Hence, there has been no information regarding the chronology of other securities listing and/or issuance from the beginning of issuance until the end of the fiscal year.

AWARDS AND CERTIFICATIONS

Awards



Name of Award

PPP Agency of The Year

Organizer

The Asset Triple A Asia Infrastructure Awards 2020



Name of Award

TOP GRC 2020 #4 Stars

Organizer

TOP GRC Awards 2020



Name of Award

The Most Committed GRC Leader 2020

Organizer
TOP GRC Awards 2020



Name of Award

The High Performing Corporate Secretary on GRC 2020

Organizer

TOP GRC Awards 2020



Name of Award

TOP CSR 2020 #4 Stars

Organizer

TOP CSR Awards 2020



Name of Award

Top Leader on CSR Commitment 2020

Organizer
TOP CSR Awards 2020



Category of Award

Education Quality Improvement

Name of Award

The Best Nusantara CSR Awards 2020



Category of Award

Community Economic Empowerment

Name of Award

The Best Nusantara CSR Awards 2020



Kategori Penghargaan

Community Involvement in Handling
Waste

Name of Award

The Best Nusantara CSR Awards 2020



Kategori Penghargaan

Community Economic Recovery

Name of Award

The Best Nusantara CSR Awards 2020

Certification

As of December 31, 2020, the Company certified as Accredited Training Organization (ATO) for Certification PPP Professional (CP3P) for Foundation Level from the Accrediting Professional Manager Globally (APMG).



CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONS

Securities Administration Bureau

As of December 31, 2020, PT PII has not issued any shares on any Stock Exchange. Hence, no information could be presented on the Securities Administration Bureau.

Bond Rating Agencies

As of December 31, 2020, PT PII has not issued any shares on any Stock Exchange. Hence, no information could be presented on Bond Rating Agencies.

Public Accounting Firm:

Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan

Legal Consultant

Nengah Sujana & Rekan

Notary

Arry Supratno, S.H.

Irma Devita, S.H. MKn.



THE COMPANY'S WEBSITE

The Company has created a website under the name of <https://www.ptpii.co.id/>, which can be accessed easily by the general public. The Company has created its website in accordance with the needs of the Company and by taking notice of Regulation of the Financial Services Authority No. 8/POJK.04/2015 concerning Website of Issuers or Public Companies, which contains important information including information on shareholders, the Code of Ethics, General Meeting of Shareholders (GMS), Annual Reports, Profile of the Board of Commissioners and Board of Directors, and Charters of the Board of Commissioners, Board of Directors, Committees, and Internal Control Unit. Regarding the GMS, the information presented on the website includes the agenda discussed in the GMS, the summary of the minutes of the GMS, and information on important dates, namely the date of the GMS summons and the date of the GMS. The Company's website can also be displayed in Indonesian and English.

Detailed information on the conformity of the Company's Website is as follows:

ARA CRITERIA

Information on the Company's shareholder until the last individual owner



Conformity with the Company's Website

Available
Under the menu
"About PT PII"

LINK <https://ptpii.co.id/shareholder>

ARA CRITERIA

Contents of the Company's Code of Conduct



Conformity with the Company's Website

Available
Under the menu
"Corporate Policy Manual"

LINK <https://ptpii.co.id/corporate-policy-manual>

ARA CRITERIA

Annual financial statements/separated (the last 5 years)



Conformity with the Company's Website

Available
Under the menu
"News and Publication"

LINK <https://ptpii.co.id/annual-report>

ARA CRITERIA

Profile of the Board of Commissioners and Board of Directors



Conformity with the Company's Website

Available
Under the menu
"About PT PII"

LINK <https://ptpii.co.id/management>

ARA CRITERIA

Charters of the Board of Commissioners, Board of Directors, Committees, and Internal Audit Unit



Conformity with the Company's Website

Available
Under the menu
"Corporate Policy
Manual"

LINK <https://ptpii.co.id/corporate-policy-manual>

ARA CRITERIA

Information on General Meeting of Shareholder (GMS) at least include the materials discussed in GMS, summary of GMS minutes, and information on important dates, namely the date of GMS announcement, the date of GMS invitation, the date of GMS, and the date of summary of GMS minutes announced;



Conformity with the Company's Website

Available
Under the menu
"News and
Publication"

LINK <https://ptpii.co.id/corporate-news>

ARA CRITERIA

The Company's Achievements and Outlook



Conformity with the Company's Website

Available
Under the menu
"Project"

LINK <https://ptpii.co.id/project-information-monitoring-update>

ARA CRITERIA

Board of Commissioners



Conformity with the Company's Website

Available
Under the menu
"Management-Board
of Commissioners"

LINK <https://ptpii.co.id/management>

ARA CRITERIA

Board of Directors



Conformity with the Company's Website

Available
Under the menu
"Management-Board
of Directors"

LINK <https://ptpii.co.id/management>

ARA CRITERIA

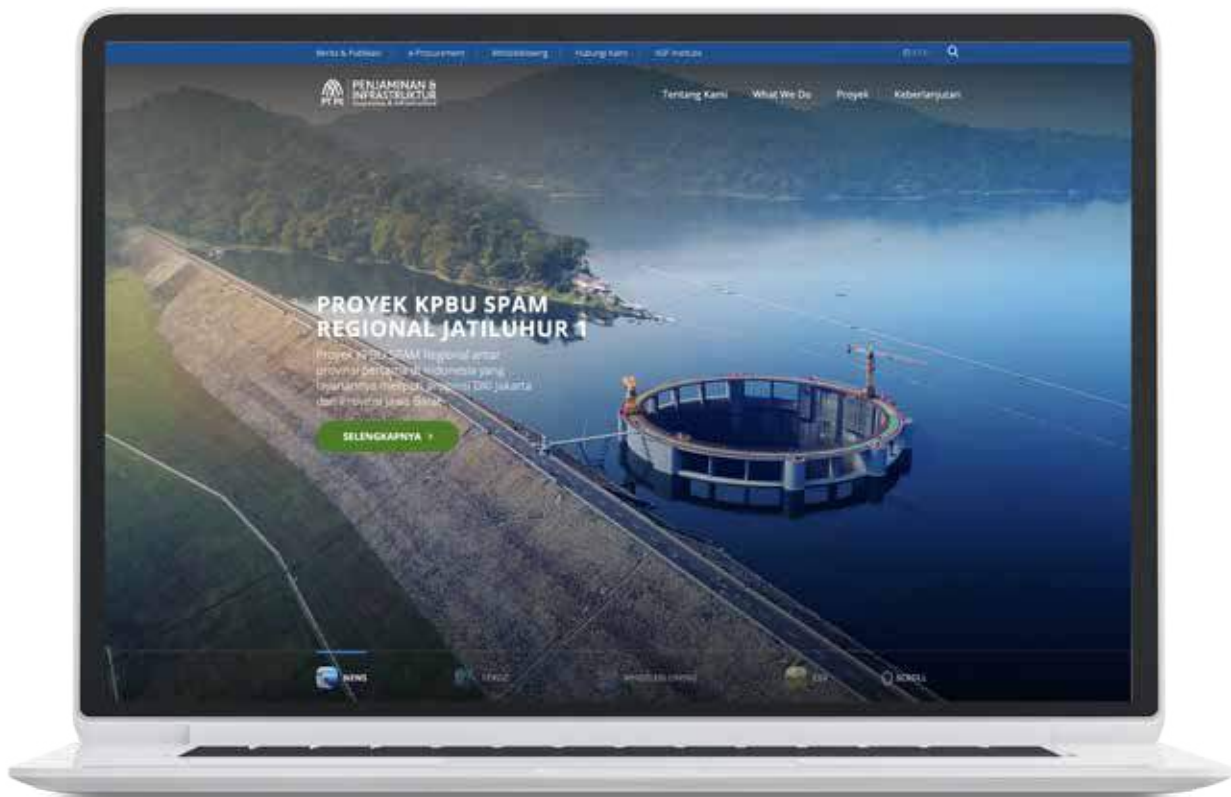
Shareholders



Conformity with the Company's Website

Available
Under the menu
"About PT PII"

LINK <https://ptpii.co.id/shareholder>



The Company's website is divided into 10 (ten) major sections consisting of:

1. About Us
2. Corporate Governance
3. Whistleblowing
4. Products
5. News
6. e-proc
7. Projects
8. Risk Management
9. Sustainability
10. IIGF Institute

In addition, the Company's website also contains other information that may serve to enhance knowledge regarding information related to the Company's business.

The contents of the Company's website are also in accordance with the provisions of the Decree of the Minister of Finance No. 505/KMK.06/2020 concerning Guidelines for Assessment and Evaluation of the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) under the guidance and supervision of the Minister of Finance.

The information presented on the website is updated regularly.



COMPETENCY DEVELOPMENT AND TRAINING OF THE BOARD OF COMMISSIONERS, BOARD OF DIRECTORS, COMMITTEES, CORPORATE SECRETARY AND HEAD OF INTERNAL AUDIT UNIT

Board of Commissioners

Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
Awan Nurmawan Nuh	President Commissioner	Mandiri <i>Investment Forum</i>	Bank Mandiri	Februari 2020	Video Conference
		Webinar of the Minister of Finance with Analysts and Economic Observers on PERPPU, 2020 State Budget and 2021 KEM PPKF	Ministry of Finance	April 2020	Video Conference
		Coordination Forum of the Representatives of the Ministry of Finance Overseas	BKF	June 2020	Video Conference
		Webinar on "Pajak Bertutur"	DJP	June 2020	Video Conference
		- Seminar of the Ministry of Finance on Public Information Transparency - Webinar of Fiscal Policy Agency: Understanding the Concept of Recession	- Kemenkeu - BKF	August 2020	Video Conference
		- FGD on Digital Research and Innovation Development in Business and Industry - Online International Seminar the 53rd Annual Meeting of the Asian Development Bank (ADB) - Organization and Human Resources Design Workshop - VAT Webinar Series IMF - National Seminar on APIP - SPI - APH Supervision Synergy	- US-ASEAN Business Council - Asian Development Bank - Directorate General of Taxes - International Monetary Fund - The Audit Board of the Republic of Indonesia	September 2020	Video Conference
		<i>Virtual Int'l Tax Conference</i> - Virtual International Tax Conference	- IAI KAPj & Bureau Van Dijk - National Committee on Sharia Economics and Finance	October 2020	Video Conference
		- National Symposium on State Finance 2020 - Webinar "The Role of Regulation on State Finance to Support the Ease of Running Business and Investment	- Financial Education and Training Agency - Secretariat General of the Ministry of Finance	November 2020	Video Conference



Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
		- Southeast Asia Symposium on Domestic Resources Mobilization for COVID-19 Economic Recovery - National Conference on Taxation - Webinar on World Anti-Corruption Day - DGT - IBFD Virtual Panel Discussion on Indonesia's Tax Policy Responses to COVID-19	- Asian Development Bank - Directorate General of Taxes - Ministry of Finance - IBFD	December 2020	Video Conference

Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
Mariatul Aini	Commissioner	E-Learning Information Security Awareness Batch V	General Finance Training Center, Financial Education and Training Agency, Ministry of Finance	June 29 – July 02, 2020	Video Conference
		Webinar on Implementing Redesign of Budgeting Systems for the Strengthening of Performance-Based Budgeting at the Ministry of Finance	Budget and Treasury Training Center, Financial Education and Training Agency, Ministry of Finance	July 08, 2020	Video Conference
		Webinar Talkshow ORI018, Continuous Benefits, Preparation for the Future	General of Budget Financing and Risk Management, Ministry of Finance	June 15, 2020	Video Conference
		Webinar "Tax Revenue Strategy During Recovery Period"	Directorate General of Taxes, Ministry of Finance	July 24, 2020	Video Conference
		Webinar "Digital Transformation is not an Option, but a Mandatory"	Central Transformation Office (CTO) Ministry of Finance	August 12, 2020	Video Conference
		Webinar Enterprise Architecture Refreshment	Central Transformation Office (CTO) Ministry of Finance	September 04, 2020	Video Conference
		Webinar on "Challenges of Legal Documentation Management and Efforts to Improve Legal Information Services during the Covid-19 Pandemic"	Secretariat General of the Ministry of Finance	September 21, 2020	Video Conference
		Webinar Talkshow ORI018, Continuous Benefits, Preparation for the Future	Directorate General of Budget Financing and Risk Management, Ministry of Finance	October 01, 2020	Video Conference
		Webinar: Relaxation of Non-Tax State Revenue (PNBP) during the COVID-19 Pandemic for National Economic Recovery	Directorate General of Budget, Ministry of Finance	October 19, 2020	Video Conference



Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
		Webinar on the Strategies for Economic Recovery Post COVID-19 and Increasing the Ease of Doing Business in Indonesia	Fiscal Policy Agency, Ministry of Finance	October 20, 2020	Video Conference
		International Webinar "Designing The Optimum Ecosystem Of Pension"	Directorate General of Budget, Ministry of Finance	October 21, 2020	Video Conference
		- Webinar "Digitalization of Archives Management" - Maintaining Performance Accountability and Transparency During Pandemic"	Secretariat General of the Ministry of Finance	October 22, 2020	Video Conference
		Webinar: Digital Mindset in the Digital Transformation of the Ministry of Finance	Central Transformation Office	December 24, 2020	Video Conference

Name	Jabatan	Training/Seminar/ Workshop	Organizer	Time	Location
Wahyu Utomo	Commissioner	Focus Group Discussion (FGD): Discussion on Lombok Regional SPAM and Wosusokas Regional SPAM using the PPP Scheme	PT PII	April 14, 2020	Video Conference
		Town Hall Meeting: Connecting the Sense of Nationality of the Ministry of Finance	Kementerian Keuangan	August 19, 2020	Video Conference
		Talk Show "Charismatic Communication with Creative Thinking for New Normal and New You"	PT PII	August 24, 2020	Video Conference
		Webinar Forum Governance Risk and Compliance 2020 - "Trends of Cloud Computing & Threats of Cyber Crime in the Era of Covid-19 Pandemic"	PT PII	October 08, 2020	Video Conference
		2020 World Anti-Corruption Day (Hakordia) - Talkshow "Building a Culture of Integrity and Its Challenges"	Ministry of Finance	December 03, 2020	Video Conference
		Webinar: World Anti-Corruption Day (HAKORDIA)	PT PII	December 08, 2020	Video Conference



Direksi

Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
Muhammad Wahid Sutopo	President Director	Webinar - The impact of COVID-19 on PPPs	APMG Group	April 29, 2020	<i>Video Conference</i>
		Webinar on Aceh Project: Efforts to Improve Aceh Public Health Resilience through the Sharia Public Private Partnership Scheme (PPP)	ICAIOS	June 23, 2020	<i>Video Conference</i>
		Webinar Asia Infrastructure Finance Leadership Series - Lessons learned, challenges ahead	The Assets	June 30, 2020	<i>Video Conference</i>
		Fitch Ratings Webinar : Transportation Assets - EMEA and APAC Coronavirus Stress Tests	Fitch Ratings	July 14, 2020	<i>Video Conference</i>
		Asia Infrastructure Finance Leadership Series webinar	The Assets	July 15, 2020	<i>Video Conference</i>
		In The Project Management Sharing Session with Topic: Challenge Project Management in Oil & Gas Project	UGM & Komunitas Migas Indonesia	July 25, 2020	<i>Video Conference</i>



Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
		Airport: New Normal and Post COVID-19 Strategy Webinar	DIT - British Embassy Jakarta	August 06, 2020	Video Conference
		Webinar : Fitch on Indonesia – Addressing The Coronavirus Challenge (Part 2: Corporates, Infrastructure, International Public Finance)	Fitch Ratings	September 02, 2020	Video Conference (Cisco Webex)
		Business Analytics : Decision Making Using Data	University of Cambridge - Judge Business School	August 12 – October 27, 2020	Video Conference
		Global Infrastructure Leadership Forum 2020	CG/LA Infrastructure	October 17, 2020	Vicon (Ms Teams)
		Austrade Insight - Intelligent Transport System Roundtable Discussion	Australian Trade and Investment Commission	October 21, 2020	Video Conference (webex)
		Cybersecurity For Critical Urban Infrastructure	MITx	November 9 – December 2, 2020	Video Conference (webex)
		Virtual Roundtable on Green Financing in Indonesia	Embassy of Denmark	November 23, 2020	Video Conference
		Konferensi IIA Indonesia - improving communication and collaboration among risk and control functions	The Institute of Internal Auditors Indonesia	December 03, 2020	Video Conference (webex)
		Indonesia Energy Transition Dialog (IETD) 2020	ICEF / IESR	December 8 – 11, 2020	Video Conference (zoom)
		Executive Education Series - Directorship Program "High Performance Boards"	Pertamina Training & Consulting	December 18, 2020	Video Conference (zoom)



Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
Salusra Satria	Finance and Project Assessment Executive Director	BRI Group Economic Forum 2020	Danareksa Sekuritas & BRI	January 29, 2020	The Ritz-Carlton, Pasific Place
		Business Talk Series: Economic Solutions for the Handling of Covid-19 Pandemic Facing Challenges, Accountability, Flexibility, Speed and Risk of PEN Policy	School of Business IPB University	June 27, 2020	Video Conference
		Joined courses and passed exams on Infrastructure Business Case Online Foundation Training	IPA UK Government in alliance with Bappenas	June 30 – July 6, 2020	Video Conference
		FGD on the Performance and Role of PII in the Midst of COVID 19 Pandemic	Bank Indonesia	August 5, 2020	Video Conference
		Webinar: Fitch on Indonesia – Addressing The Coronavirus Challenge (Part 2: Corporates, Infrastructure, International Public Finance)	Fitchratings	September 02, 2020	Video Conference
		Deloitte Webinar Conference Recession : Preparing for the Good, the Bad, and The Ugly	Delloite	September 22, 2020	Video Conference
		Webinar Series - Rethinking the Role of Islamic Economics and Finance Post Pandemic: Driving Change through Research	ISEF	September 24, 2020	Video Conference
		Speaker in training for Certified Indonesia Insurance Broker professional title	Certified Indonesian Insurance and Reinsurance Brokers "CIIB"	September 28, 2020	Video Conference
		CEO TAX TALK 2020: Direction of Economic & Taxation Policy Post-Covid-19 Pandemic	Tax Online	November 17, 2020	Video Conference

Name	Training/ Seminar/Workshop	Organizer	Time	Location
Andre Permana	Webinar Sinasure "Sovereign Guarantee and Other Government Support to PPP Projects in Indonesia"	Sinasure, China	May 11, 2020	Video Conference
	Webinar of PT SMI "Prospects of Infrastructure Demand During the Covid-19 Pandemic"	PT SMI	May 14, 2020	Video Conference
	Webinar Jakpro "Creative Project Financing on PPP"	Jakpro, DKI Jakarta	July 6, 2020	Video Conference



Name	Training/ Seminar/Workshop	Organizer	Time	Location
	Webinar ICIDES PKN STAN "Optimizing Creative Financing in the Provision of Infrastructure for National Economic Recovery (in the Perspective of Sector, Fiscal, and SOEs)"	State College of Accountancy Ministry of Finance	July 16, 2020	Video Conference
	Webinar Series 2 "Investment and Economic Aspects of Current and Post-COVID-19 Infrastructure Development"	UNIID and IIGFI	July 17, 2020	Video Conference
	Webinar Series "The COVID 19 Pandemic and the Impact of Infrastructure Development in Indonesia: Post-Pandemic Infrastructure Development Innovations"	UNIID and IIGFI	August 28, 2020	Video Conference
	Online National Seminar on Alternative Financing and Preparation of Reliable Infrastructure HR for Sustainable Infrastructure Development	Pancasila University	Jul 24, 2020	Video Conference
	Webinar Series 4 "Legal Aspects of Current and Post-COVID-19 Infrastructure Development"	UNIID and IIGFI	August 7, 2020	Video Conference
	Town Hall Meeting: Connecting the Sense of Nationality of the Ministry of Finance	Ministry of Finance	August 19, 2020	Video Conference
	Webinar of the 75th Indonesian Independence Day "Regional Infrastructure Financing Innovations for Economic Recovery"	Directorate General of Budget Financing and Risk Management - Ministry of Finance	September 2, 2020	Video Conference
	FGD Discussion on Feasibility Pre-Study Review of Bendungan Pasir Kopo PPP Project, Banten	Directorate of Implementation of Water Resources Infrastructure Financing	September 3, 2020	Video Conference
	Workshop on the Synchronization of 2021 PPP Projects	National Development Planning Agency	September 4, 2020	Video Conference
	In House Training for Implementation and Management of Special Projects / PPPs	PT Hutama Karya	September 9, 2020	Video Conference
	FGD on the Reports of RDS Results & Discussion on the Scope of Services for the KRKN PPP Project	National Development Planning Agency	September 10, 2020	Video Conference
	Sharing Session on Risk Mitigation of Pertamina Refinery Project	PT Pertamina	September 17, 2020	Video Conference
	Global Infrastructure Leadership Forum 2020	CG/LA Infrastructure	17 September 2020	Video Conference
	Sharing Knowledge on Central Java PPMU Capacity Development	The Committee for Acceleration of Priority Infrastructure Delivery	September 22, 2020	Video Conference



Name	Training/ Seminar/Workshop	Organizer	Time	Location
	FGD Commission XI of the Parliament	FGD Commission XI of the Parliament	September 24, 2020	Video Conference
	Workshop "Fiscal Risk Management and the Use of PFRAM"	Directorate General of Budget Financing and Risk	October 5, 2020	Video Conference
	Webinar on Anti-Corruption and Anti-Bribery Measures Within Project of State-Owned Enterprise under Ministry of Finance	Ministry of Finance	October 5, 2020	Video Conference
	High Level Meeting Working Group "Strengthen Infrastructure Finance & Market Building Cooperation"	Directorate of Government Support and Infrastructure Financing Management – Ministry of Finance	October 6, 2020	Video Conference
	Webinar on the Utilization of Sharia PPP Schemes in Regional Infrastructure Financing	Bank Indonesia	October 6, 2020	Video Conference
	Webinar Forum Governance Risk and Compliance 2020 - "Trends of Cloud Computing & Threats of Cyber Crime in the Era of Covid-19 Pandemic"	PT PII	October 8, 2020	Video Conference
	Sharing Session on SPAM PPP Guarantee	Board of Commissioners of PT PII	October 21, 2020	Video Conference
	Stories at the Ministry of Finance Voluntary Teaching - Education During Pandemic	Ministry of Finance	October 26, 2020	Video Conference
	NGOPI (Conversation on Indonesian Development): Economic Impact of the PEN Program and Indonesia's Economic Prospects in 2021	PT SMI	November 4, 2020	Video Conference
	FGD on the Potential Utilization of Renewable Energy in Indonesia in the Electricity Sector	IIGFI	November 11, 2020	Video Conference
	Sharing Session on "CSR Transformation of PT PII"	PT PII	November 18, 2020	Video Conference
	Virtual Roundtable on Green Financing in Indonesia	Embassy of Denmark	November 23, 2020	Video Conference
	Ministry of Finance Voluntary Teaching	Ministry of Finance	November 30, 2020	Video Conference
	2020 World Anti-Corruption Day (Hakordia) - Talkshow "Building a Culture of Integrity and Its Challenges"	Ministry of Finance	December 3, 2020	Video Conference
	2020 World Anti-Corruption Day (Hakordia)	PT PII	December 8, 2020	Video Conference
	Preparation for CP3P-Foundation Exam Batch-2 2020 Internal PT PII	PT PII	December 11, 2020	Video Conference



Name	Training/ Seminar/Workshop	Organizer	Time	Location
	Coordination Forum with Development Partners "Optimising Creative and Innovative Financing for Infrastructure Development"	Directorate of Government Support and Infrastructure Financing Management – Ministry of Finance	December 14, 2020	Video Conference
	Investor Gathering DJPPR 2020: Synergy in Supporting State Budget Financing for Handling the Covid-19 Pandemic and Economic Recovery	Directorate General of Budget Financing and Risk Management - Ministry of Finance	December 17, 2020	Video Conference
	Workshop on the Synchronization of PPP Project Plan for 2021	PT PII	December 18, 2020	Video Conference
	Market Interest Confirmation for Proving Ground BPLJSKB Bekasi PPP Project	Ministry of Transportation	December 29, 2020	Video Conference

Audit Committee

Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
Mariatul Aini	Head of Audit Committee	E-Learning Information Security Awareness Batch V	General Finance Training Center, Financial Education and Training Agency, Ministry of Finance	June 29 – July 02, 2020	Video Conference
		Webinar on Implementing Redesign of Budgeting Systems in the Context of Strengthening Performance-Based Budgeting at the Ministry of Finance	Budget and Treasury Training Center, Financial Education and Training Agency, Ministry of Finance	July 8, 2020	Video Conference
		Webinar Talkshow ORI017, Safeguarding the Country through Investment	Directorate General of Budget Financing and Risk Management, Ministry of Finance	June 15, 2020	Video Conference
		Webinar "Tax Revenue Strategy During Recovery Period"	Directorate General of Taxes, Ministry of Finance	July 24, 2020	Video Conference
		Webinar "Digital Transformation is Not a n Option, but a Mandatory"	Central Transformation Office, Ministry of Finance	August 12, 2020	Video Conference
		Webinar Enterprise Architecture Refreshment	Central Transformation Office, Ministry of Finance	September 04, 2020	Video Conference



Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
		Webinar on "Challenges of Legal Documentation Management and Efforts to Improve Legal Information Services during the Covid-19 Pandemic"	Secretariat General of the Ministry of Finance	September 21, 2020	Video Conference
		Webinar Talkshow ORI018, Continuous Benefits, Preparation for the Future	Directorate General of Budget Financing and Risk Management, Ministry of Finance	October 01, 2020	Video Conference
		Webinar: Relaxation of Non-Tax State Revenue During COVID-19 Pandemic for National Economic Recovery	Directorate General of Budget, Ministry of Finance	October 19, 2020	Video Conference
		Webinar on the Strategies for Economic Recovery Post COVID-19 and Increasing the Ease of Doing Business in Indonesia	Fiscal Policy Agency, Ministry of Finance	October 20, 2020	Video Conference
		Webinar Internasional "Designing The Optimum Ecosystem Of Pension"	Directorate General of Budget, Ministry of Finance	October 21, 2020	Video Conference
		Webinar "Digitalization of Archives Management Maintaining Performance Accountability and Transparency During Pandemic"	Secretariat General of the Ministry of Finance	October 22, 2020	Video Conference
		Webinar: Digital Mindset in the Digital Transformation of the Ministry of Finance	Central Transformation Office Ministry of Finance	December 24, 2020	Video Conference
Ahmad Ghufro	Member of Audit Committee	Training Enterprise Risk Governance	Centre for Risk Management & Sustainability (CRMS)	October 5-6, 2020	Video Conference
		Certified Enterprise Risk Governance and Qualified Risk Governance Professional	ERM Academy Singapura dan LSP MKS	October 5-7, 2020	Video Conference
		Webinar Strategic Risk Management and Risk Based Budgeting in the Economic Recession	Global Integrated Risk Management Association	November 21, 2020	Video Conference



Name	Position	Training/ Seminar/ Workshop	Organizer	Time	Location
Marsiyati	Member of Audit Committee	Training ERM & Audit Integration	Centre for Risk Management & Sustainability (CRMS)	16-17 November 2020	Video Conference
		Webinar on Building Excellence in Cyber Risk Management in the Digital Marketing Era of the National Insurance Industry	Itikad Academy	December 16, 2020	Video Conference
		Balance Scorecard Master Class Training	GML Performance Consulting	January 21-23, 2020	Video Conference
		Cross Function of State Finance Management	Budget and Treasury Training Center	March 23-28, 2020	Video Conference
		Information Security Awareness	General Finance Training Center	July 6-9, 2020	Video Conference
		Enterprise Risk Management	Financial Education and Training Agency	July 20-24, 2020	Video Conference
		Ministry of Finance Corpu Talk: Government Investment Support to SOEs in the National Economic Recovery Program	State Assets and Financial Balance Training Center	July 24, 2020	Video Conference
		Business Etiquette Communication Skills Online Training	TALKINC	September 16, 2020	Video Conference
		Introduction to Risk Management	General Finance Training Center	September 21-29, 2020	Video Conference

Risk Monitoring Committee

Name	Position	Training/Seminar/ Workshop	Organizer	Organizer	Location
Wahyu Utomo	Head of Risk Monitoring Committee	Focus Group Discussion (FGD) Discussion on Lombok Regional SPAM and Wosusokas Regional SPAM using the PPP Scheme	PT PII	April 14, 2020	Video Conference
		Town Hall Meeting: Connecting the Sense of Nationality of the Ministry of Finance	Ministry of Finance	August 19, 2020	Video Conference
		Talk Show "Charismatic Communication with Creative Thinking for New Normal and New You"	PT PII	August 24, 2020	Video Conference



Name	Position	Training/Seminar/Workshop	Organizer	Organizer	Location
		Webinar Forum Governance Risk and Compliance 2020 - "Trends of Cloud Computing & Threats of Cyber Crime in the Era of Covid-19 Pandemic"	PT PII	October 08, 2020	Video Conference
		2020 World Anti-Corruption Day (Hakordia) - Talkshow "Building a Culture of Integrity and Its Challenges"	Ministry of Finance	December 03, 2020	Video Conference
		Webinar: World Anti-Corruption Day (HAKORDIA)	PT PII	December 08, 2020	Video Conference
Iqbal Islami	Member of Risk Monitoring Committee	Learning How to Learn: Powerful Mental Tools to Help You Master Tough Subjects	McMaster University and University of California San Diego	August 10 – 31, 2020	Video Conference
		Introduction to Psychology	Yale University	September 14 – October 19, 2020	Video Conference
Ferry Irawan	Member of Risk Monitoring Committee	Focus Group Discussion (FGD) on Regional Lombok SPAM Project and Regional Wosusokas SPAM Project using the PPP Scheme	PT PII	April 14, 2020	Video Conference
		2020 World Anti-Corruption Day (Hakordia) - Talkshow "Building a Culture of Integrity and Its Challenges"	Ministry of Finance	December 3, 2020	Video Conference

Corporate Secretary

Name	Position	Training/Seminar/Workshop	Organizer	Time	Location
Pratomo Ismujatmika	Corporate Secretary	Regional Infrastructure Financing Innovations for Economic Recovery	Directorate General of Budget Financing and Risk Management	February 2, 2020	Video Conference
		US - Indonesia Transportation Infrastructure Best Practices: Planning, Financing, and Maintaining	US Department of Transportation dan US Embassy	February 10, 2020	Medan
		2nd Strategic Internal Communication Conference 2020	Perhumas	February 27, 2020	Video Conference



Name	Position	Training/Seminar/Workshop	Organizer	Time	Location
		Training on ISO27001 Awareness Certification	TUV Rheinland Indonesia	April 21, 2020	Video Conference
		Training on ISO27001 Internal Audit Certification	TUV Rheinland Indonesia	April 29, 2020	Video Conference
		Investment and Economic Aspects of Current and Post-COVID-19 Infrastructure Development	UNIID IIGFI	July 17, 2020	Video Conference
		SOEs Transformation and Strategy to Overcome Crisis	SBM ITB	August 8, 2020	Video Conference
		Strategy for Implementing Good Corporate Governance (GCG) in the Company	Hukum Online	October 15, 2020	Video Conference
		Alternative Infrastructure Financing in a Post Covid Environment	Indonesia Canada Chamber of Commerce	November 25, 2020	Video Conference
		GRI Standard Certified Training Course and Assessment to Sustainability Report Specialist	Karisman Consulting	November 24, 2020	Video Conference

Internal Audit Unit

Name	Position	Training/Seminar/Workshop	Organizer	Time	Location
Deki Santo Wibowo	Head of Internal Audit Division	Training on ISO27001 Internal Audit Certification	TUV Rheinland Indonesia	21 dan 29 April 2020	Video Conference
		The Audit Board of the Republic of Indonesia (BPK) in SOEs Financial Audit	Intrinsics	7 September 2020	Video Conference
		IIA National Conference 2020 - Enhancing Communication & Collaboration: Learning from Pandemic	IIA Indonesia	2-3 Desember 2020	Video Conference

Name and Address of Subsidiaries, Associates, Branch Offices and Foreign Representatives and Regional Offices, Branch Offices, Sub Branch, Foreign Representatives and Regional Offices

As of the end of 2020, the Company has not established subsidiaries, associates, branch offices and representative offices. Hence, there has been no information presented related to this.



BATANG EAST JAVA POWER PLANT PROJECT

CAPACITY 2x1,000 MEGAWATT

MANAGEMENT DISCUSSION AND ANALYSIS

The expansion of mandate and assignment from the Government has become a new opportunity for the Company to play a more substantial role in accelerating the infrastructure development and national economic recovery program.



INDUSTRY AND BUSINESS REVIEW

CONDITIONS OF THE NATIONAL ECONOMY

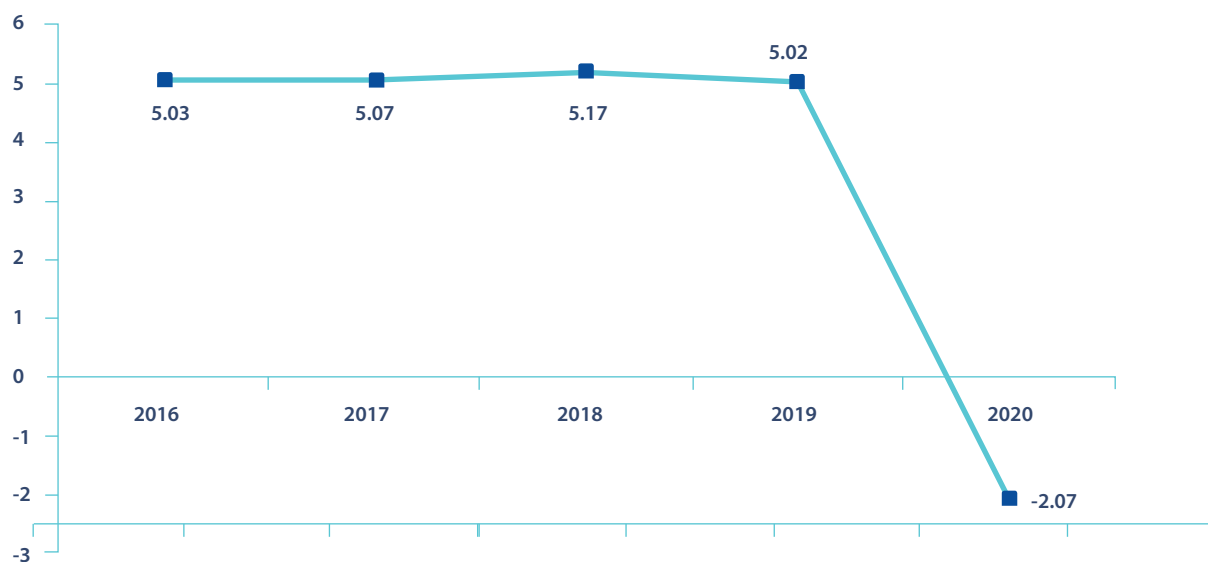
Throughout 2020, the national economy was in the negative zone during the first year of the COVID-19 pandemic. The impact of the COVID-19 pandemic has resulted in a significant declining effect on the overall national economic growth.

Based on data from the Central Bureau of Statistics (BPS), Indonesia's economic growth in 2020 showed a contraction with negative growth of 2.07%, when compared to economic growth in 2019. Several components of economic growth showed negative growth, for example the production component which experienced the largest growth contraction, namely in the transportation and warehousing business sector with the highest negative growth of 15.04%. While in terms of expenditure, almost all components experienced contraction with negative growth, such as the Export of Goods and Services Component with the highest negative growth of 7.70%. Meanwhile, the Import of Goods and Services component, as the deduction factor, was contracted by 14.71%.

As a comparison, in the fourth quarter of 2020, the Indonesian economy experienced negative growth of 2.19% against the fourth quarter of 2019. In terms of production, the Transportation and Warehousing Business Sector experienced the lowest growth contraction of 13.42%. In terms of expenditure, the Export of Goods and Services Component experienced the lowest growth contraction of 7.21%. Meanwhile, the import of goods and services, as the deduction factor, was contracted by 13.52%.

Meanwhile, the comparison of Indonesia's economic growth in the fourth quarter of 2020 to the previous quarter showed a negative growth of 0.42%. In terms of production, a negative growth of 20.15% occurred in the agriculture, forestry, and fishery sector. In terms of expenditure, the highest growth was achieved by the Government Consumption Expenditure (PKP) Component, which grew by 27.15%.

ECONOMIC GROWTH (%)



Source: Central Bureau of Statistics (2021), "Indonesia's Economic Growth in Quarter IV of 2020"

In the Central Bureau of Statistics (BPS) report, the national economy in 2020 was measured based on Gross Domestic Product (GDP) at current prices of IDR15,434.2 trillion and GDP per capita of IDR56.9 million or USD3,911.7. This also showed a decline when compared to the 2019 GDP per capita of IDR59.1 million or USD4,174.5.



Bank Indonesia predicted the improvement of economic condition in line with the strategic measures taken by the Government in dealing with the impact of COVID-19 pandemic. The economic growth in the fourth quarter of 2020 showed the continuation of the economic recovery process, supported by the realization of stimulus and positive contributions of the external sector.

In terms of expenditure, household consumption improved in the fourth quarter of 2020, which grew -3.61% (yoy) from -4.05% (yoy) in the third quarter of 2020, in line with improvements in community mobility. Government consumption recorded a growth of 1.94% in 2020, which was influenced by the realization of Government stimulus, especially in the form of social assistance, expenditure of other goods and services, as well as Regional Transfer and Village Funds (TKDD). Gross Fixed Capital Formation/GFCF (investment) improved in the fourth quarter of 2020 from the previous quarter. Net exports were positive, supported by the improved export performance amid limited imports. Most of the business sectors experienced improvements in the fourth quarter of 2020, especially related to health and work from home as well as school from home activities. (Source: Bank Indonesia (2021), "Indonesia's Economic Growth in Quarter IV of 2020 Continues to Improve")

Bank Indonesia directed the accommodative policy mix and strengthening the synergies with the Government and related authorities to continue supporting the national economic recovery. Therefore, Bank Indonesia estimated that the 2021 Outlook shall increase gradually.

INFRASTRUCTURE INDUSTRY

The Government of Indonesia realized that national economic growth is still far from expectations, which requires a minimum growth of 7% in order to become a developed country by 2025. One of the factors that significantly support economic growth is the availability of sufficient infrastructure for the public economic activities. Infrastructure development is one of the strategic options to accelerate Indonesia's economic growth and equitable distribution.

Therefore, in the spirit of acceleration, The Government of Indonesia has conducted a number of efforts to encourage investment in various infrastructure-related sectors. Improvements in regulations, fiscal and institutional arrangements have been made to encourage the achievement of priority project milestones.

In line with this, in the 2020-2024 National Medium-Term Development Plan, the Government has set the infrastructure sector to be a priority for national plans and policies in strengthening the infrastructure to support economic development and basic services.

The government's attention to infrastructure in recent years has contributed to the improved quality of infrastructure in Indonesia. However, the competitiveness of Indonesia's infrastructure still needs to be improved. In the 2018 Global Competitiveness Report, Indonesia was ranked 71 for infrastructure competitiveness, which was still lagging behind other ASEAN countries, such as Singapore, Malaysia, and Thailand. Several matters still needed acceleration, including the development of infrastructure that drives the economy, equitable distribution of basic services all across Indonesia, and infrastructure development to support the development of various cities in line with urbanization in Indonesia.

Hence, in the 2020-2024 periods, infrastructure development shall be prioritized on three main focuses, namely Infrastructure for Equitable Development, Infrastructure for Economic Development, and Infrastructure for Urban Development. Development on these three main focuses shall be supported by the development of energy, electricity, and implementation of digital transformation, and the prioritization of disaster resilience, gender equality, good governance, sustainable development, as well as capital and socio-culture as the mainstreaming in the 2020-2024 infrastructure development frameworks.

2020-2024 Infrastructure Framework

Infrastructure development in the 2020-2024 period shall focus on three main frameworks (Basic Service Infrastructure, Economic Infrastructure, and Urban Infrastructure) supported by the development of energy and electricity as well as the implementation of digital transformation. Infrastructure development for basic services is prioritized to ensure equitable development all across Indonesia in order to reduce inequality between regions. The scope of infrastructure development includes:

1. Basic Service Infrastructure
 - a. Provision of Access to Decent, Safe and Affordable Housing and Settlements
 - b. Sustainable Management of Groundwater and Raw Water is Still Limited
 - c. Development of Transportation Safety and Security
 - d. Infrastructure Disaster Resilience
 - e. Multipurpose Reservoir and Irrigation Modernization



2. Connectivity Strengthening
 - a. Road Transport Connectivity
 - b. Railway Transport Connectivity
 - c. Sea Transportation Connectivity
 - d. Air Transport Connectivity
 - e. Land and Intermodal Transportation Connectivity
3. Urban Infrastructure
 - a. Urban Public Transport System
 - b. Urban Road Infrastructure
 - c. Urban Energy and Electricity
 - d. Urban Information and Communication Technologies (ICT) Infrastructure and Ecosystem
 - e. Provision of Access to Adequate and Safe Drinking Water and Sanitation (Wastewater and Waste) in Urban Areas
 - f. Provision of Access to Decent, Safe, and Affordable Housing and Settlements in Urban Areas
4. Energy and Electricity
 - a. Sustainable Energy and Electricity
 - b. Access to Energy and Electricity
 - c. Energy and Electricity Supply
5. Digital Transformation
 - a. Completion of Information and Communication Technology (ICT) Infrastructure
 - b. Utilization of ICT Infrastructure
 - c. Digital Transformation Support Facilities

To achieve the GDP growth target for the medium scenario in the 2020-2024 National Medium-Term Development Plan, the need for infrastructure expenditure is estimated to reach IDR6,421 Trillion or an average of 6.08% of GDP (temporary calculations). Hence, infrastructure capital stock will reach 50% of GDP in 2024. However, its supply capacity is only 3.46% of GDP, so there is a significant gap in infrastructure funding. For this reason, creative efforts are required to encourage the participation of public investment and business entities through Public Private Partnership (PPP) and Non-Government Budget Equity Financing (PINA) schemes. In addition, the Government will also undertake several efforts to increase infrastructure funding capacity, such as reviewing tariff policies, increasing fiscal capacity and reallocating government expenditure.

THE COMPANY'S ROLE AND POSITION

Government guarantee is one of the important factors to attract investment in projects. The government is also actively encouraging alternative financing schemes, such as in the form of Public Private Partnership (PPP) scheme as stipulated in Presidential Regulation No. 38 of 2015 concerning Government Cooperation with Business Entities in Infrastructure Provision. The guarantee may be given to SOEs in which the capital or share ownership is fully owned by the Government. Guarantee is also given to SOEs that have been given assignments through a Presidential Regulation. Therefore, the number of projects to be guaranteed by the Company can also increase. With improvements and new initiatives conducted by the Government in regulatory, fiscal, and institutional policies, it is expected that the constraints faced in the provision of infrastructure shall be resolved to enable immediate implementation of the accelerated decisions made at the central and regional government levels.

In principle, the PPP scheme involves private participation in financing, building and managing projects with their experience in the infrastructure sector. Through PPP, the Government expects an enhancement in the quality of infrastructure provision and the competitive procurement of Business Entities through competition in investment as well as an open and transparent selection process. Optimization of quality spending on the Government budget is also expected in providing maximum quality services.

The Government's support for the PPP scheme is reflected in the strengthening of regulations conducted by the relevant sector Ministries according to their respective main duties and functions at each stage. Officially, the Government has also established PPP Joint Office through the signing of the Memorandum of Understanding on the Synergy of Ministries/Institutions for the Implementation of Infrastructure Provision using Government/Regional Government with Business Entities Partnership Scheme through Joint Office. Membership across strategic institutions, including: i) Coordinating Ministry for Economic Affairs, ii) Coordinating Ministry for Maritime Affairs, iii) Ministry of National Development Planning/National Development Planning Agency, iv) Ministry of Finance, v) Ministry of Home Affairs, vi) Indonesia Investment Coordinating Board (BKPM), and vii) National Public Procurement Agency (LKPP). The PPP Joint Office has an important role in creating a synergistic coordination forum through the provision of facilitation, communication, and breaking



down barriers to fully support PPP implementation as well as to address the needs of PPP practitioners in Indonesia. As stated in the Memorandum of Understanding, PT PII is an Infrastructure Guarantee Business Entity which actively involved in the PPP Joint Office activities as the Government's effort to synergize and achieve national and regional infrastructure provision targets through the PPP scheme. The Company performs an active role with the Joint Office in assisting PPP practitioners to identify project needs and issues that may arise, debottlenecking PPP problems in ongoing projects, such as being the intermediary for stakeholders related to the Project, and also monitoring ongoing projects. The coordination is expected to realize the sustainability of PPP projects.

In addition, the Government has also prepared fiscal support policies such as the Viability Gap Fund (VGF) and the Availability of Payment (AP) scheme for PPP projects. This is due to the high risk and the number of projects which are not financially feasible, particularly projects in the social sector. The Government has also provided a number of facilities including the Project Development Facility (PDF) to assist the party in charge of the project or also known as the Government's Contracting Agencies ("GCA") in improving project readiness and Government Guarantee through the Company.

The Company as an Infrastructure Guarantee Business Entity (BUPI) acts as a single window in evaluating the feasibility of Infrastructure projects, helping develop bankable and workable project structures and guarantees, monitoring the implementation of risk mitigation plans of the Project up to processing claims against guarantees in the event of GCA default.

The Company carries out Project feasibility evaluation to ensure the technical, financial, economic, social and environmental feasibility of the project which is expected to increase the creditworthiness of the project and maintain the sustainability and continuity of the project. The implementation of the Company's key mandate as BUPI is to provide guarantees for GCA's financial obligations in PPP projects as referred to Presidential Regulation No. 78 of 2010 concerning Infrastructure Guarantee in PPP Projects conducted through the Infrastructure Guarantee Business Entity. The Company's guarantee also provides certainty for the private sector on the risks that may arise from fulfilling the Government's obligations which have the potential to disrupt investment returns during the concession period. The Company has actively assisted to improve the readiness and capacity of GCA through project

identification and screening at the technical ministry and regional/local government levels since the project planning stage.

In addition to processing Government guarantees for PPP projects, since 2018 the Company has implemented a new mandate in terms of GCA assistance in project preparation and transaction stages through PDF assignment from the Ministry of Finance. The mandate has been stated in the Regulation of the Minister of Finance No. 73/PMK.08/2018 concerning Facilities for the Preparation and Implementation of Transactions of Public Private Partnership (PPP) Projects in the Provision of Infrastructure.

The Company's role and position in infrastructure development could be seen from the guarantee capacity of these projects. As of the fourth quarter of 2020, the Company has provided guarantees for 30 infrastructure projects with an estimated project value of IDR315.4 trillion and guarantee value of IDR66.4 trillion. Based on its equity value as of December 30, 2020 of IDR13.3 trillion (including additional State Equity Participation for the implementation of National Economic Recovery (PEN) assignment of IDR 1.57 trillion), the Company's ratio of guarantee value to equity (gearing ratio) without considering State Equity Participation in relation to the implementation of the PEN assignment, has reached 5.64x.

Through these approaches, it is expected that the Government will be able to realize not only high commercial value infrastructure projects, such as toll road projects, but also projects with marginal feasibility values, yet have substantial social benefits for the community, in order to achieve the ultimate goal of equitable distribution of infrastructure development, which has an impact on the national economic growth.



NEW ASSIGNMENTS IN 2020

For the Company, 2020 was a very meaningful year whereas the Company received a new mandate and assignment from the Government, including its involvement in the National Economic Recovery (PEN) Program.

In accordance with the expansion of the Company's mandate with the issuance of Government Regulation No. 55 of 2020, the purpose and objectives of the Company shall no longer be limited to sovereign guarantee for the infrastructure sector, but also include the provision of sovereign guarantee to financing other sectors, which support the national economy, based on an assignment from the government, and to undertake activities related to the implementation of sovereign guarantee as well as other activities related to the implementation of projects which support the national economy, both at central and regional levels. In following up on the expansion of the Company's purposes and objectives, a review of the Company's vision and mission shall be conducted as well as adjustments to the Company's Work Plan and Budget to balance the dynamics of accelerating the expansion of its mandate in optimizing the Company's role and benefits for development.

In addition, as a follow up on the spread of Corona Virus Disease 2019 (COVID-19), which has an impact on the slowdown of national economic growth, decline in state revenues and increase in state expenditure and financing, the Government implemented the National Economic Recovery (PEN) Program in order to support state financial policies in dealing with the COVID-19 pandemic.

The PEN program could be implemented through State Equity Participation (PMN), placement of Government funds and/or investment, and/or guarantee activities with scheme determined by the Government in which in its implementation, the guarantee scheme could be directly conducted by the Government and/or through one or more designated guarantee business entities.

Regarding the PEN program, the Government has issued Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program to Support State Financial Policy for Handling the 2019 Corona Virus Disease Pandemic (COVID-19) and/or Facing Threats that Endanger the National Economy and/or Financial System Stability and Save the National Economy, which then revised by the Government Regulation No. 43 of 2020 as well as Presidential Regulation No. 103 of 2020 concerning the Central Government Guarantee for Development Financing in the Framework of Encouraging the National Economy and/or the National Economic Recovery Program.

The Company as State-Owned Enterprise and Special Mission Vehicle of the Ministry of Finance obtained additional assignment from the Government to take part in the implementation of PEN program through the issuance of several policies as follows:

1. Regulation of the Minister of Finance No. 98/PMK.08/2020 concerning Government Guarantees Procedures to Corporation Business Actors through Appointed Guarantee Business Entities for the Implementation of the National Economic Program;
2. Regulation of the Minister of Finance No. 211/PMK.08//2020 concerning Government Guarantees to State-Owned Enterprises for the Implementation of the National Economic Recovery Program.

With the issuance of these policies, the Company received assignment from the Government in order to support the PEN program through guarantees for:

1. Provide loss limit support for Government guarantee;
2. Implement joint guarantee with the Indonesia Eximbank for corporation business actors; and
3. Implement government guarantee for SOEs.



PERFORMANCE REVIEW BY BUSINESS SEGMENT

Since its establishment in December 2009, the Company has received several expansions of its mandate and additional assignments to support the acceleration of infrastructure development in Indonesia, through the provision of guarantees carried out in an accountable, transparent and credible process. In 2020, to support the Government's policies in meeting the increasing need for Government guarantees and to support the National Economic Recovery Program (PEN) as a result of the COVID-19 pandemic, the Government has extended the Company's mandate through Government Regulation No. 55 of 2020. Based on the said Government Regulation, the Company was given the mandate to provide sovereign guarantees in the infrastructure sector, undertake activities related to the implementation of sovereign guarantees and other activities related to the implementation of project development that supports the national economy, as well as to provide sovereign guarantees for financing in other sectors in addition to infrastructure sector based on Government assignments.

In line with the mandate in the Company's Articles of Association and the Government's assignment to the Company, in 2020 the Company divided its business into 4 (four) business segments, namely (1) the Infrastructure Project Guarantee Business Segment; (2) Fund Management Business Segment; (3) Project Preparation and Transaction Advisory/ Project Development Facility (PDF) Business Segment; and (4) the Labor Intensive Corporate Guarantee Business Segment.

The performance of each of these business segments is described in the following:

GUARANTEE BUSINESS SEGMENT

The Company as an Infrastructure Guarantee Business Entity implements a single-window policy for the Government in evaluating infrastructure projects.

The Company is engaged in providing guarantees for government infrastructure projects developed under the Public Private Partnership (PPP) scheme in accordance with Presidential Regulation No. 38 of 2015 concerning Government Cooperation with Business Entities in Infrastructure Provision. PPP implementation is aimed to meet financing requirements in a sustainable manner for the provision of infrastructure through the participation of the private sector, to implement the provision of quality, effective, efficient, targeted and timely infrastructure, and to create an investment climate that encourages the participation of investors in the provision of infrastructure based on sound business principles.

The government assigned the Company as the Infrastructure Guarantee Business Entity (BUPI) to conduct a single-window policy for the Government in evaluating infrastructure projects, implementing guarantees and processing claims. In the implementation of the guarantee, the Company is actively involved in monitoring the project through the Joint Monitoring Committee (JMC) with stakeholders, such as the Coordinating Ministry for the Economy, Ministry of Finance and technical ministries, especially to monitor project risks allocated to the Government's Contracting Agencies (GCA). In addition, the Company also regularly holds meetings or sends the report of project monitoring to GCA or its representatives as part of the project's risk mitigation efforts.

The Company together with other stakeholders actively monitor project risks that generate financial obligations for GCA, such as the risk of absorption of bulk water by PDAM in the Umbulan SPAM Project and Bandar Lampung City SPAM Project due to delays in the construction of distribution networks, the risk of delays in land acquisition on toll road projects since the land has not been able to be 100% fully handed over from the Government to the Business Entity within the specified time limit, and the possibility of political risk in the project.

Based on the Regulation of the Minister of National Development Planning No. 2 of 2020, there are 20 sectors of infrastructure projects using the PPP scheme to be guaranteed by the Company, namely:





To strengthen the Company's role in supporting the acceleration of infrastructure development in Indonesia, the Company received the expansion of its mandate through Government Regulation No. 50 of 2016 concerning Amendments to Government Regulation No. 35 of 2009. With the expansion of its mandate, sovereign guarantees carried out by the Company shall no longer be limited to government infrastructure projects developed under the PPP scheme. The expansion of the Company's mandate was then supported by the issuance of the Regulation of the Minister of Finance No. 101 of 2018 concerning Procedures of Issuance and Implementation of Joint Government Guarantees or Through Infrastructure Guarantee Entity of Payment Default Risk from State-Owned Enterprises Incurring Loans and/or Bonds Issuance to Finance Infrastructure Provision, which came into effect in 2018.

In 2020, the Company has added 8 new projects that have reached the stage of the Guarantee Agreement signing. Therefore, by 2020 the Company has provided guarantees for 30 infrastructure projects in 6 sectors, including:

1. Road Sector of 14 Toll Roads and National Roads projects.
2. Telecommunication and Information Sector of 4 projects
3. Electricity Sector of 5 Power Plant projects.
4. Drinking Water Sector of 4 Drinking Water Supply System (SPAM) projects.
5. Transportation sector of 2 railway and airport projects.
6. Tourism sector of 1 Special Economic Zone project.

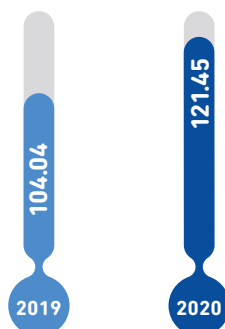
INFRASTRUCTURE PROJECT GUARANTEE UNTIL 2020		
TOLL ROADS	TELECOMMUNICATION	POWER PLANTS
1. Batang Semarang Toll Road 2. Pandaan Malang Toll Road 3. Manado Bitung Toll Road 4. Balikpapan Samarinda Toll Road 5. Jakarta Cikampek II Elevated Toll Road 6. Krian-Legundi-Bunder-Manyar Toll Road 7. Serang- Panimbang Toll Road 8. Cileunyi-Sumedang-Dawuan Toll Road 9. Probolinggo Banyuwangi Toll Road 10. Jakarta-Cikampek II South Toll Road 11. SemarangDemak Toll Road 12. The Preservation of Jalan Lintas Timur Sumatera In South Sumatera Province 13. Solo-Yogyakarta-NYIA Kulonprogo Toll Road 14. Yogyakarta-Bawen Toll Road	1. Palapa Ring – West Package 2. Palapa Ring – Central Package 3. Palapa Ring – East Package 4. Government's Multi Function Satellite	1. Central Java Power Plant (PLTU Batang) 2. Hydropower Programme 3. Dieng-2 & Patuha-2 Geothermal Power Plant (PLTP) 4. Distribution Network Development Project for Kalimantan and Maluku-Papua using Result-Based Lending scheme (RBL-KMP) 5. Distribution Network Development Project for Sulawesi and Nusa Tenggara using Result-Based Lending scheme (RBL-SNT)
DRINKING WATER SUPPLY SYSTEM (SPAM)	TRANSPORTATION	TOURISM
1. Umbulan SPAM 2. Lampung SPAM 3. West Semarang SPAM 4. Pekanbaru SPAM	1. Makassar-Parepare Railway 2. Labuan Bajo Airport	1. Mandalika Special Economic Zone

Financial Performance of the Infrastructure Project Guarantee Business Segment

The financial performance of the infrastructure project guarantee business segment increased compared to 2019. In 2020, the revenue from infrastructure project guarantee business segment amounted to IDR121.45 billion, an increase of IDR17.41 billion or 16.73% of the revenue from the infrastructure project guarantee business segment in 2019, which amounted to IDR104.04 billion.

Revenue from Guarantee

(in IDR billion)



In the 2020 fiscal year, the Company's total expenses of the infrastructure project guarantee business segment amounted to IDR68.41 billion, a decline of IDR12.90 billion or 15.87% compared to the total expenses of the infrastructure project guarantee business segment in 2019 of IDR81.32 billion.

The decline in the guarantee expenses was mainly due to the cost efficiency of infrastructure guarantee consultancy services compared to 2019. In addition, the COVID-19 pandemic in Indonesia, which occurred since March 2020 as well as the implementation of Large-Scale Social Restrictions (PSBB) had an impact on guarantee activities mainly related to business trips, as well as workshops and meetings that conducted with the digital platform, which led to the reduction of costs.

Guarantee Capacity

The Company recognizes that capital capability highly determines its capacity to provide guarantees for PPP infrastructure projects. The adequacy of guarantee capacity is a priority for the Government as it affects the Company's credibility in the sights of potential investors for the development of infrastructure projects.

The Company's capacity to guarantee infrastructure projects still fully relies on its equity in the form of State Equity Participation (PMN) derived from the State Budget (APBN), which was fully paid into the Company's authorized capital of IDR8.00 trillion to guarantee infrastructure projects. A series of additional State Equity Participation (PMN) has been injected by the Government of Indonesia into the Company's capital structure to strengthen its guarantee capacity, with the following details:

Reference	Total Capital	The Company's Accumulated Capital	Authorized Capital
Government Regulation No. 35 of 2009	IDR1 Trillion	IDR1 Trillion	IDR4 Trillion
Government Regulation No. 88 of 2010	IDR1 Trillion	IDR2 Trillion	IDR4 Trillion
Government Regulation No. 55 of 2011	IDR1.5 Trillion	IDR3.5 Trillion	IDR4 Trillion
Government Regulation No. 68 of 2012	IDR1 Trillion	IDR4.5 Trillion	IDR9 Trillion*)
Government Regulation No. 94 of 2015	IDR1.5 Trillion	IDR6 Trillion	IDR9 Trillion
Government Regulation No. 79 of 2016	IDR1 Trillion	IDR7 Trillion	IDR9 Trillion
Government Regulation No. 57 of 2017	IDR1 Trillion	IDR8 Trillion	IDR9 Trillion

*) Based on the shareholder resolution as stated in the notarial deed of Aryanti Artisari, SH, MKn. No. 145 dated August 30, 2012, the Government as the shareholder approved the increase in the Company's authorized capital to IDR9 trillion



In line with the mandate stated in Presidential Regulation No. 78 of 2010, the Company gradually reduces its dependence on the State Budget (APBN) by increasing the guarantee capacity through cooperation with other guarantee institutions, multilateral institutions, and bilateral institutions with similar objectives. Intensive discussions continue to be carried out with relevant partners, including the preparation of a more integrated framework for providing support and guarantees together with the Government.

In improving the Company's capital structure and increasing its capacity to support the PEN program and encourage the national economy through the Government's assignment to the Company, in 2020 the Minister of Finance as the Company's Shareholder through the Regulation of the Minister of Finance No. 497/KMK.06/2020 approved an increase in the Company's authorized capital to IDR20 trillion. Further, on December 30, 2020, the Government added State Equity Participation to the Company amounted to IDR1.57 trillion based on Government Regulation No. 79 of 2020.

As of the end of 2020, the Company has provided guarantees for 30 infrastructure projects with an estimated project value of IDR315.4 trillion and guarantee value of IDR66.4 trillion. Based on the Company's equity value as of December 31, 2020 of IDR13.3 trillion (including additional State Equity Participation for the implementation of PEN assignment of IDR 1.57 trillion), the Company's ratio of guarantee value to equity (gearing ratio) without considering State Equity Participation in relation to the implementation of the PEN assignment, has reached 5.64x.

Summary of Guarantee Project Status

No	Name	Description	Project Value (in IDR billion)	Guarantee Period (after COD)
1	Central Java Power Plant	Coal-fired Power Plant with 2x1000 MW capacity located in Desa Ujungnegoro, Batang Regency, Central Java Province	61,456	21 Years
2	Palapa Ring West Package	Telecommunication project with land and sea cabling fiber optic system in the western part of Indonesia, located in 5 Regencies/Cities with 1,711 km of sea cable and 427 km of land cable	1,229	12 Years
3	Palapa Ring Central Package	Telecommunication project with land and sea cabling fiber optic system in the central part of Indonesia, located in 17 Regencies/Cities with 1,797 km of sea cable, 1,289 km of land cable and 7 towers	1,093	12 Years
4	Palapa Ring East Package	Telecommunication project with land and sea cabling fiberoptic system in the eastern part of Indonesia, located in 35 Regencies/Cities with 4,508 km of sea cable, 2,379 km of land cable and 52 towers	5,088	12 Years
5	Batang – Semarang Toll Road	Located in Central Java Province with 75 km in length	13,968	15 Years
6	Pandaan – Malang Toll Road	Located in East Java Province with 38.48 km in length	6,436	15 Years
7	Manado-Bitung Toll Road	Located in North Sulawesi Province with 39 km in length	4,948	15 Years
8	Balikpapan-Samarinda Toll Road	Located in East Kalimantan with 97.99 km in length	11,889	15 Years



No	Name	Description	Project Value (in IDR billion)	Guarantee Period (after COD)
9	Umbulan Drinking Water Supply System	Drinking water supply system with capacity of 4,000 l/second and transmission pipe length of 92.3 km from Umbulan to Pasuruan Regency, Pasuruan City, Sidoarjo Regency, Surabaya City, and Gresik Regency	2,057	15 Years
10	Jakarta - Cikampek II Elevated Toll Road (MBZ)	Located in West Java Province with 36.4 km in length	16,233	15 Years
11	Cileunyi – Sumedang -Dawuan Toll Road	Located in West Java Province with 60.1 km in length	8,409	15 Years
12	Krian - Legundi -Bunder -Manyar Toll Road	Located in East Java Province with 38.3 km in length	12,930	15 Years
13	Serang - Panimbang Toll Road	Located in Banten Province with 83.7 km in length	5,330	15 Years
14	Jakarta - Cikampek II South Toll Road	Located in West Java Province with 64 km in length	14,691	15 Years
15	Probolinggo –Banyuwangi Toll Road	Located in East Java Province with 172.9 km in length	23,391	15 Years
16	Lampung Drinking Water Supply System	Drinking water supply project in Bandar Lampung City with a water capacity of 750 l/second and a transmission pipe length of 22 km	750	15 Years
17	West Semarang Drinking Water Supply System	Drinking water supply project in Semarang City with a capacity of 1.000 l/second	417	15 Years
18	Mandalika Special Economic Zone	Development of a tourism area in the Mandalika Special Economic Zone located in Central Lombok Regency, West Nusa Tenggara	4,583	35 Years
19	Makassar- Parepare Railway	Operation of public railway services within the South Sulawesi Service Area comprising 5 Regencies/Cities: Maros Regency, Pangkajene and Kepulauan Regency, Barru Regency, Makassar City and Parepare City	991	Since COD2
20	Multi Functional Satellite	Satellite with High Throughout Satellite Technology with 150Gbps capacity	6,421	12 Years
21	Hydropower Programme	Hydro and Mini Hydro Power Plants located in four Provinces (South Sulawesi, Southeast Sulawesi, West Kalimantan, and Papua) with a total capacity of 195 MW	6,568	15 Years After The Effective Date of Loan Facility
22	Semarang – Demak Toll Road	Located on Central Java Province with 27 km in length	5,441	15 Years
23	Labuan Bajo Airport	Komodo Airport Development – Labuan Bajo, West Nusa Tenggara	1,203	14 Years After Effective Date



No	Name	Description	Project Value (in IDR billion)	Guarantee Period (after COD)
24	The Preservation of Jalan Lintas Timur Sumatera In South Sumatera Province	Located on the east side of South Sumatra Road in Palembang City along 29.37 km	982	11 Years
25	Dieng-2 & Patuha-2 Geothermal Power Plant (PLTP)	Geothermal Power Plants located in Dieng, Central Java and Mount Patuha, West Java, each with a capacity of 55 MW	6,938	20 Years
26	Solo-Yogyakarta-NYIA Kulonprogo Toll Road	Toll road that connects the city of Solo, Central Java, Yogyakarta, and Kulonprogo DIY with a length of 96.5 km	26,637	15 Years
27	Yogyakarta - Bawen Toll Road	Toll road that passes through Magelang Regency, Magelang City, Semarang Regency, Temanggung Regency, and Sleman Regency with a length of 75.82 km	14,255	15 Years
28	Distribution Network Development Project for Kalimantan and Maluku-Papua using Result-Based Lending scheme (RBL-KMP)	Located in Kalimantan and Maluku-Papua, the electricity distribution network development project is targeted to add electricity connections up to 6.7 million customers	29,873	20 Years
29	Distribution Network Development Project for Sulawesi and Nusa Tenggara using Result-Based Lending scheme (RBL-SNT)	Located in Sulawesi and Nusa Tenggara, the target of this Project is to increase electricity connection to 7.7 million customers	20,676	15 Years
30	Pekanbaru Drinking Water Supply System	Drinking water supply project in Pekanbaru City with a capacity of 750 l/second	500	15 Years

Guarantee Appraisal

Guarantee appraisal is intended to perform a comprehensive analysis of the project to be guaranteed and become the basis for the Company in determining whether the project is financially and technically feasible as stipulated in the regulation. The appraisal is carried out on the feasibility study in the Guarantee Proposal submitted by GCA after reviewing the completeness and conformity of the minimum regulations by other relevant divisions. The appraisal process refers to the Appraisal Framework which may be updated from time to time. Based on the Appraisal Framework, the evaluation of the project's feasibility is carried out in terms of financial, economic, technical, legal, environmental and social aspects. In addition, an evaluation is also conducted on the proposed project risk allocation to ensure that a practical financial value is obtained and that the risks allocated to GCA have been mitigated and/or monitored adequately, with reference to GCA's capacity. The appraisal process also utilizes the expertise of independent parties in assessing technical, financial and other aspects. The coordinator of the guarantee appraisal process is the Project Appraisal Division under the Executive Director of Finance and Project Assessment.

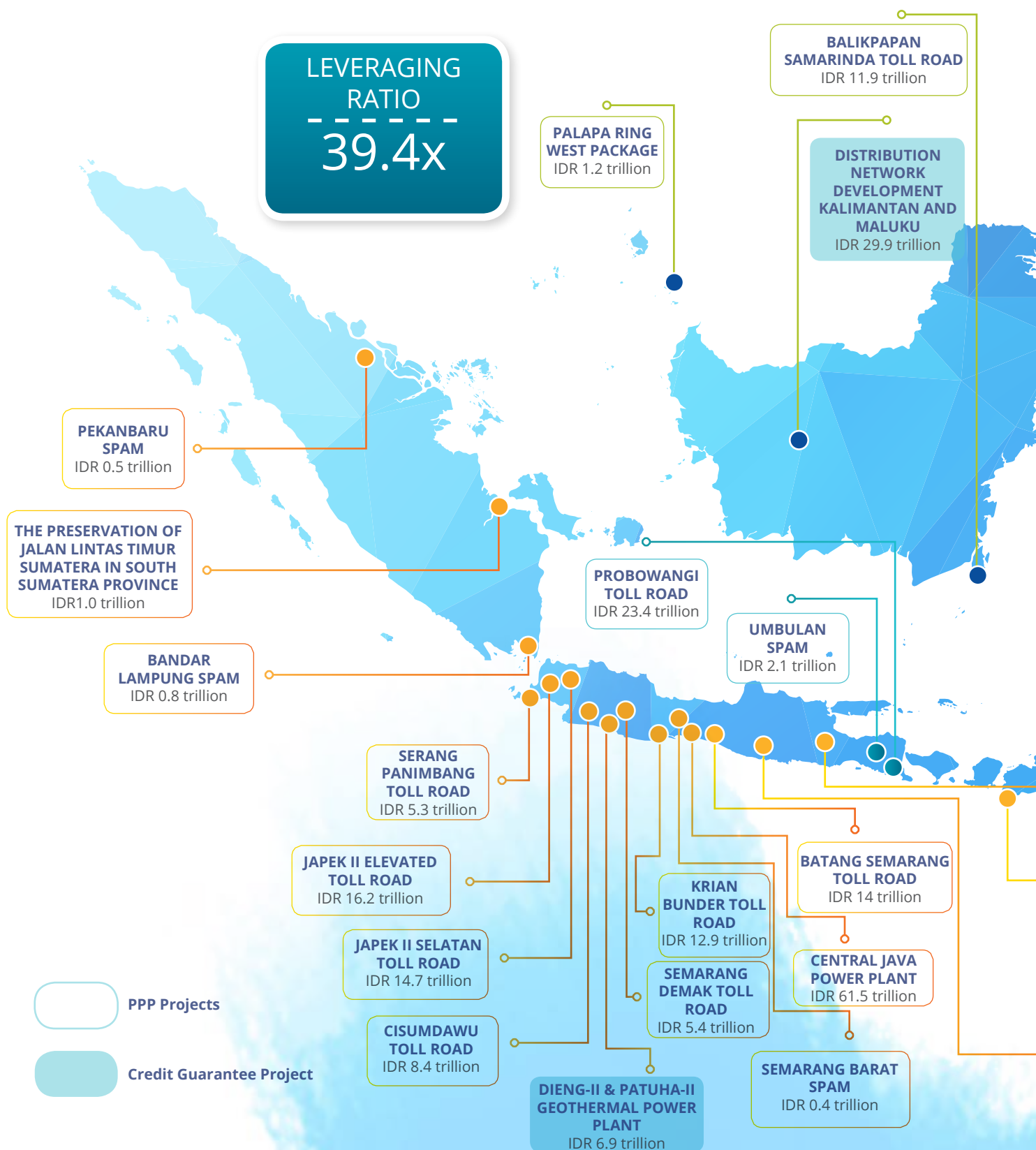
As of December 2020, appraisal processes have been completed for 7 PPP projects, namely Pekanbaru SPAM Project, Jatiluhur 1 Regional SPAM Project, Yogyakarta-Bawen Toll Road Project, Solo-Yogyakarta-Kulonprogo Toll Road Project, Karian Serpong SPAM Project, Preservation of the East Trans Road - Riau Section and the Patimban Port Project. Further on, the establishment of the guarantee structure until the signing of the guarantee agreement was carried out by the Underwriting Division under the Executive Director of Business.

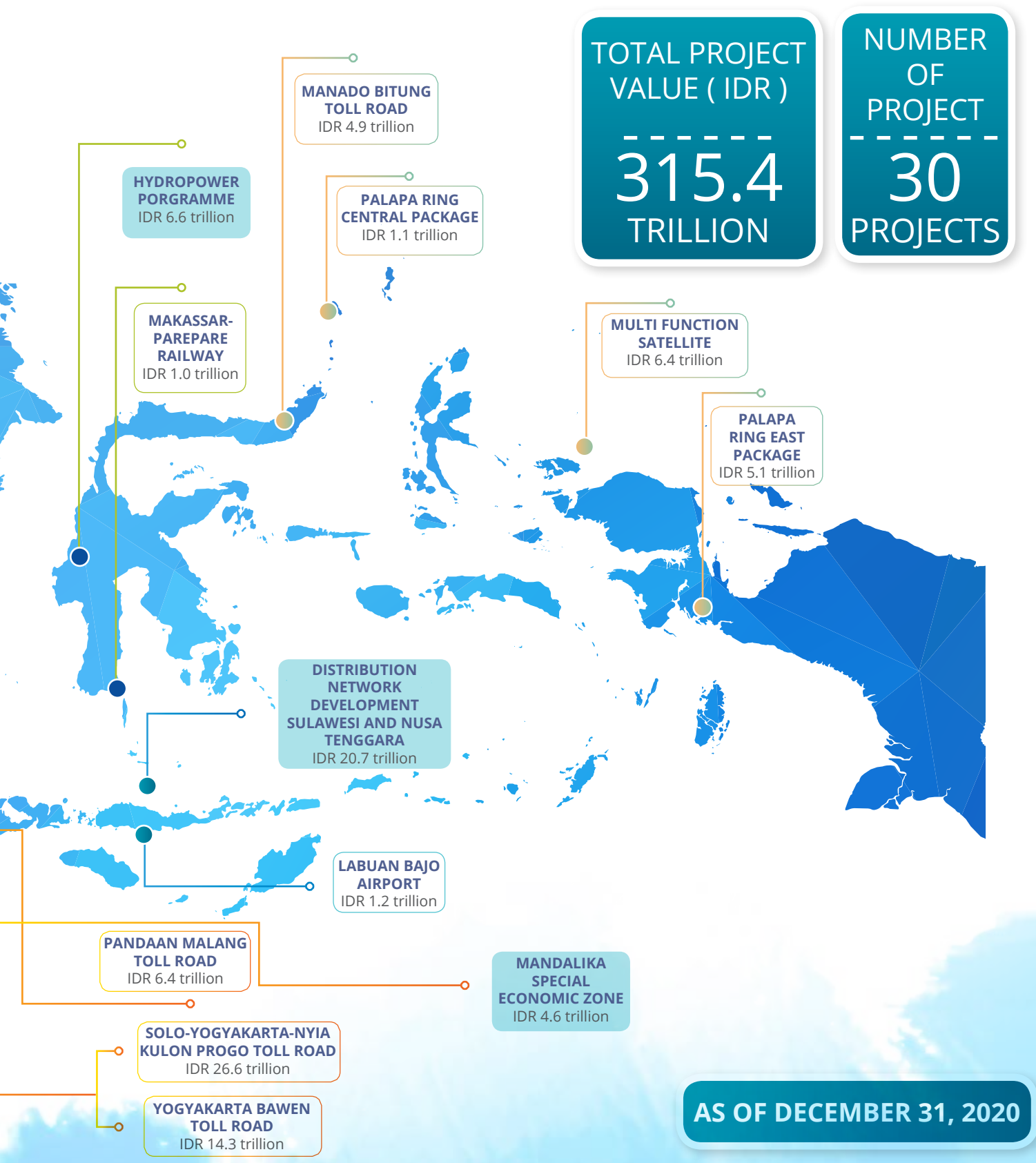
Meanwhile, regarding direct lending guarantees, appraisal processes have been completed for 4 projects, namely the Dieng-2 and Patuha-2 PLTP Projects, the Distribution Network Development Project for East Java and Bali (EJB), Distribution Network Development Project for Sulawesi and Nusa Tenggara with Result-Based Lending Scheme (RBL-SNT) and Distribution Network Development Project for Kalimantan and Maluku-Papua with Result-Based Lending Scheme (RBL-KMP).



PROJECT DISTRIBUTION MAP UNTIL 2020

Until 2020, the Company has provided guarantees for 30 infrastructure projects in 6 sectors consisting of 25 PPP projects and 5 direct lending projects.







ROAD SECTOR



As of the end of 2020, the Company has provided guarantees for 14 road infrastructure projects.

Batang-Semarang Toll Road Project

Batang-Semarang Toll Road Project is one of the infrastructure projects under the Public Private Partnership (PPP) scheme, which is guaranteed by the government through PT PII. The 75-kilometer road project with investment costs of IDR13,968 billion is part of the Trans-Java Toll Road, which will connect Merak, Banten to Banyuwangi, East Java

The signing of Cooperation Agreement of this Project was conducted at the Ministry of Finance Office on April 27, 2016 between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) with the Implementing Business Entity (Project Company), PT Jasamarga Semarang Batang. At the same time, the signing of the Guarantee Agreement between PT Jasamarga Semarang Batang and the Company and the Recourse Agreement between the Company and the Ministry of Public Works and Public Housing were also held. The entire series of signing events was witnessed by the Minister of Finance and the Minister of SOEs.

Project Information

Location	Central Java Province
Project Value	IDR13,968 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Semarang Batang
Project Stage	Operation, since January 21, 2019



Pandaan – Malang Toll Road

Pandaan-Malang Toll Road project

Pandaan-Malang Toll Road PPP project is part of north-south road corridor plan in East Java Province as a continuation of the Gempol-Pandaan toll road with 38.48 km in length. The toll road section will pass through three major areas in East Java, namely Pasuruan Regency, Malang Regency, and Malang City. The toll road is projected to be the main arterial road from other non-toll road alternatives that connect the northern region with the southern region of East Java.

The signing of Cooperation Agreement of this Project was carried out between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) with the Implementing Business Entity (Project Company) PT Jasamarga Pandaan Malang. At the same time, the signing of the Guarantee Agreement between PT Jasamarga Pandaan Malang and the Company and the Recourse Agreement between the Company and the Ministry of Public Works and Public Housing were also held.

Project Information

Location	East Java Province
Project Value	IDR6,436 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Pandaan Malang
Project Stage	Operation, section 1-3 since May 13, 2019 Operation, section 4 since October 30, 2019 Operation, section 5 since April 2, 2020

**Manado – Bitung Toll Road**

Manado-Bitung Toll Road Project

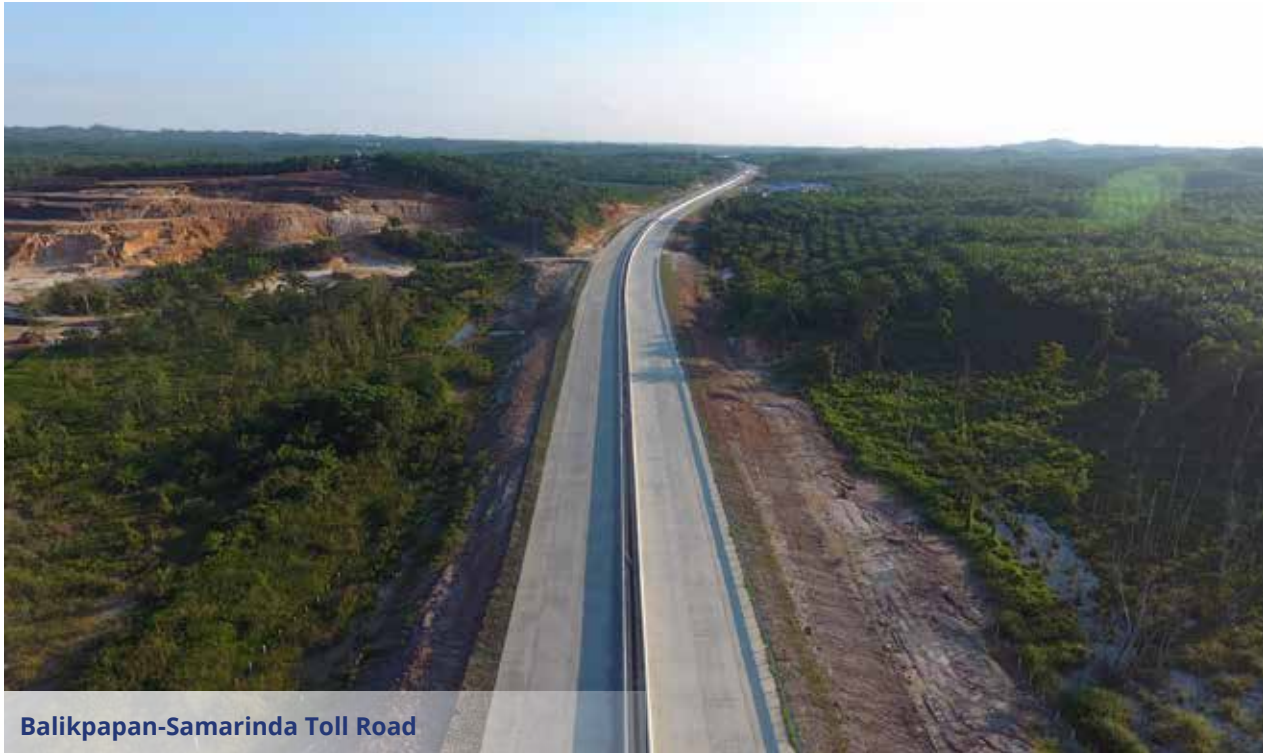
Manado-Bitung Toll Road Project is located in the region of the North Minahasa Regency and Bitung City. Based on Presidential Regulation No. 32 of 2011 regarding the Master Plan for the Acceleration and Expansion of Indonesian Economic Development 2011-2025, the Port of Bitung will be developed into a port which serves export import activities to and from regions of the North Sulawesi Province.

Manado-Bitung Toll Road with an investment value of IDR 4.95 trillion is carried out with the objective to increase accessibility between regions in North Sulawesi Province. The 39 km toll road is divided into two sections, namely Section I along 14 km from Manado-Airmadidi whereas its construction process is the responsibility of the government, and section II along 25 km, which is the section built by the Implementing Business Entity (Project Company).

This project is conducted under the SBOT (Supported Build Operate Transfer) scheme with a concession period of 40 years, in which the Government provides assistance in the form of construction support for section I along the 14 km to make this Project financially viable. The construction of this toll road is expected to increase travel time efficiency and reduce accident risks for the North Sulawesi region.

Project Information

Location	North Sulawesi Province
Project Value	IDR4,948 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Manado Bitung
Project Stage	Partial Operation Sections 1 and 2A since September 28, 2020



Balikpapan-Samarinda Toll Road

Balikpapan-Samarinda Toll Road project

Balikpapan-Samarinda Toll Road project is located in the administrative area of Balikpapan City, Kutai Kartanegara Regency and Samarinda City. Balikpapan-Samarinda toll road section is one of the important corridors for the traffic movement of people and goods in East Kalimantan Province, and is 1 of 7 toll roads included in the transportation system plan of East Kalimantan Province. Balikpapan-Samarinda toll road can be used as an alternative to solve the problem of the traffic congestion as well as to reduce travel time. The construction of this toll road is also expected to increase social and economic growth in East Kalimantan area as well as to improve transportation service/access for the people of East Kalimantan.

Balikpapan-Samarinda Toll Road project has a length of 97.99 km and consists of 5 sections. The construction of section 1 and 5 is the responsibility of the Government, while the construction of section 2-4 is the responsibility of the Implementing Business Entity (Project Company) PT Jasamarga Balikpapan Samarinda. The project value amounted to IDR11.89 trillion with guarantee duration of up to 15 years after COD.

Project Information

Location	East Kalimantan Province
Project Value	IDR11,889 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Balikpapan Samarinda
Project Stage	Partial Operation Sections 2- 4 since December 17, 2019



Jakarta - Cikampek II Elevated Toll Road (MBZ)

Jakarta - Cikampek II Elevated Toll Road (MBZ)

Jakarta - Cikampek II Elevated toll road project is a PPP project and granted by the Government Guarantee through PT PII as the executor of the single-window policy.

Jakarta - Cikampek II Elevated toll road project has a length of 36.4 km with an investment value of IDR16.23 trillion. The signing of Cooperation Agreement of this Project was carried out between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) and PT Jasamarga Jalanlayang Cikampek as the Implementing Business Entity (Project Company) on December 5, 2016. Meanwhile, the Guarantee Agreement between the Company and PT Jasamarga Jalanlayang Cikampek and the Recourse Agreement between the Ministry of Public Works and Public Housing and the Company were simultaneously signed on February 22, 2017.

Project Information

Location	West Java Province
Project Value	IDR16,233 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Jalanlayang Cikampek
Project Stage	Operation since December 12, 2019



Krian – Legundi – Bunder – Manyar Toll Road Project

Krian-Legundi-Bunder-Manyar toll road project

The Krian-Legundi-Bunder-Manyar toll road project, located in East Java Province, has a length of 38.3 km. The investment value of the Krian-Legundi-Bunder-Manyar toll road project amounted to IDR12.93 trillion with a guarantee duration of up to 15 years after COD.

The signing of the Cooperation Agreement of this Project was carried out at the Coordinating Ministry for Economic Affairs on December 5, 2016 between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) and PT Waskita Bumi Wira as the Implementing Business Entity (Project Company). Meanwhile, the Guarantee Agreement between the Company and PT Waskita Bumi Wira and the Recourse Agreement between the Ministry of Public Works and Public Housing and the Company were simultaneously signed on February 22, 2017.

Project Information

Location	East Java Province
Project Value	IDR12,930 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Waskita Bumi Wira
Project Stage	Partial Operation Sections 1-3 since November 19, 2020

**Serang - Panimbang Toll Road Project****Serang - Panimbang toll road project**

The Serang - Panimbang toll road project with the length of 83.7 km is located in Banten Province with an investment value of IDR5.3 trillion. The project is one of the National Strategic Projects as listed in Presidential Regulation No. 109 of 2020.

The Cooperation Agreement between the Ministry of Public Works and Public Housing and PT Wijaya Karya Serang Panimbang, the Guarantee Agreement between the Company and PT Wijaya Karya Serang Panimbang, and the Recourse Agreement between the Company and the Ministry of Public Works and Public Housing were simultaneously signed on February 22, 2017.

Project Information

Location	Banten Province
Project Value	IDR5,330 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Wijaya Karya Serang Panimbang
Project Stage	Construction



Cileunyi – Sumedang – Dawuan Toll Road Project

Cileunyi-Sumedang-Dawuan toll road project

The Cileunyi-Sumedang-Dawuan toll road project, located in West Java Province, has a length of 60.1 km. The investment value of Cileunyi-Sumedang-Dawuan toll road project amounted to IDR8.41 trillion with a guarantee duration of up to 15 years after COD.

The Cooperation Agreement between the Ministry of Public Works and Public Housing and PT Citra Karya Jabar Tol, the Guarantee Agreement between the Company and PT Citra Karya Jabar Tol, and the Recourse Agreement between the Company and the Ministry of Public Works and Public Housing were simultaneously signed on February 22, 2017.

Project Information

Location	West Java Province
Project Value	IDR8,409 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Citra Karya Jabar Tol
Project Stage	Construction

**Probolinggo – Banyuwangi Toll Road Project****Proyek Jalan Tol Probolinggo-Banyuwangi**

The construction of Probolinggo-Banyuwangi Toll Road Project will pass through 3 (three) Regencies, namely Probolinggo Regency, Situbondo Regency, and Banyuwangi Regency with a length of about 172.9 km. The toll road is expected to encourage the effective flow of goods and people from and to Banyuwangi. The investment value of Probolinggo-Banyuwangi toll road amounted to IDR23.39 trillion. The duration of guarantee is up to 15 years after COD.

Project Information

Location	East Java Province
Project Value	IDR23,391 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Probolinggo Banyuwangi
Project Stage	Pre-construction



Jakarta - Cikampek II South Toll Road Project

Jakarta-Cikampek II South Toll Road project

Jakarta-Cikampek II South Toll Road project has a length of 64 km with an investment value of IDR14.69 trillion. The construction of Jakarta-Cikampek II South Toll Road project begins around the Jatiasih interchange, continues to the Bekasi city area and ends around the Sadang interchange, Puwakarta Regency, West Java Province. The duration of guarantee is up to 15 years after COD.

Project Information

Location	West Java Province
Project Value	IDR14,691 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Japek Selatan
Project Stage	Construction

**Semarang – Demak Toll Road Project****Semarang-Demak Toll Road PPP Project**

The Semarang-Demak Toll Road PPP Project includes the Construction and Operation of Semarang-Demak Toll Road which is integrated with the Sea Dike. The project is located in Semarang City to Demak Regency, Central Java with a toll road length of 27 km and investment value of IDR5.44 trillion, which is borne by the Implementing Business Entity (Project Company).

The signing of Cooperation Agreement was carried out between the Minister of Public Works and Public Housing and PT Pembangunan Perumahan Semarang-Demak (PT PPSD) on September 23, 2019. At the same time, the signing of Guarantee Agreement between the Company and PT PPSD, and the signing of Recourse Agreement between the Ministry of Public Works and Public Housing and the Company were also held.

Project Information

Location	Central Java Province
Project Value	IDR5,441 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Pembangunan Perumahan Semarang Demak
Project Stage	Construction



The Preservation of Jalan Lintas Timur Sumatera In South Sumatera Province

The Preservation of Jalan Lintas Timur Sumatera In South Sumatera Province

On August 3, 2020, the Cooperation Agreement of this Project was signed between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) and PT Jalintim Adhi Abipraya as the Implementing Business Entity (Project Company). On the same occasion, the signing of Guarantee Agreement between the Company and PT Jalintim Adhi Abipraya and Recourse Agreement between the Company and the Ministry of Public Works and Public Housing were also held.

The Preservation of Jalan Lintas Timur Sumatera In South Sumatera Province is the first PPP project in the Non-toll Road sector in Indonesia and is guaranteed by the Government through PT PII. The scope of PPP scheme of this Project includes Technical Planning, Construction Implementation, Operation and Maintenance during the construction period as well as the service period and Project Financing by the Implementing Business Entity (Project Company).

With an investment value of IDR982 billion, this project is expected to have a major impact on improving the economy by increasing connectivity between regions, especially those used as logistics routes, tourism, access roads to ports and airports, as well as the saving of Vehicle Operational Costs and time travel value.

Project Information

Location	South Sumatera Province
Project Value	IDR982 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jalintim Adhi Abipraya
Project Stage	Construction



Solo – Yogyakarta – NYIA Kulonprogo Toll Road Project

Solo – Yogyakarta – NYIA Kulonprogo Toll Road Project

On September 9, 2020, the Cooperation Agreement of this Project was signed between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) and PT Jogjasolo Marga Makmur as the Implementing Business Entity (Project Company). On the same occasion, the signing of Guarantee Agreement between the Company and PT Jogjasolo Marga Makmur and Recourse Agreement between the Company and the Ministry of Public Works and Public Housing were also held.

The cooperation scheme for the 96.5 km toll road project is Design-Build-Finance-Operate-Maintain-Transfer (DBFOMT) with a concession period of 40 years. The purpose of the construction of this toll road infrastructure project is to increase accessibility between Solo, Yogyakarta and Kulon Progo, including serving access to the NYIA Kulon Progo Airport, in addition to increasing the development of areas passed by the toll road and supporting regional economic growth.

Project Information

Location	Central Java and Special Region of Yogyakarta Province
Project Value	IDR26,637 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jogjasolo Marga Makmur
Project Stage	Pre-Construction



Yogyakarta - Bawen Toll Road Project

On November 13, 2020, the Cooperation Agreement of this Project was signed between the Ministry of Public Works and Public Housing as the Government's Contracting Agencies (GCA) and PT Jasamarga Jogja Bawen as the Implementing Business Entity (Project Company). On the same occasion, the signing of Guarantee Agreement was also held between the Company and PT Jasamarga Jogja Bawen as well as Recourse Agreement between the Company and the Ministry of Public Works and Public Housing.

Located in Central Java Province and Special Region of Yogyakarta Province, the construction of the 75.82 km toll road is expected to have a major impact on increasing regional economic growth in Central Java and Yogyakarta and also improve connectivity between regions, especially access to Semarang - Yogyakarta.

Project Information

Location	Central Java Province
Project Value	IDR14,255 Billion
GCA	Ministry of Public Works and Public Housing
Project Company	PT Jasamarga Jogja Bawen
Project Stage	Pre-Construction

TELECOMMUNICATIONS SECTOR



The Palapa Ring Project is one of the National Strategic Infrastructure Projects as stated in Presidential Regulation No. 56 of 2018, and is also one of the National Priority Projects. The project is the construction of a national fiber optic backbone network. The project is designed and implemented using the sea cable communication system and fiber optic communication system to 57 unserved cities/regencies.

The procurement process is divided into three packages, namely, the West Package, the Central Package and the East Package with an estimated area of 8,871 km. The project is targeted to distribute broadband networks with a speed of 10Mbps in rural areas and 20 MBps in urban areas.

Palapa Ring Project – West Package

The Palapa Ring West Package project signing was conducted at the Ministry of Finance Office on February 29, 2016. The cooperation agreement was signed by Ministry of Communication and Informatics as the GCA and PT Palapa Ring Barat as the Implementing Business Entity (Project Company). On the same occasion, Guarantee Agreement signing was also held between the Company and PT Palapa Ring West package as well as Recourse Agreement between the Company and Ministry of Communication and Informatics. The financial close of Palapa Ring - Project - West Package signing of Palapa Ring Project – West Package was conducted on July 25, 2016. PT Bank Mandiri (Persero) Tbk. as lender disbursed credit of IDR875 billion to the Project Company.



Project Information

Location	Riau Province and Riau Islands Province
Project Value	IDR1,229 Billion
GCA	Ministry of Communication and Informatics
Project Company	PT Palapa Ring Barat
Project Stage	Operation, since March 2, 2018

Palapa Ring Project – Central Package

On March 4, 2016, the Minister of Communication and Informatics as the Government's Contracting Agencies (GCA) signed the Cooperation Agreement with PT Len Telekomunikasi Indonesia for Palapa Ring Project – Central Package with project value of IDR1.09 Trillion. On the same occasion, the Company as the implementation of a single-window policy for providing government guarantee for infrastructure projects also signed Guarantee Agreement and Recourse Agreement for the Palapa Ring Project – Central Package.

Project Information

Location	East Kalimantan Province, Sulawesi, Maluku Province, NTT Province, West Papua Province
Project Value	IDR1,093 Billion
GCA	Ministry of Communication and Information Technology
Project Company	PT Len Telekomunikasi Indonesia
Project Stage	Operation, since December 21, 2018

Palapa Ring Project – East Package

On September 29, 2016, at the State Palace, the Guarantee Agreement signing held between the Company and PT Palapa Timur Telematika as the Implementing Business Entity (Project Company) and Recourse Agreement between the Company and Ministry of Communication and Informatics as the Government's Contracting Agencies (GCA), witnessed by the President of Republic of Indonesia, Coordinating Minister for Economic Affairs, and Coordinating Minister for Political, Legal and Security Affairs. At the same time, the Financial Close of Palapa Ring Project – Central Package project was also held.

The project is a National Strategic Infrastructure project as stated in Presidential Regulation No. 56 of 2018, which is also categorized as National Priority Project.

After the signing, on March 29, 2017 at the Ministry of Communication and Informatics Office, the Financial Close of Palapa Ring Project – East Package was conducted along with the submission of Effective Guarantee Letter by the Company.

Project Information

Location	East Nusa Tenggara Province, Maluku Province, Papua Province, and West Papua Province
Project Value	IDR5,088 Billion
GCA	Ministry of Communication and Informatics
Project Company	PT Palapa Timur Telematika
Project Stage	Operation, since August 29, 2019

**Multi-Function Satellite Project**

Multi-Function Satellite Project

On May 3, 2019, the Cooperation Agreement of the Government's Multifunction Satellite Project signing was held between the Ministry of Communication and Informatics as the Government's Contracting Agencies (GCA) and PT Satelit Nusantara Tiga as the Implementing Business Entity (Project Company). At the same time, Guarantee Agreement was also signed between the Company and PT Satelit Nusantara Tiga and Recourse Agreement between the Ministry of Communication and Informatics and the Company. The Multi-Function Satellite is the fourth PPP project in the telecommunications sector to receive government guarantees through the Company after the West, Central and East Package of Palapa Ring Project.

The general public is expected to benefit from the project including for the education, health, politics, law and security sectors, local governments, as well as in particular, the financial sector to support the acceleration of digitalization of the distribution of ultra-micro financing (UMi), in order to encourage the accelerated realization of inclusive financial all across Indonesia.

Project Information

Location	Spread all across the territory of the Republic of Indonesia
Project Value	IDR6,421 Billion
GCA	Ministry of Communication and Information Technology
Project Company	PT Satelit Nusantara Tiga
Project Stage	Pre-Construction

ELECTRICITY SECTOR



Central Java Steam Power Plant

Central Java Power Plant

The Central Java Power Plant project is a coal-fired power plant project with a capacity of 2 x 1,000 MW located in Batang Regency, Central Java. The project is amounted to USD4 billion or more than IDR60 trillion and build by PT Bhimasena Power Indonesia (BPI) consortium under the Build-Operate-Transfer scheme for a 25-year concession period. The Central Java Power Plant is the first PPP scheme infrastructure project that successfully implemented through joint guarantee facility by the Company and the Government of Indonesia (Ministry of Finance) in accordance with Presidential Regulation No. 78 of 2010.

The Company signed Guarantee Agreement with BPI as the Implementing Business Entity (Project Company) and Recourse Agreement with PT PLN (Persero) as the Government's Contracting Agencies (GCA) on October 6, 2011. Financial close of the project was carried out at the State Palace in June 2016, witnessed by the President of the Republic of Indonesia, the Coordinating Minister for Economic Affairs (as Chair of the Committee for Acceleration of Priority Infrastructure Delivery), Minister of National Development Planning, Minister of Finance and Minister of Energy and Mineral Resources, Minister of State-Owned Enterprises and Minister of Agrarian Affairs and Spatial Planning. The project is the government's measure to provide the electricity needed by the public.

Project Information

Location	Batang Regency – Central Java Province
Project Value	IDR2.057 Billion
GCA	PT PLN (Persero)
Project Company	PT Bhimasena Power Indonesia
Project Stage	Construction



DRINKING WATER SUPPLY SECTOR



As of the end of 2020, the Company has provided guarantees for the development of 4 Drinking Water Supply System (SPAM) infrastructure projects, namely the Umbulan SPAM project (East Java), Bandar Lampung City SPAM, West Semarang SPAM, and Pekanbaru SPAM.

Umbulan SPAM Project, East Java

In overcoming water crisis and meeting the increasing needs of drinking water for the communities, the Government of East Java Province strived to find a solution through the utilization of Umbulan springs in Umbulan Village, Winongan District, Pasuruan Regency. Umbulan springs were selected due to its capacity to produce 4,000 liters/second and to meet the needs of clean water for 1.8 million people in Surabaya City, Sidoarjo Regency, Gresik Regency, Pasuruan Regency and Pasuruan City and the surrounding areas.

Umbulan SPAM Project was built under the PPP scheme between the Government of East Java Province as GCA and PT Meta Adhya Tirta Umbulan as the Implementing Business Entity (Project Company). The value of the Umbulan SPAM Project amounted to IDR2.057 trillion and received IDR818 billion of Viability Gap Funding from the Ministry of Finance.

On July 21, 2016, the Company signed Guarantee Agreement with PT Meta Adhya Tirta Umbulan and Recourse Agreement with the Governor of East Java for the Umbulan SPAM project. The project was the first project in the drinking water sector and the first local project to be provided with government guarantee through the Company.

Project Information

Location	East Java Province
Project Value	IDR2.057 Billion
GCA	East Java Provincial Government
Project Company	PT Meta Adhya Tirta Umbulan
Project Stage	Construction



Bandar Lampung City SPAM Project

Bandar Lampung City SPAM Project

Lampung SPAM project was initiated due to the increasing needs of Bandar Lampung City for drinking water supply. PDAM Way Rilau served only around 20% of the total population of Bandar Lampung City with 193,290 residents. In addition to the low level of service from PDAM Way Rilau, contour constraints in the hilly areas of Bandar Lampung City also generated unequal distribution of drinking water. The investment for Bandar Lampung City SPAM project amounted to IDR750 billion, and received IDR258.8 billion in Viability Gap Funding support from the Ministry of Finance.

Cooperation Agreement between PDAM Way Rilau as GCA and PT Adhya Tirta Lampung as Investor was signed on February 14, 2018. On the same occasion, the Company also signed the Guarantee Agreement and Recourse Agreement. The Project's Financial Close has been reached on August 13, 2018 and the Project has started operating in August 14, 2020.

Project Information

Location	Bandar Lampung, Lampung Province
Project Value	IDR750 Billion
GCA	PDAM Way Rilau of Bandar Lampung City
Project Company	PT Adhya Tirta Lampung
Project Stage	Operation, since August 14, 2020

**West Semarang SPAM Project**

West Semarang SPAM Project

West Semarang SPAM project has a capacity of 1,000 liters/second, and was developed based on the PPP scheme between PDAM Tirta Moedal as GCA and PT Air Semarang Barat as the Project Company. The value of the West Semarang SPAM project amounted to IDR417 billion without viability funding support from the Ministry of Finance. West Semarang SPAM service area is targeted to serve 3 Districts, which further divided into 5 service zones, namely Tugu District (zone 1), part of Ngalian District (zone 2 and 3), and West Semarang District (zone 4 and 5).

The project was aimed to improve the service performance and expand the coverage of piped drinking water connections by adding Home Connection (SR) of approximately 37,000 SRs, reaching a total of approximately 71,500 SRs in 2030. The number of SRs that were currently not covered by the service was due to limited funds and availability of raw water sources in Semarang City.

The Company signed Guarantee Agreement with PT Air Semarang Barat and Recourse Agreement with PDAM Tirta Moedal for the West Semarang SPAM Project on November 23, 2018. The Financial Close of the project was reached on May 29, 2019.

Project Information

Location	Semarang City, Central Java Province
Project Value	IDR417 Billion
GCA	Perumda Air Minum Tirta Moedal Kota Semarang
Project Company	PT Air Semarang Barat
Project Stage	Construction



SPAM Pekanbaru Project

SPAM Pekanbaru Project

Pekanbaru City Drinking Water Supply System (SPAM) Project is a construction and operation project for the Pekanbaru City Drinking Water Supply System with a capacity of 750 lpd and Capex amounted to IDR 499 billion.

Currently, PDAM Pekanbaru City can only serve about 9.3% of the total population of Pekanbaru City. The Pekanbaru City SPAM project is expected to increase Connection Subscription (SL) by $\pm 48,500$ SLs to reach $\pm 61,000$ SLs, including current subscriptions. Therefore, the Pekanbaru City SPAM Project could increase the number of PDAM Pekanbaru City subscriptions by almost 4 times from the current SLs.

The Cooperation Agreement, Guarantee Agreement and Recourse Agreement signing for Pekanbaru SPAM Project was held simultaneously on December 16, 2020.

Project Information

Location	Pekanbaru City, Riau Province
Project Value	IDR500 Billion
GCA	PDAM Tirta Siak Kota Pekanbaru
Project Company	PT PP Tirta Madani
Project Stage	Pre-Construction

TRANSPORTATION SECTOR



Makassar – Parepare Railway

Makassar – Parepare Railway Project

The Makassar-Parepare Railway Project is the first project in the transportation sector within the Ministry of Transportation of the Republic of Indonesia. The PPP project adopts the Build Operate Transfer (BOT) scheme with an investment value of IDR991 billion and duration of 17 years after the Commercial Operation Date 1. The project with the Availability Payment (AP) scheme will serve 5 Regencies/ Cities in the province of South Sulawesi, namely Maros Regency, Pangkajene and Islands Regency, Barru Regency, Makassar City and Parepare City.

The signing of Cooperation Agreement was carried out between GCA and PT Celebes Railway Indonesia (PT CRI) on April 5, 2019. At the same time, the signing of Guarantee Agreement between the Company and PT CRI, and Recourse Agreement between GCA and the Company were also held.

Project Information

Location	Makassar – Parepare, South Sulawesi Province
Project Value	IDR991 Billion
GCA	Ministry of Transportation
Project Company	PT Celebes Railway Indonesia
Project Stage	Construction



Komodo Airport Project – Labuan Bajo

Komodo Airport Project – Labuan Bajo

Komodo Airport Project in Labuan Bajo is the first airport development project in Indonesia under PPP scheme and provided with Government Guarantee through the Company.

The airport development is aimed to develop the tourism priority area of Labuan Bajo, which is one of the New Bali destinations, and also to expand national and international connectivity. The project is located in West Manggarai, East Nusa Tenggara (NTT) with a project value of IDR1.20 trillion.

The signing of the Cooperation Agreement between the Ministry of Transportation and PT Cinta Airport Flores, the Guarantee Agreement between the Company and PT Cinta Airport Flores and the Recourse Agreement between the Company and the Ministry of Transportation were carried out on February 7, 2020.

Project Information

Location	West Manggarai Regency, East Nusa Tenggara Province
Project Value	IDR1,203 Billion
GCA	Ministry of Transportation
Project Company	PT Cinta Airport Flores
Project Stage	Pre-Construction



PORTFOLIO OF INFRASTRUCTURE PROJECT GUARANTEE – NON PPP

TOURISM SECTOR



The Company has provided direct loan guarantee for infrastructure project in one of the strategic projects in tourism sector, namely Mandalika Special Economic Zone (SEZ) with a land area of 1.175 Ha.

Mandalika Special Economic Zone (SEZ)

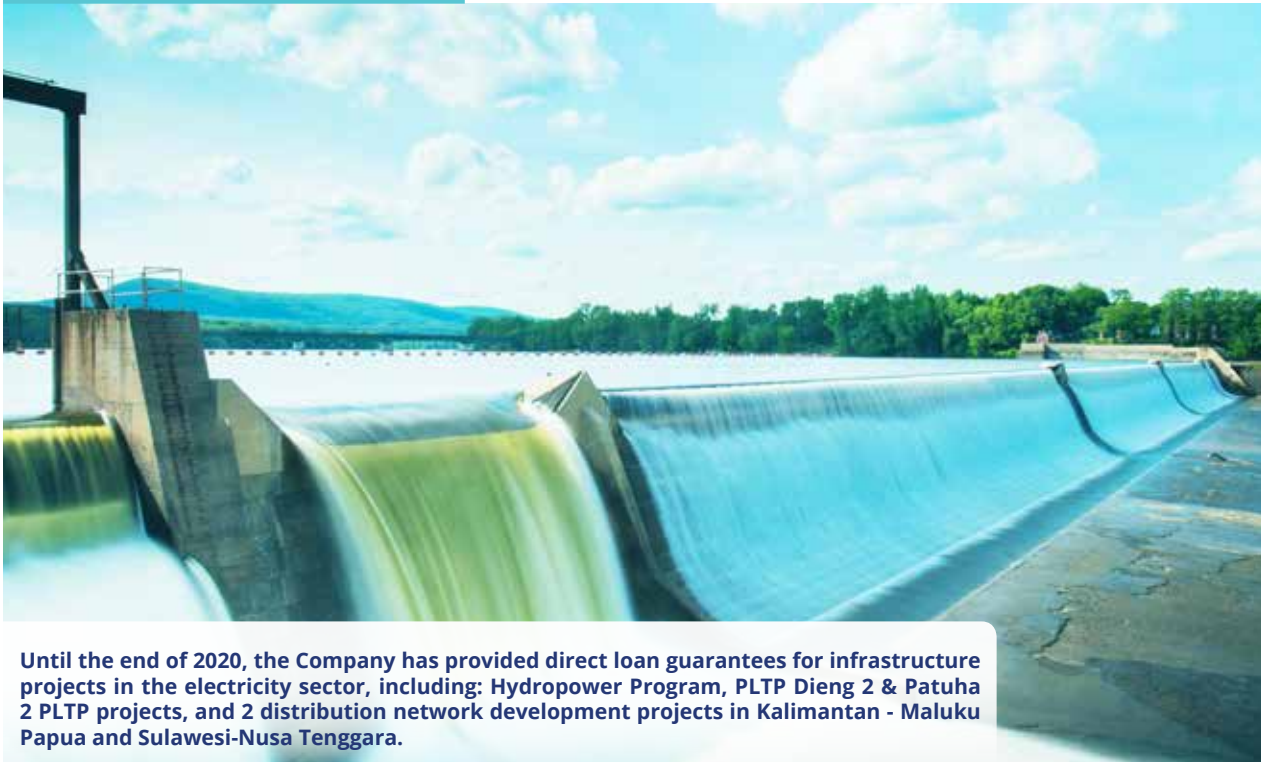
Mandalika SEZ Tourism Area Development Project is part of the Indonesia's tourism development program, which is aimed to provide sustainable basic infrastructure for the development of new tourist destinations in Mandalika region, Central Lombok, West Nusa Tenggara (NTB) Province. The construction and development of infrastructure on an area of 1,175 hectares shall apply the eco-green concept and event based destination.

The project also consists of the development of basic infrastructure including: road network, clean water network, river normalization, wastewater treatment, waste disposal site, electricity network and facilities, as well as gas network and facilities. The estimated investment value for this Project amounted to USD316.5 million (IDR4.5 trillion) with financing plan from the Asian Infrastructure Investment Bank of USD248.4 million.

Project Information

Location	Lombok Tengah Regency, West Nusa Tenggara Province
Project Value	IDR4,568 Billion
Loan Value	USD248.4 million
Guaranteed SOEs	Indonesia Tourism Development Corporation (ITDC)
Creditor/Obligee	Asian Infrastructure Investment Bank
Project Stage	Construction

ELECTRICITY SECTOR



Until the end of 2020, the Company has provided direct loan guarantees for infrastructure projects in the electricity sector, including: Hydropower Program, PLTP Dieng 2 & Patuha 2 PLTP projects, and 2 distribution network development projects in Kalimantan - Maluku Papua and Sulawesi-Nusa Tenggara.

Hydropower Programme

The Hydropower Programme is part of the 2019-2027 Electricity Supply Business Plan (RUPTL) and is part of the Government's 35,000 MW Program. The objective of this program is to increase electrification ratio in the Central and Eastern parts of Indonesia by building Hydro Power Plant (PLTA) for Mini Hydro Power Plant (PLTMH). In addition, the program is also aimed to reduce the Cost of Production for the use of fossil fuels both during base load and especially during peak load as well as to increase Service Quality Level to the customers.

The project applies direct loan scheme by PT PLN (Persero) from KfW Bank amounted to EUR294.7 million. The KfW loan shall be used to finance 6 sub-projects in Kalimantan, Sulawesi and Papua. The signing of the Loan Agreement between PT PLN (Persero) and KfW was conducted on September 5, 2019, along with the signing of the Guarantee Implementation Agreement between the Company and PT PLN (Persero) and the Guarantee Agreement between the Ministry of Finance and KfW for the direct loan.

Project Information

Location	Kalimantan, Sulawesi and Papua
Project Value	IDR6,568 Billion
Loan Value	EUR294.7 million
Guaranteed SOEs	PT PLN (Persero)
Creditor/Obligee	Kreditanstalt für Wiederaufbau (KfW)
Project Stage	Construction

**Dieng-2 & Patuha-2 Geothermal Power Plant (PLTP)****Dieng-2 & Patuha-2 Geothermal Power Plant (PLTP)**

On August 19, 2020, the Company and PT Geo Dipa Energi (Persero)/GeoDipa signed an agreement with the Asian Development Bank (ADB) for Dieng Unit 2 and Patuha Unit 2 Geothermal Power Plant (PLTP) Development Project, as one of the efforts to provide electricity through the utilization of geothermal Renewable Energy. The signing of the project included the signing of Loan Agreement between GeoDipa and ADB, the signing of Guarantee Agreement between the Ministry of Finance and ADB, and the signing of Guarantee Implementation Agreement between the Company and GeoDipa.

This project applies direct loan scheme from ADB to GeoDipa of USD335 million. The ADB loan shall be used to finance the construction of Dieng Unit 2 PLTP and Patuha Unit 2 PLTP each with a capacity of 55 MW and is planned to start operating in 2025. The Project Guarantee has been effective in conjunction with the effective date of the Loan Agreement on September 21, 2020.

Project Information

Location	Dieng & Patuha
Project Value	IDR6,938 billion
Loan Value	USD335million
Guaranteed SOEs	PT Geo Dipa Energi (Persero)
Creditor/Obligee	Asian Development Bank
Project Stage	Construction



Distribution Network Development Project of Kalimantan and Maluku-Papua using Result-Based Lending Scheme (RBL-KMP)

Distribution Network Development Project of Kalimantan and Maluku-Papua using Result-Based Lending Scheme (RBL-KMP)

Distribution Network Development Project of Kalimantan and Maluku-Papua is an infrastructure project using Result-Based Lending Scheme (RBL-KMP), is part of the electricity infrastructure development as well as the long-term program as stated in the 2019-2028 Electricity Supply Business Plan (RUPTL) of PT Pembangkit Listrik Negara (Persero) ("PLN").

Located in Kalimantan, Maluku and Papua, the project is targeted to add electricity connections for 6.7 million customers. The construction of this project is expected to support the Government's efforts to increase the National Electrification Ratio, especially in Eastern Indonesia, to improve the living quality in Eastern Indonesia with sustainable electricity, and to promote solar power and the use of clean energy.

On December 16, 2020, the Company and PLN signed an agreement with the Asian Development Bank (ADB) for the RBL-KMP Project. The signing of the project agreement includes the signing of the Guarantee Agreement between the Ministry of Finance and ADB, and the signing of the Guarantee Implementation Agreement between the Company and PLN. Meanwhile, the signing of the Guarantee Agreement between PLN and ADB was carried out on December 8, 2020.

Project Information

Location	Kalimantan and Maluku-Papua
Project Value	IDR29,873 Billion
Loan Value	USD600million
Guaranteed SOEs	PT PLN (Persero)
Creditor/Obligee	Asian Development Bank
Project Stage	Construction



Distribution Development Project of Sulawesi and Nusa Tenggara with Result-Based Lending Scheme (RBL-SNT)

Distribution Development Project of Sulawesi and Nusa Tenggara with Result-Based Lending Scheme (RBL-SNT)

The construction of the RBL-SNT Project, which is located in Sulawesi and Nusa Tenggara, is one of the Government's efforts to increase the Electrification Ratio by running a program to electrify 433 villages in the Eastern Region of Indonesia, particularly the underdeveloped, frontier, and outermost (3T) areas with a strategy of increasing access to electricity through the expansion of the power grid.

One of the targets of this Project is to increase connections to 7.7 million customers with the objectives to contributing to sustainable economic and social development in Eastern Indonesia, increasing the electrification ratio and electrified villages in Eastern Indonesia, Improving system reliability, distribution system efficiency, and electricity services; as well as fulfilling the needs of electricity in Nusa Tenggara and Sulawesi regions. In addition, the Project is also expected to encourage the achievement of the national electrification ratio target of 100% by 2021.

On December 16, 2020, the Company and PT Perusahaan Listrik Negara (Persero)/"PLN" signed an agreement with Kreditanstalt für Wiederaufbau (KfW) for the RBL-SNT Project. The signing of the project agreement includes the signing of the Guarantee Agreement between the Ministry of Finance, the Company and KfW, as well as the signing of the Guarantee Implementation Agreement between the Company and PLN. Meanwhile, the signing of the Loan Agreement between PLN and KfW was signed on December 8, 2020.

With financing amounted to USD310 million from KfW to PLN, the project is targeted to increase electricity connections to 7.7 million customers. In addition, this project is also expected to contribute to sustainable economic and social development in the Eastern Indonesia region, increase electrification ratio and electrified villages in Eastern Indonesia, improve the system, efficiency of the distribution system and electricity services, as well as fulfill the needs of electricity in Nusa Tenggara and Sulawesi regions.



Project Information

Location	Sulawesi and Nusa Tenggara
Project Value	IDR20,676 Billion
Loan Value	USD310million
Guaranteed SOEs	PT PLN (Persero)
Creditor/Obligee	Kreditanstalt für Wiederaufbau (KfW)
Project Stage	Construction

In addition to the 3 (three) projects signed in 2020, as part of increasing stakeholder awareness, the Company has also conducted socialization related to the Government Guarantee facilities for SOE Loans to several SOEs, such as PT INKA (Persero), Perum DAMRI, PT Pertamina (Persero), PT Kereta Api Indonesia (Persero), and other relevant SOEs in accordance with the Regulation of the Minister of Finance No. 101 of 2018.

INVESTMENT BUSINESS SEGMENT

In terms of placement of funds, the Company always refers to the applicable Operating Manual and policies, with a fair and transparent mechanism.

Placement of funds in financial instruments includes investment instruments in the money market and bonds with compositions that are adjusted following the current market condition with optimum return. The policies implemented by the Company for placement of funds, include:

- The allocation for investment according to the 2020 Budget for achieving the KPI of IDR831 billion, was carried out by referring to the provisions required in Regulation of the Minister of Finance No. 95/PMK.08/2017 as follows:

Placement in	Allowed conditions
Time deposit	1. BUKU II, III and/or IV Banks. 2. Minimum rating AA. 3. Maximum 25% of total equity, placement in State-Owned Banks. 4. Maximum 10% of total equity, placement in Non-State-Owned Banks. 5. Maximum 25% of core capital (tier 1) in BUKU II Banks.
Government bonds	No limit
Securities issued by Bank Indonesia	No limit
Corporate bonds and corporate sukuk which are listed and traded at the Stock Exchange.	1. Minimum AA rating (issued by SOEs). 2. Minimum AAA rating (issued by ROEs/Private). 3. Maximum 5% of the placement capital in each Issuer; and the allowed maximum total for SOEs and ROEs/Private is 20% of the total equity
Mutual funds	1. Listed in supervisory agency in the capital market 2. Maximum 20% of the total placement for each investment manager; and maximum 10% of the total investment.

*) Placement strategy shall consider the provisions stipulated in the Regulation of the Minister of Finance No. 95/PMK.08/2017

- Optimizing placements in Banks according to the policies and limits which have been set by continuing to consider the macroeconomic indicators as the basis for consideration in preparing the investment composition.



In order to maintain transparency, independence and accountability, investment activities are carried out by the following procedures:

1. Each placement of funds in the money market is conducted through a bidding mechanism, involving the Procurement Division to maintain the independence of the bidding process.
2. Each process of placement of funds is conducted by involving the Risk Management Division, to review the conformity of placement of funds plan with the applicable regulations.
3. To ensure the security of the marketable security assets as well as the accountability of the transaction settlement process, the Company uses the services of Custodian Bank to administer the entire securities portfolio, while the data reconciliation process is carried out at least once a month or at any time as needed.
4. To facilitate the monitoring of the management of funds received, investment bank accounts are separated from operational bank accounts.
5. To maintain the independence of investment decision making and to monitor the performance of investment instruments, the selection of partners for placement of funds shall refer to Regulation of the Minister of Finance No. 95/PMK.08/2017 and use financial indicators from independent parties.

The following are details of the Company's placement of funds/assets in the form of investments:

1. Investment in Time Deposits

Achievement Bank	Category	Placement Rating	Bank BUKU	Nominal (in IDR billion)	% of the Company's Capital
PT BANK NEGARA INDONESIA (PERSERO) TBK	Government	AAA	IV	2,448.42	18.3%
PT BANK TABUNGAN NEGARA (PERSERO) TBK	Government	AA+	III	2,845.75	21.3%
PT BANK MANDIRI TASPEN	Private	AA	II	637.02	4.8%
PT BANK BNI SYARIAH	Private	AA+	III	505.00	3.8%
PT BANK TABUNGAN Pensiunan Nasional Syariah TBK	Private	AA+	II	50.00	0.4%
PT BANK WOORI SAUDARA INDONESIA TBK	Private	AAA	III	768.00	5.8%
Total Placement in Deposits				7,254.19	
The Company's Total Capital				13,343.43	

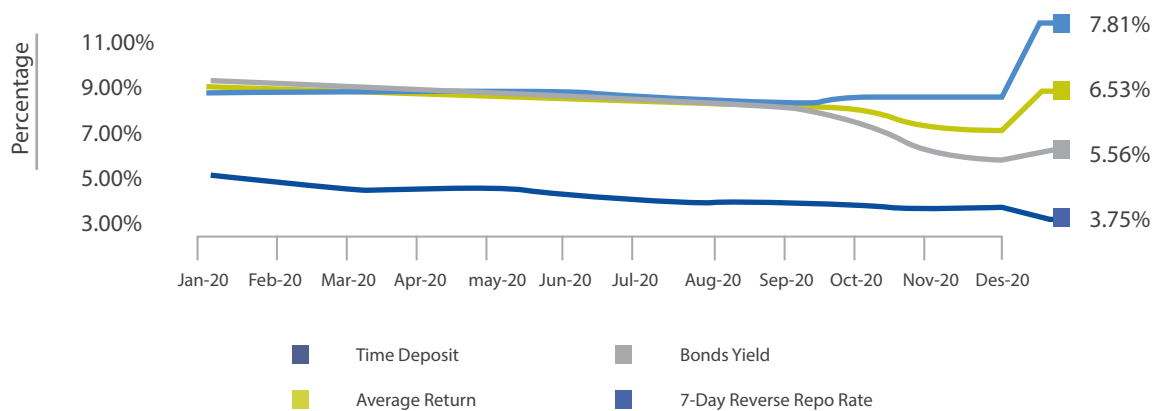
The Company's investment in deposits at each State Bank shall not exceed 25% of its total capital and at non-State Banks shall not exceed 10% of its total capital. Placement shall be in BUKU II, III, and IV Banks with a minimum rating of AA.

2. Investment in Fixed Income

Placement of investment in fixed income (bonds) in each issuer for corporate bonds and sukuk shall not exceed 5% of the Company's total capital and in overall shall not exceed 20% of its total capital. Since the enactment of Regulation of the Minister of Finance No. 95/PMK.08/2017, the placement of bonds in issuers shall be at a minimum rating of AA for SOEs and a minimum rating of AAA rating for non-SOEs. As of the end 2020, all of the Company's placement for investments were still in accordance with the corridor limits required by PMK No. 95/PMK.08/2017.

No.	Placement of Securities per Issuer	Position as of December 31, 2020			
		Placement Rating	Category	Bond Value (Market value - AFS)/ (Carrying value - HTM) (in IDR billion)	Percentage of the Company's Total Capital
1	Government of the Republic of Indonesia		Government	2,798.13	21.0%
2	Indonesia Eximbank	AAA	SOE	136.28	1.0%
3	PT Aneka Tambang (Persero) Tbk	AA	SOE	6.10	0.0%
4	PT Angkasa Pura II (Persero)	AAA	SOE	33.57	0.3%
5	PT Bank Mandiri (Persero)	AAA	SOE	156.27	1.2%
6	PT Bank Negara Indonesia (Persero) Tbk	AAA	SOE	13.50	0.1%
7	PT Bank Tabungan Negara (Persero) Tbk	AA	SOE	55.00	1.7%
8		AA+	SOE	171.64	
10	PT Kereta Api Indonesia (Persero)	AAA	SOE	66.55	0.5%
12	PT Pegadaian (Persero)	AAA	SOE	190.37	1.4%
13	PT Pelabuhan Indonesia IV (Persero)	AA	SOE	157.29	1.2%
14	PT Perusahaan Listrik Negara (Persero)	AAA	SOE	30.00	0.2%
15	PT Pupuk Indonesia (Persero)	AAA	SOE	81.92	0.6%
16	PT Sarana Multi Infrastruktur (Persero)	AAA	SOE	157.31	1.2%
17	PT Sarana Multigriya Finansial (Persero)	AAA	SOE	167.24	1.3%
18	PT Semen Indonesia (Persero) Tbk	AA+	SOE	109.59	0.8%
19	PT Telekomunikasi Indonesia (Persero) Tbk	AAA	SOE	77.00	0.6%
TOTAL				4,407.76	33.0%
Total Percentage of SOEs from the Company's Total Capital					12.1%

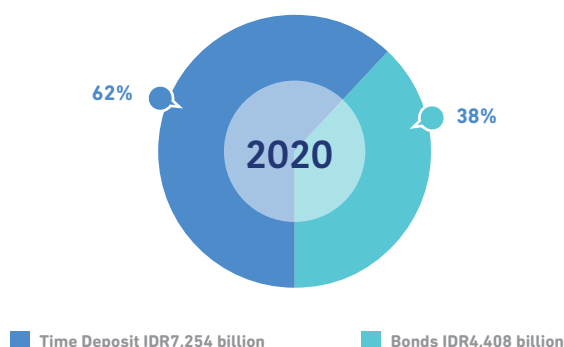
Average Rate of Return



Until the end of 2020, the Company's income from investments amounted to IDR855 billion with an average rate of return of 6.53% in December 2020, which was still higher of 278 basis points than the BI 7-Day Repo Rate of 3.75%. In addition, the achievement of the average income from investments during 2020 amounted to 7.58%, which was still higher of +333 basis points (2019: +264 basis points) compared to the average 7-Day Repo Rate of Bank Indonesia of 4.25 %.



Desember 2020



The Company's investment portfolio as of December 2020 consisted of investment in time deposits (62%) and investment in fixed income (bonds) (38%) of the Company's total investments of IDR11.66 trillion.

Revenue & Profitability Of The Investment Business Segment

The Company's source of operating revenues is mainly derived from guarantee activities as well as investment activities. In terms of the core business, the Company's revenue is expected to be derived mainly from guarantee and PDF activities. While its investment activities become the support for the Company's guarantee business activities. In addition for investment purposes, the investment activities also performs a role in maintaining the Company's financial liquidity as well as its guarantee capacity.

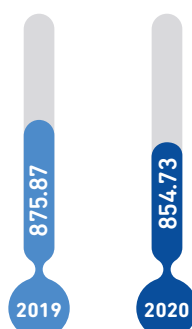
The composition of revenue from guarantee consists of provision and commission, premium income and loss limit support income, while income from PDF consists of costs for implementing PDF assignments

with completed output documents in accordance with the invoicing criteria for PDF Assignment Contract added with opportunity margin. Meanwhile, income from investments is obtained from the placement of the Company's financial assets in various investment instruments that are allowed by the provisions required in Regulation of the Minister of Finance No. 95/PMK.08/2017. The Company's operating expenses mainly consist of guarantee expenses, PDF expenses, general and administrative expenses, as well as development expenses related to communication and socialization of the Company's line of business.

In 2020, the Company's income from investments amounted to IDR854.73 billion, a decline of IDR21.14 billion or -2.41% compared to its income from investments in 2019 of IDR875.87 billion, amid the declining trend in the benchmark interest rate throughout 2020 with a return of +333bps above the average benchmark interest rate (2019: +264 bps).

Income from Investments

(in IDR billion)





PROJECT PREPARATION AND TRANSACTION ADVISORY/ PROJECT DEVELOPMENT FACILITY (PDF) BUSINESS SEGMENT

Having experience since 2009, the Company has performed the role and business participation excellently in the national infrastructure development through Government Guarantee given to infrastructure projects under the PPP scheme. Along with the development and growth of the infrastructure industry in Indonesia, the Company shall continue to innovate and develop in carrying out its role to achieve optimal results and equitable distribution of infrastructure in Indonesia.

In 2018, with the issuance of the Regulation of the Minister of Finance No. 73/PMK.08/2018 concerning Facilities for the Preparation and Implementation of Transactions of Public Private Partnership (PPP) Projects in the Provision of Infrastructure, the Company allowed to conduct business activities in addition to providing guarantees for infrastructure projects, namely by being involved in project preparation and transaction advisory. Based on this regulation, the Company has initiated to run a new business segment, namely the PPP Project Preparation and Transaction Advisory to enable the Company in being fully involved in the process of providing infrastructure through PPP scheme from upstream to downstream. Project preparation and transaction advisory activities or known as the Project Development Facility (PDF) is one of the Company's development activities in accordance with its development direction plan for 2018-2022. Projects that could receive PDF facility include the Priority PPP projects, PPP projects for the construction and/or development of domestic oil refineries.

In implementing such mandate, the Company has prepared a project-oriented structure while maintaining the independence of decision making in each function (Segregation of Function) through the establishment of the Business Initiation Division. The Business Initiation Division is supported by competent human resources to carry out the assignments with the experience during the Company's operations as well as excellent Good Corporate Governance in transaction management.

Through PDF activities, the Company shall be involved since the planning stage through assistance to the Government's Contracting Agencies (GCA) in preparing pre-feasibility studies and bidding documents prior to project implementation. In terms of project transactions, the Company shall assist GCA from the preparation of transactions to the financing stage (financial close) as stated in the Regulation of the Minister of Finance No. 265 of 2015 concerning Facilities for the Preparation and Implementation of Transactions

in Public Private Partnership (PPP) Projects for the Provision of Infrastructure. The Company's involvement since the beginning of project preparation shall increase the certainty of successful transactions with investors, which lead to the certainty of quality and efficient infrastructure development.

Implementation of Project Preparation and Transaction Advisory

As of the 2020 fiscal year, the Company has received the assignment to implement project preparation and transaction advisory for 7 projects, which comprise of:

1. Preservation of the East Trans Sumatra Road – South Sumatra section
2. Preservation of the East Trans Sumatra Road - Riau section
3. Makassar - Parepare Railway
4. Construction of Dharmais Cancer Hospital
5. Construction of the Zainoel Abidin Hospital (Aceh)
6. Construction of Proving Ground Bekasi BPLJSKB Project
7. Development of the South Badung Ring Road

Preservation of the East Trans Sumatra Road - Riau and South Sumatra Sections

On May 21, 2018, the Ministry of Finance and the Company have signed the Assignment Agreement for Project Development Facility of the Preservation of East Trans Sumatra Road PPP Project for the South Sumatra and Riau sections. With the signing of the Facility Agreement, the Company has an obligation to implement the necessary stages of the preparation and transaction process to ensure the realization of the Project.

In its development, on December 30, 2020, the signing of Loan Agreement or Credit Agreement by PT Jalintim Adhi Abipraya ("JAA") and the syndicated creditors for the East Trans Sumatra Road project for the South Sumatra section was held. As for the Riau section, the bidding process has been conducted at the end of



December 2020, in which PT Adhi Karya Tbk. and PT Brantas Abipraya participated in this bidding.

The selection of these sections was based on strategic steps which have been formulated by the Directorate General of Bina Marga, which in this case acted as the Government's Contracting Agencies ("GCA") for the Preservation of the East Trans Sumatra Road PPP Project. The East Trans Sumatra Road provides an essential service in supporting economic activities and is one of the National Roads with access to national economic growth. Therefore, through the PPP scheme, the Directorate General of Bina Marga believed that the scheme will provide efficiency, improve the quality of public services and can have a leveraging effect on the Government's capital expenditure capacity in realizing plans for the development and preservation of National Road infrastructure.

The scope of PPP scheme for this project includes the Technical Planning; Construction; Operations and Maintenance during Construction and in Service; as well as Project Funding by the Implementing Business Entity (Project Company) which is selected through a fair and transparent procurement process. The investment value of the project amounted to IDR982 billion for the South Sumatra section and IDR585.3 billion for the Riau section, while the project's source of return is through the "Availability Payment" ("PPP-AP") scheme with a 15-year concession period (including 3 years of construction period).

In addition to the benefits of accelerated development which will be perceived by the public, with the realization of this Project, the community will be able to experience the economic and social benefits of the Project, namely as follows:

1. Increasing employment opportunities which will directly improve the welfare of communities on income generated from this Project;
2. Reducing the poverty level; and
3. Supporting the continuous flow of traffic therefore travelling time between regions and motorist' mobility become shorter and more effective, which in turn will also support economic growth in this area.

Makassar-Parepare Railway

The assignment by the Ministry of Finance to the Company to provide Project Development Facility support of the development of the Makassar-Parepare Railway PPP project was officially signed on July 28, 2018. With the assignment, the Company has an

obligation to assist the Government's Contracting Agencies (GCA) in the preparation of bidding documents and project transactions up to the financial close stage of the development of the Makassar - Parepare Railway project under the PPP scheme.

Until 2020, the progress of the project preparation process was the signing of the Memorandum of Understanding of Bank Support for Project Financing on November 12, 2020. Furthermore, on December 4, 2020, the Amendment to the Cooperation Agreement between the Ministry of Transportation and PT Celebes Railway Indonesia has been signed.

The project is located in South Sulawesi and will cover 5 regencies/cities, namely Maros Regency, Pangkajene dan Kepulauan Regency, Barru Regency, Makassar City and Parepare City.

The Directorate General of Railway Transportation of the Ministry of Transportation as GCA plans on a project concession period of 17 years since the commencing date of commercial operation. The scope of work of the prospective the Implementing Business Entity (Project Company) includes project planning, construction, funding, operation, maintenance and transfer (DBFOMT) of the developed assets, with an investment value of around IDR991 billion and repayment through the Availability Payment (AP) scheme.

With the realization of this project, the main benefits are increased freight and passenger traffic, development of national connectivity, an increase in the number of goods that can be transported by railways in accordance with the National Medium-Term Development Plan target, and as a fulfillment of the target of developing 3,258 km of railway lines in 2019. Apart from those main benefits, the benefits of this project can be seen from several dimensions which include:

1. The railway infrastructure built can provide a multiplier effect on the GDP, as well as promote the increased economic activity to support equal economic distribution on the island of Sulawesi;
2. The benefits in terms of lower costs and shorter transport time are tangible benefits that can be experienced by users of road transport or other modes of transportation or those who have not used railroad transportation previously;
3. With the construction of the Makassar - Parepare railway line, the construction sector in the area will significantly increase the number of employment opportunities for the community;

4. The development of the Project can trigger the emergence of supporting business sectors which will also promote the movement and growth of demand for goods and services for the existing trade and industry activities.

Development of the Dharmais Cancer Hospital

Cancer is one of the national health problems which must be immediately addressed by the Government of Indonesia through the Ministry of Health. One of the main challenges of cancer treatment in Indonesia is the limited facilities and human resources (specialists and oncologists) so that it is found that 70% of cancer patients are already in an advanced stage.

In providing comprehensive and integrated cancer services, Dharmais Cancer Hospital ("RSKD") as a Class A referral hospital and the National Cancer Center must have facilities and infrastructure that are capable of supporting hospital operational activities. Therefore, it is necessary to update the capabilities of the RSKD to provide maximum domestic services, including diagnosis, treatment and action, to rehabilitative services for cancer patients.

The assignment was established in the Assignment Agreement for Project Development Facility of Dharmais Cancer Hospital PPP Project, which was signed on July 27, 2018. The project shall be implemented through the Design-Build Finance-Operation-Maintenance-Transfer ("DBFOMT") scheme, in which the assigned Investor shall responsible for carrying out the design, construction, financing, and maintenance, with an indicative period of PPP Agreement for 20 (twenty) years including the construction period. The estimated investment value is around IDR1.4 trillion, and repayment shall use the Availability Payment (AP) scheme.

The direct benefits to be obtained from the infrastructure development are as follows:

1. Increased life expectancy for cancer patients obtained from the lives of patients saved due to the availability of up to date health infrastructure and professionals (oncologists);
2. Time savings for patients due to implementation of the Hospital Information System (HIS) to reduce the waiting time for patients with the new healthcare infrastructure;

3. The socio-economic multiplier effect of government expenditures which indicates the socio-economic impact of government spending on health infrastructure.

The Company's assignment as the implementer of PDF facility for Dharmais Cancer Hospital Project has ended on June 4, 2020, according to the timeframe contained in the Master Agreement between the Ministry of Finance and GCA.

Development of the Zainoel Abidin Hospital (Aceh)

The improvement in the level of health of the people of Aceh towards Prosperous Aceh is one of the initiatives in the Aceh Medium-Term Development Plan for 2017-2022. In addition, several facts such as low life expectancy, low bed ratios, and high hospital mortality rates compared to the national standard have resulted in an urgent need for quality health service infrastructure development in Aceh. In this regard, the Government of Aceh Province has launched the development of the Zainoel Abidin Regional Hospital as one of the initiatives towards solving the health problems in the Province of Aceh.

In response to the issue, the Ministry of Finance through the Directorate of Government Support and Infrastructure Financing Management ("PDPI") provided the Project Development Facility of Zainoel Abidin Regional Public Hospital PPP Project to the Provincial Government of Aceh as the GCA. With the signing of the Master Agreement between the Ministry of Finance and the GCA on December 4, 2018 which was further followed by the issuance of the Decree of Assignment by the Ministry of Finance on December 5, 2018, the Company officially received the mandate in implementing the Project Development Facility ("PDF") for this project.

The assignment was stated in the Assignment Agreement for Project Development Facility of Zainoel Abidin PPP Project, which was signed on January 8, 2019. The project shall be implemented through the Design-Build-Finance-Operation Maintenance-Transfer (DBFOMT) scheme, in which the assigned the Implementing Business Entity (Project Company) shall be responsible for carrying out the design, construction, financing, and maintenance, with an indicative period of the PPP



Agreement for 17 years including the construction period. The initial estimated investment for this project amounted to IDR1.5 trillion.

One of the bases for undertaking this project is a study of the economic impacts generated by the construction of the hospital. The benefits that can be obtained from the construction of this infrastructure include:

1. The socio-economic multiplier effect of government expenditures which indicate the socio-economic impact of government spending on health infrastructure;
2. The decline in the travel costs out of Aceh which indicated a decrease in the number of referred patients both domestically and internationally due to the development of the health infrastructure;
3. Manpower absorption which considers labor absorption due to an increase in the need for health infrastructure development; and
4. Increased productivity due to the development of the level of health which indicates an increase in community productivity due to the development of the level of health as a result of the development of health infrastructure.

The project was planned to use the Sharia principles scheme. The project has also received Sharia Conformity Opinion from MUI, which stated that PPP structure with Ijarah Mauzufah Fii Dzimah – Ijarah Mumtahiyah Bi Tamlik contract and PPP Guarantee scheme with Kafalah Bil Ujah contract, were in accordance with sharia principles. In addition, the project has also received Letter of Consideration from the Minister of Home Affairs regarding the implementation of service availability scheme for return on investment. Furthermore, at the Prequalification stage, this project was able to show high market interest as indicated by the large number of prospective business entities from both national and international participated and qualified as shortlisted bidders.

As a condition for proceeding to the bidding stage of the Implementing Business Entity (Project Company) the project required the approval of the Aceh People's Representative Council (DPRA). On December 2, 2020, the DPRA provided a response letter towards the letter from GCA dated July 14, 2020 concerning the request for Approval of the Draft Joint Agreement Program. In the response letter, the DPRA asked GCA to discuss and provide a comprehensive explanation regarding the project.

The Company's assignment as the implementer of PDF facility for the Zainoel Abidin Hospital Project has ended on December 3, 2020, in accordance with the term of Master Agreement between the Ministry of Finance and GCA. On December 22, 2020, a meeting which was attended by the Government of Aceh (GCA representatives), the Aceh House of Representatives (DPRA), the National Sharia Economy and Finance Committee (KNEKS), and the Company was held, with further discussion agenda regarding the Sharia PPP Pilot Project. At the meeting, GCA representatives and DPRA representatives had a mutual understanding that a joint forum was needed between GCA, DPRA, Ministry of Finance, and Ministry of Home Affairs was required to follow up the project.

Development of the Bekasi Proving Ground (BPLJSKB) Project

The Master Agreement between the Ministry of Finance and the Ministry of Transportation has been signed by the parties concerned on July 16, 2019. The Decree of Assignment by the Ministry of Finance to the Company for Project Development Facility of the Bekasi Proving Ground PPP Project was officially signed on July 19, 2019. Subsequently on August 22, 2019, the Ministry of Finance and the Company have signed the Assignment Agreement for Project Development Facility of the Bekasi Motor Vehicle Roadworthy and Certification Testing Center (BPLJSKB) project or known as the Bekasi Proving Ground project.

The project is located in the area of Bekasi BPLJSKB, with the Directorate General of Land Transportation of the Ministry of Transportation as GCA. The project scope includes the design and construction of infrastructure for the proving ground and test facility, maintenance of the infrastructure and facilities, training for BPLJSKB personnel, project funding, and asset transfer by the Implementing Business Entity (Project Company), with an investment value of IDR1.6 trillion and repayment through Availability Payment (AP) scheme.

In its development, on October 14, 2020, the Company has submitted the Final Pre-Feasibility Study of the project to GCA. In relation to the project investment return scheme through Availability Payment (AP), the Director General of Land Transportation has submitted a letter requesting the issuance of final confirmation letter for the use of the Availability Payment (AP) scheme to the Directorate General of Budget Financing and Risk Management (DJPPR) on November 30, 2020.



With the project, the GCA intends to build the first UNR-standard proving ground in Indonesia. The development of the Bekasi Proving Ground project will generate the following benefits, among others:

1. Ensuring the safety standard of motor vehicles for safe road traffic and transportation as mandated by laws and regulations.
2. Preserving the environment against air pollution from motor vehicle emissions on the roads.
3. Allowing Indonesia's products to become acceptable within the ASEAN region.
4. Promoting economic growth and generating state revenues from increased exports.

Construction of the South Badung Ring Road

On September 16, 2020, the Company has received the Decree of the Minister of Finance regarding the PDF Assignment for the Development of South Badung Ring Road. Furthermore, on September 22, 2020, the Ministry of Finance and the Company jointly signed an Assignment Agreement for the Project Development Facility of the Development of South Badung Ring Road PPP Project. With the signing of the Facility Agreement, the Company has an obligation to carry out the stages at the preparation and transaction stage, which is required to ensure Project's realization. At the end of the year, on December 30, 2020, the Company issued the Confirmation to Proceed (CTP) for the Development of South Badung Ring Road PPP Project.

The scope of this PPP project includes Technical Planning, Construction Implementation, Operation and Maintenance during the construction period as well as the service period and Project Financing by the Implementing Business Entity (Project Company) appointed through a fair and transparent procurement process.

In addition to the benefits of accelerating development that will be perceived by the public, the community will be able to experience the economic and social benefits of the project, which are as follows:

1. Increasing employment opportunities which will directly increase the welfare of the population on the income generated from this Project;
2. Reducing poverty levels; and
3. Supporting the continuous flow of traffic so that travel time between regions and motorist' mobility become shorter and more effective, which in turn will also support economic growth in this area.

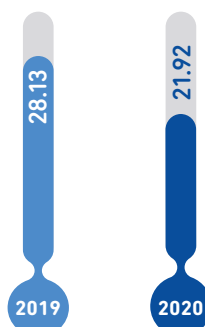
Financial Performance of the Project Preparation and Transaction Advisory Business Segment

The financial performance for the project preparation and transaction advisory business segment showed a decline compared to 2019.

In 2020, the Company's revenue from project preparation and transaction advisory business segment amounted to IDR21.92 billion, a decline of IDR6.21 billion or 22.08% from 2019, which was amounted to IDR28.13 billion.

Revenue of Project Preparation and Transaction Advisory

(in IDR billion)



In the 2020 fiscal year, the Company's total operating expenses related to project preparation and transaction advisory amounted to IDR29.71 billion, an increase of IDR1.39 billion or 4.91% compared to the preparation and transaction advisory expenses in 2019 of IDR28.32 billion. The increase in project preparation and transaction advisory expenses was mainly due to costs related to PDF processing in the current year of 7 projects, compared to the previous year of 6 projects.



LABOR INTENSIVE CORPORATE GUARANTEE BUSINESS SEGMENT

The 2019 Corona Virus Disease pandemic that hit the world throughout 2020 had a major impact on the global economy, including Indonesia. In dealing with the impact of the pandemic, the Government has launched various National Economic Recovery (PEN) Programs, including the Government Guarantee for Labor Intensive Corporations.

In 2020, the Company as one of the SMV of the Minister of Finance has received the expansion of its mandate to contribute more and optimize its role, such as the involvement in the National Economic Recovery (PEN) program for labor-intensive corporate guarantee scheme. In the context of implementing the labor-intensive corporate guarantee program:

- On July 28, 2020, the Regulation of the Minister of Finance No. 98/PMK.08/2020 concerning Government Guarantees Procedures to Corporate Business Actors through Appointed Guarantee Business Entities for the Implementation of the National Economic Recovery Program was issued.
- On October 26, 2020, Presidential Regulation No. 103 of 2020 has been issued concerning the Government Guarantee for Development Financing in the Framework of Driving the National Economy and/or the National Economic Recovery Program in which the Government provides Guarantees to Financial Institutions in financing development activities to drive the national economy in the form of financing to SOEs, ROEs, and/or Regional Government through Infrastructure Guarantee Business Entity (BUPI).
- On November 13, 2020, a Decree of the Minister of Finance was issued related to the Company's assignment for the labor-intensive corporate guarantee scheme as follows:
 - a. Decree of the Minister of Finance No. 522/KMK.08/2020 concerning the Assignment to PT Penjaminan Infrastruktur Indonesia (Persero) for Implementing Joint Guarantee with the Indonesian Eximbank for Corporate Business Actors in Implementing the National Economic Recovery Program.
 - b. Decree of the Minister of Finance No. 523/KMK.08/2020 concerning the Assignment to PT Penjaminan Infrastruktur Indonesia (Persero) for Implementing Government Guarantee Loss Limit Support in the Implementation of the National Economic Recovery Program.

As a follow up to the assignment based on the Decree of the Minister of Finance, the following cooperation agreements were signed between the parties:

1. Cooperation Agreement No. PRJ-428/PR/2020-009/PLLPEN/DRU/1120 between the Ministry of Finance and PT PII regarding the assignment of providing loss limit support within the framework of Government Guarantee for the National Economic Recovery Program on November 19, 2020.
2. Cooperation Agreement No. 565/PKS/12/2020/010/PLLPEN/DRU/1220 between the Indonesia Eximbank and PT PII regarding the implementation of loss limit support in the framework of Government Guarantee for Corporate Business Actors for the Implementation of the National Economic Recovery Program on December 15, 2020.
3. Cooperation Agreement No. PRJ-553/PR/2020-011/PPBPEN/DRU/1220 between the Ministry of Finance of the Republic of Indonesia and PT PII regarding the implementation of joint guarantee assignment within the framework of Government Guarantee for the National Economic Recovery Program on December 23, 2020.

As capacity support in the context of implementing loss limit support and labor-intensive corporation guarantees, on December 30, 2020, the Company has received an additional State Equity participation of IDR1.57 trillion.

Financial Performance of the Labor Intensive Corporate Guarantee Business Segment.

The Company has approved the proposal for loss limit support from the Indonesia Eximbank for the issuance of guarantees for the period September – November 2020 with a total guaranteed loan value of IDR287.5 billion, and then charged the Loss Limit IJP (guarantee fee) of IDR2.15 billion on December 16, 2020 to the Ministry Finance which was received on December 21, 2020, and submitted a request for Backstop Loss Limit support to the Minister of Finance on December 22, 2020. The Company's revenue amounted to IDR7.68 million was recognized in December 2020 due to the Loss Limit IJP that has been received.

BUSINESS SUPPORT ACTIVITIES SEGMENT

In addition to implementing its main mandate, the Company also strives to improve the understanding regarding the provision of infrastructure projects in Indonesia to support the development of infrastructure ecosystem to enable the Company in realizing its vision to become the main driving SOE which is active in accelerating sustainable infrastructure development to improve the quality of life of the people of Indonesia.

Development of Infrastructure Ecosystem

The Government's policy to accelerate infrastructure development through alternative financing schemes has started to show its impact through the increased participation of private investors in the provision of infrastructure. However, the limited knowledge and capacity of stakeholders and policy-makers have become a challenge in the provision of infrastructure, especially those using the alternative scheme, such as Public Private Partnership (PPP). Realizing this, the Company has made efforts to develop the infrastructure ecosystem as one of the main pillars of its activities. The establishment of the IIGF Institute was a strategic initiative as the Company's effort to increase the capacity of stakeholders through the dissemination of understanding, planning, and implementation of infrastructure provision under the PPP scheme.

As a Division assigned to conduct the knowledge management function of the Company, the main vision of IIGF Institute is to create a better infrastructure development ecosystem in order to drive infrastructure development in Indonesia. In realizing this vision, the IIGF Institute focuses on Education, Research, Publication, Policy Advocacy and Outreach activities.

Education

The education program aims to disseminate information and increase stakeholder knowledge regarding alternative financing for infrastructure development, particularly concerning the Public Private Partnership (PPP) scheme. The implementation of the education program consists of 2 activities, namely Capacity Building and the implementation of Certified PPP Professional (CP3P).

For the Capacity-Building activities, IIGF Institute collaborates with the Guidance and Consultation Division which performs an important role as the leading function in dealing with the Government's Contracting Agencies (GCA) and prospective GCA. In addition, IIGF Institute is also a facilitator for implementing PPP Joint Office capacity building in collaboration with external parties including, in this case the Ministry of National Development Planning/Bappenas as well as national and regional academic partners who have knowledge or experience related to the planned project.

In 2020, the COVID-19 pandemic which caused limited mobilization had an impact on the Company's way of conducting business activities. However, the IIGF Institute has remained active in carrying out capacity building activities by transferring the activities that are usually carried out with physical meetings into an online meeting or webinar format. Throughout 2020, through IIGF Institute, the Company has carried out the following capacity building activities:

No	Agency	Project	Date
1	Inspectorate of General Affairs, Ministry of National Development Planning/Bappenas of the Republic of Indonesia	PPP Socialization Increase the Awareness regarding PPP	February 12, 2020
2	West Java Provincial Government, PDAM Tirta Gemah Ripah, PDAM Indramayu, PDAM Majalengka	Jatigede SPAM Review of Outline Business Case (OBC) study	February 13, 2020

No	Agency	Project	Date
3	Provincial Government of East Java, West Kalimantan, Central Kalimantan, South Kalimantan, East Kalimantan, North Kalimantan, Bali, NTB, NTT, South Sulawesi, Central Sulawesi, Southeast Sulawesi, West Sulawesi, North Sulawesi, Gorontalo, Maluku, North Maluku, West Papua and Papua	Regional Socialization - Surabaya Increasing awareness and Identifying interests related to PPPs	March 2, 2020
4	Provincial Government of Central Java, West Java, Banten, Special Capital Region of Jakarta, Aceh, Bengkulu, Jambi, Lampung, Riau, Riau Islands, Bangka Belitung, West Sumatra, South Sumatra and North Sumatra.	Regional Socialization - Bandung Increasing awareness and Identifying Interests related to PPP	March 9, 2020
5	Directorate General of State Assets (DJKN) Aceh Regional Office	PPP Socialization Increase the Awareness regarding PPP	July 14, 2020
6	Directorate General of State Assets (DJKN) Central Java and Special Region of Yogyakarta Regional Office	PPP Socialization Increase the Awareness regarding PPP	July 15, 2020
7	Directorate General of State Assets (DJKN) East Java Regional Office	PPP Socialization Increase the Awareness regarding PPP	July 16, 2020
8	Directorate General of State Assets (DJKN) Aceh, Central Java & Special Region of Yogyakarta, and East Java Regional Office	DJKN's deep dive on the material related to the stages of preparation and transaction in the PPP scheme (continued from the previous activity)	August 18-19, 2020
9	PT Sarana Multigriya Finansial (Persero)	PPP Socialization Increase the Awareness regarding PPP	September 2-3, 2020 September 8-9, 2020
10	Capacity Building with Media Partners	PPP Socialization Increase the Awareness regarding PPP	December 22, 2020



Capacity Building with Directorate General of State Assets (DJKN) Regional Office



Capacity Building with Media Partners

In addition to capacity building activities, to ensure the development of infrastructure ecosystem capacity of PPP scheme, since 2019, through the IIGF Institute, the Company has officially become an Accredited Training Organization (ATO) for Certified PPP Professional (CP3P) from the Accrediting Professional Manager Globally (APMG). As of 2020, the Company has 4 employees who qualified as Certified Trainers, 57 people with CP3P Foundation Level certifications, and 2 people with Preparation Level certifications. Having certified personnel and supported by the experience of the PPP industry so far, the Company, through the IIGF Institute, has become more effective in assisting key stakeholders such as policy-makers, project owners, investors, academics, media, and other stakeholders regarding PPP infrastructure provision.

Research and Publications

In addition to stakeholder education, since 2015, the IIGF Institute has conducted various research involving stakeholders, such as relevant Ministries and technical institutions, project owners, academics and universities as well as Non-Governmental Institutions. With a wide range of inputs and perspectives from parties, the research results are expected to answer problems arising from infrastructure projects in various sectors and encourage the implementation of better infrastructure development in Indonesia.

In 2020, the Company has conducted research and publication activities as follows:

Research	Publications
- Guidelines for the Preparation of Preliminary Studies - PPP Development Research - VfM Quantitative Methodology Research Report - IIGF Institute Research Collaboration in Economics & Infrastructure - Project Support Study - Study on the Implementation of the PPP Scheme for the Provision of Housing Infrastructure - Study on Sport Center Sector - Study on Sovereign Guarantee in Infrastructure Financing Sector - Research on Social Economic Impacts with Case Studies of Public Street Lights (PJU) Solo, Komodo Airport, and Mandhalika	- Journal of Infrastructure & Policy Management 3rd Edition - Popular IIGF Institute Publications - Policy Brief CSF SPAM - Scientific Publications on Government Guarantee



Policy Advocacy and Outreach

Through the IIGF Institute, the Company organizes various activities aimed at expanding the involvement of stakeholders through collaboration with strategic partners at the national and international levels to encourage better formulation and implementation of policies, including Ministries/Government Institutions universities, research institutions and other related institutions.

As of 2020, the IGF Institute has collaborated with 35 universities all across Indonesia, which are members of the University Network for Indonesia Infrastructure Development (UNIID), a forum for sharing information and experiences as well as policy harmonization. UNIID is expected to be able to accommodate all the potentials of each university in the development and provision of infrastructure.

In 2020, international cooperation was conducted between Indonesia and the US to strengthen bilateral relations between the two parties by recognizing and studying the function of infrastructure implementation conducted in the two countries, especially in the transportation sector. The collaboration between the US Department of Transportation and the Company was carried out through a workshop with the theme "US-Indonesia Transportation Infrastructure Best Practices: Planning, Financing, and Maintaining", which involved various stakeholders in the infrastructure management sector in the Indonesian government. The workshop discussed various issues related to planning, financing, and managing transportation infrastructure assets based on the experiences of the two countries.



Stakeholder Engagement

A good relation with external stakeholders is also a priority for the Company's operational activities in maintaining the sustainability of its business activities. Relationship management is conducted by first mapping the types and characteristics of each stakeholder and then determining the appropriate type of communication. Throughout 2020, the Company hold activities to foster relationships with stakeholders which support the performance of its business segments, including:

1. Implementation of the Infrastructure Outlook 2020: "The Future of Alternative Financing for Sustainable Development" on March 9, 2020.
2. Daily Infrastructure Photo Contest with Journalists and the Public on October 27, 2020.
3. Virtual Media Visit with Bisnis Indonesia on October 13, 2020.
4. Media Engagement The signing of the Yogyakarta Bawen Toll Road Project PPP Agreement on November 14, 2020.
5. The Company's participation in the Ministry of Finance Voluntary Teaching 5 on December 2, 2020.
6. Media Engagement related to the Signing of the Distribution Network Development Project Agreement of Kalimantan and Maluku-Papua and Sulawesi & Nusa Tenggara on December 16, 2020.
7. Media Engagement of The signing of the Pekanbaru SPAM Project Agreement on December 17, 2020.



FINANCIAL PERFORMANCE REVIEW

The description of financial performance is prepared based on the Company's Annual Report, which presented according to Statements of Financial Accounting Standard (SFAS) generally applied in Indonesia for the year ended on December 31, 2020. The financial statements have been audited by the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Partners - member firm of PriceWaterhouseCoopers with unmodified opinion or the financial statements present fairly, in all material respects, the financial position of PT Penjaminan Infrastruktur Indonesia (Persero) as of 31 December 2020, as well as its financial performance, and cash flows, for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Discussion on the Company's financial performance for the years ended on December 31, 2020 and 2019 shall be presented by taking into account the notes to Financial Statements as an integral part of this Annual Report.

Discussion and analysis of these financial conditions are presented in three parts as follows:

1. Statement of Financial Position
2. Statement of Profit or Loss and Other Comprehensive Income
3. Statement of Cash Flows

FINANCIAL POSITION PERFORMANCE

The Company continuously strives to maintain a sustainable profit as well as business growth. Continuous performance growth becomes the Company's resources to continue performing an effective role as an Infrastructure Guarantee Business Entity (BUPI), which supports the Government's program to accelerate the development of national infrastructure. With this principle, the Company continuously strives to improve its financial performance growth through the optimization of investments while maintaining an acceptable level of risk.

In 2020, the Company managed to record assets of IDR13.55 trillion, an increase of 21.93%. Meanwhile, total liabilities for the year amounted to IDR204.03 billion, an increase of 46.30% and equity of IDR13.34 trillion or an increase of 21.62%.

STATEMENT OF FINANCIAL POSITION (IN IDR BILLION)

Table of Statement of Financial Position (in IDR billion)	2020	2019	Table of Statement of Financial Position (in IDR billion)	
			Nominal	%
Assets	13,547.46	11,111.24	2,436.22	21.93
Liabilities	204.03	139.46	64.57	46.30
Equity	13,343.43	10,971.78	2,371.65	21.62
Total Liabilities And Equity	13,547.46	11,111.24	2,436.22	21.93



Assets

As of December 31, 2020, the Company's assets amounted to IDR13.55 trillion, an increase of 21.93% compared to its position as of December 31, 2019 of IDR11.11 trillion. By composition, investment portfolio was the largest component with 61.86% of the Company's total assets, followed by cash and cash equivalents with a share of 36.05%. In general, the increase in total assets was affected by the increase in the amount of cash and cash equivalents with the receipt of State Equity Participation (PMN) of IDR1.57 trillion at the end of 2020, net income for the year as well as the increase in total investment due to the increase in bond market prices.

ASSETS (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Cash and Cash Equivalents	4,883.89	26.81	4,857.08	18,116.67
Investment	8,380.51	10,881.16	(2,500.65)	(22.98)
Account Receivables	155.19	113.19	42.00	37.11
Other Receivables	12.76	12.58	0.18	1.43
Prepaid Expenses and Advances	1.15	1.57	(0.42)	(26.75)
Prepaid Taxes	3.87	4.21	(0.34)	(8.08)
Fixed Assets	10.61	14.50	(3.90)	(26.90)
Intangible Assets	2.05	1.82	0.23	12.64
Right-of-Use Assets	50.29	-	50.29	100.00
Deferred Expenses	19.16	26.70	(7.54)	(28.24)
Deferred Tax Assets	22.62	23.33	(0.71)	(3.04)
Refundable Deposits	5.37	5.37	-	0.00
TOTAL ASSETS	13,547.46	11,111.24	2,436.22	21.93

OPERATING EXPENSES TO RELATED PARTIES (IN IDR THOUSAND)

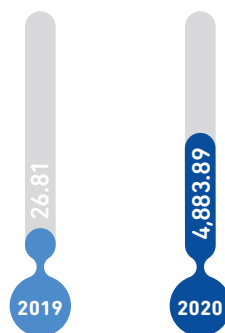
Description	2020	2019
Interest cost	4,145,829	4,616,860
	4,145,829	4,616,860
Percentage to total operating expenses	1.10%	1.12%



Cash and Cash Equivalents

The Company's position of cash and cash equivalents as of December 31, 2020 amounted to IDR4.88 trillion, a significant increase of 18.116.67% compared to the position of cash and cash equivalents as of December 31, 2019 of IDR26.81 billion. The increase in cash and cash equivalents was generated by State Equity Participation of IDR1.57 trillion received at the end of 2020, as well as the placement of time deposits of IDR3.3 trillion with maturities of three months or less, which categorized as cash and cash equivalents.

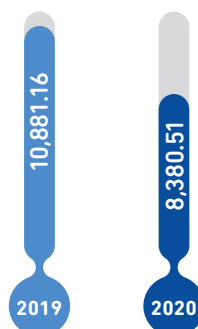
Cash and cash equivalents
(in IDR billion)



Investment

The Company's investment portfolio as of December 31, 2020 amounted to IDR8.38 trillion, a decline of -22.98% from the investment position as of December 31, 2019 of IDR10.88 trillion. The decline in investment was mainly due to the investment portfolio in time deposits of IDR3.3 trillion with maturities of three months or less, which categorized as cash and cash equivalents. By composition, the time deposits portfolio amounted to IDR3.97 trillion or 47% of the total investment portfolio at the end of 2020. Meanwhile, the investment portfolio in fixed income instruments (bonds and sukuk) amounted to IDR4.41 trillion or 53% of the Company's investment portfolio in 2020.

Investment
(in IDR billion)



Liabilities

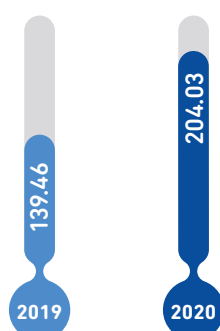
The Company's liability as of December 31, 2020 amounted to IDR204.03 billion, an increase of 46.30% compared to its position as of December 31, 2019 of IDR139.46 billion. The increase in total liabilities was mainly due to finance lease for right-of-use assets.

LIABILITIES (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Account payables	3.09	3.77	(0.68)	(18.04)
Taxes payables	3.26	2.44	0.82	33.61
Accrued expenses, provisions and other payables	39.57	37.99	1.58	4.16
Unearned income	15.66	10.97	4.69	42.75
Finance lease liabilities	51.09	-	51.09	100.00
Two-step loans	55.13	55.13	-	0.00
Employee benefits obligation	36.23	29.16	7.07	24.25
TOTAL LIABILITIES	204.03	139.46	64.57	46.03

By composition, the three largest components of the Company's liabilities include two-step loans of 27.02% with a value of IDR55.13 billion, finance lease liabilities of 25.04% with a value of IDR51.09 billion and accrued expenses, provisions and other payables others of 19.39% with a value of IDR39.57 billion.

Liabilities
(in IDR billion)





Equity

The Company's equity position as of December 31, 2020 amounted to IDR13.34 trillion, an increase of 21.62% compared to the position as of December 31, 2019 of IDR10.97 trillion. The increase in equity derived from an increase in share capital in the form of State Equity Participation of IDR1.57 trillion and retained earnings from Profit for the Year 2020, as well as an increase in unrealized gain from financial assets at fair value through other comprehensive income.

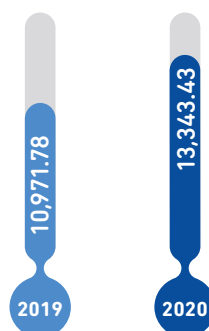
EQUITY (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Share capital	9,570.00	8,000.00	1,570.00	19.63
Unrealised gain/(loss) from available for sale financial assets	298.99	6.40	292.59	4,571.72
Loss from actuarial, net of tax	(0.46)	0.21	(0.67)	(319.05)
Retained earnings				
Appropriated – statutory reserve	166.47	140.00	26.47	18.19
Unappropriated	3,308.43	2,825.17	483.26	17.11
TOTAL EQUITY	13,343.43	10,971.78	2,371.65	21.62

In 2020, there was an additional share capital of IDR1.57 trillion, which made the Company's share capital amounted to IDR9.57 trillion from the previous year of IDR8.00 trillion. By composition, share capital was the largest component of equity, which reached 71.72% of the total equity.

Equity

(in IDR billion)





STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME PERFORMANCE

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (IN IDR BILLION)

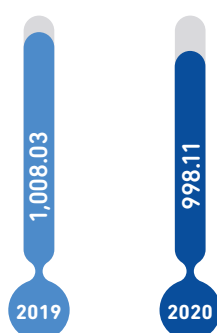
Description	2020	2019	Growth	
			Nominal	%
Revenues	998.11	1,008.03	(9.92)	(0.98)
Operating Expenses	(376.69)	(413.63)	36.94	(8.93)
Profit before Income Tax	621.42	594.41	27.01	4.54
Income Tax Expenses	(0.86)	(64.99)	64.13	(98.69)
Profit for the Year	620.56	529.42	91.14	17.22
Other Comprehensive Income For The Year, After Tax	291.92	117.15	174.77	149.18
Total Comprehensive Income for the Year	912.48	646.57	265.91	41.13

Operating Revenues

In 2020, the Company's revenue amounted to IDR998.11 billion, declined by IDR9.92 billion or 0.98% compared to the revenue recorded in 2019 of IDR1.01 trillion. The Company's revenue in 2020 derived from the revenue from guarantee of IDR121.46 billion, revenue from project preparation and transaction advisory (PDF) of IDR21.92 billion, and income from investments of IDR854.73 billion. Revenue from guarantee includes revenue from infrastructure guarantee of IDR121.45 billion and revenue from loss limit support guarantee of IDR7.68 million.

Revenue from guarantee in 2020 amounted to IDR121.45 billion, an increase of IDR17.41 billion or 16.73% of the revenue from guarantee recorded in 2019 of IDR104.04 billion, while revenue from PDF in 2020 amounted to IDR21.92 billion, declined by IDR6.21 billion or 22.08% of the revenue from PDF recorded in 2019 of IDR28.13 billion.

Operating Revenues (in IDR billion)





In 2020, the Company's income from investments amounted to IDR854.73 billion, declined by IDR21.13 billion or 2.41% of the income from investments recorded in 2019 of IDR875.86 billion. In 2020, the Company received additional revenue from Loss Limit Support guarantee of IDR7.68 million. By composition, the largest contributor to the Company's revenue came from income from investments of 85.63%.

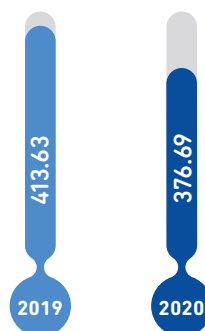
OPERATING REVENUES (IN IDR BILLION)

Description	2020	2019	Description	
			Nominal	%
Revenue from guarantee	121.46	104.04	17.42	16.74
Income from investments	854.73	875.87	(21.14)	(2.41)
Revenue from Project Preparation and Transaction Advisory	21.92	28.13	(6.21)	(22.08)
Total Revenues	998.11	1.008,03	(9.92)	(0.98)

Operating Expenses

The Company's operating expenses consist of guarantee, general and administrative expenses, business development and other expenses. In 2020, the Company's operating expenses amounted to IDR376.69 billion, a decrease of IDR36.94 billion, or 8.93% of its operating expenses in 2019 of IDR413.63 billion. The decline in operating expenses was due to the very minimal and reduced costs realization due to the activity restrictions during the COVID-19 pandemic.

Operating Expenses (in IDR billion)



General and administrative expenses declined by 9.45% to IDR87.03 billion, representing 23.10% of the Company's total operating expenses in 2020. The decline in general and administrative expenses was partly due to the low realization of the Company's operational costs due to activity restrictions during the COVID-19 pandemic.

In 2020, business development expenses declined by 24.40% to IDR25.40 billion in 2020. By composition, the position of business development expenses represented 6.74% of the Company's total operating expenses in 2020. Meanwhile, the cost component that experienced an increase was project preparation and transaction advisory, which increased by 4.91% or IDR1.39 billion to IDR29.71 billion compared to the cost in 2019 of IDR28.32 billion.

**OPERATING EXPENSES (IN IDR BILLION)**

Description	2020	2019	Growth	
			Nominal	%
Final tax expenses	158.25	162.19	(3.94)	(2.43)
General and administrative expenses *)	87.03	96.11	(9.08)	(9.45)
Guarantee	64.41	81.31	(12.90)	(15.87)
Project Preparation and Transaction Advisory	29.71	28.32	1.39	4.91
Business development*)	25.40	33.60	(8.20)	(24.40)
Depreciation	7.65	8.47	(0.82)	(9.68)
Interest expense	5.96	4.62	(1.34)	29.00
Amortization	0.76	0.41	0.35	85.37
Finance income, gross	(5.86)	(1.13)	4.73	418.58
Foreign exchange gain/(loss), net	(0.01)	0.07	(0.08)	(114.29)
Others	(0.61)	(0.34)	0.27	(79.41)
Total operating expenses	376.69	413.63	(36.94)	(8.93)

*) The 2019 balance has been restated by reclassifying employee expenses, meeting expenses and business travel expenses related to business development, which were previously presented in the Administrative and General Expenses category into the Business Development Expenses category, to make it comparable.

Profit For The Year

In 2020, the Company's Profit for the Year amounted to IDR620.56 billion, an increase of IDR91.14 billion, or 17.22% of the Profit for the Year in 2019 of IDR529.42 billion. The increase in profit was due to the decline in operating expenses, which exceeded the Company's operating revenues in 2020.

PROFIT (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Profit for the year	620.56	529.42	91.14	17.22
Comprehensive income for the year	912.48	646.57	265.91	41.13

Comprehensive Income For The Year

In 2020, the realization of comprehensive income for the year amounted to IDR912.48 billion, an increase of IDR265.91 billion or 41.13% compared to the realization of comprehensive income for the year in 2019 of IDR646.57 billion. The increase in comprehensive income for the year in 2020 was mainly due to the increase in the market price of investment in the Company's fixed income, thereby increasing comprehensive income in 2020.

CASH FLOWS PERFORMANCE

At the end of 2020, the Company's cash and cash equivalents amounted to IDR4.88 trillion, an increase of IDR4.56 trillion or 18,116.67% compared to cash and cash equivalents at the end of 2019 of IDR26.81 billion, which was mainly due to the significant increase in cash flows from investing and financing activities.



STATEMENT OF CASH FLOWS (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Cash flows from operating activities	616.70	578.55	38.15	6.59
Cash flows from investing activities	2,788.51	(2,095.46)	4,883.97	(233.07)
Cash flows from financing activities	1,451.87	(155.46)	1,607.33	(1,033.92)
Net increase/(decrease) in cash and cash equivalents	4,857.08	(1,672.37)	6,529.45	(390.43)
Cash and cash equivalents at beginning of year	26.81	1,699.18	(1,672.37)	(98.42)
Cash and cash equivalents at end of year	4,883.89	26.81	4,857.08	18,116.67

Cash Flows from Operating Activities

In 2020, the Company's net cash flows provided from operating activities amounted to IDR616.70 billion, an increase of IDR38.15 billion or 6.59% compared to cash flows from operating activities in 2019 of IDR578.55 billion.

CASH FLOWS FROM OPERATING ACTIVITIES (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Profit before income tax	621.42	594.41	27.01	4.54
Add items not affecting cash flows	-			
- Depreciation	7.65	8.47	(0.82)	(9.68)
- Amortization	0.76	0.41	0.35	85.37
- Provision for employee benefits obligation	6.91	9.19	(2.28)	(24.81)
- Right-of-use assets amortization	6.29	-	6.29	100.00
- Finance lease interest expense	1.82	-	1.82	100.00
- Provision of deferred expenses	-	10.73	(10.73)	(100.00)
Operating cash flows before changes in operating assets and liabilities	644.85	623.21	21.64	3.47
Changes in operating assets and liabilities:				
(Increase)/Decrease in operating assets :				
- Account receivables	(42.00)	(33.20)	(8.80)	26.51
- Other receivables	(0.18)	(3.60)	3.42	(92.00)
- Prepaid expenses and advances	0.42	0.88	(0.46)	(52.27)
- Deferred expenses	7.53	5.93	1.60	26.98
- Prepaid tax	0.34	(3.84)	4.18	(108.85)
	(33.89)	(33.83)	(0.06)	0.18
(Decrease)/increase in operating liabilities :				
- Account receivables	(0.68)	(3.71)	3.03	(81.67)
- Taxes payable	0.82	(2.39)	3.21	(134.31)

**CASH FLOWS FROM OPERATING ACTIVITIES (IN IDR BILLION)**

Description	2020	2019	Growth	
			Nominal	%
- Accrued expenses, provisions and other payables	1.58	(4.92)	6.50	(132.11)
- Payment of employee benefits	(0.67)	(2.27)	1.60	(70.48)
- Unearned income	4.69	2.46	2.23	90.65
	5.74	(10.83)	16.57	(153.00)
Net cash flows provided from operating activities	616.70	578.55	38.15	6.59

Cash Flows from Investing Activities

In 2020, the Company's net cash flows used in investing activities amounted to IDR2.79 trillion, a significant increase of IDR4.883,97 billion compared to 2019 of IDR2.10 trillion. This was mainly due to the increase in investing activities.

CASH FLOWS FROM INVESTING ACTIVITIES (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Placement for investments	2.793,24	(2.090,21)	4.883,45	(233.63)
Acquisition of fixed assets and intangible assets	(4.73)	(5.23)	0,50	(9.56)
Refundable deposits	-	(0.02)	0.02	(100.00)
Net cash flows provided from investing activities	2.788,51	(2.095,46)	4.883,97	(233,07)

Cash Flows from Financing Activities

In 2020, the Company's net cash flows from financing activities amounted to IDR1.45 trillion, an increase of IDR1.61 trillion or 1033.92% compared to net cash flows from financing activities in 2019 of -IDR155.46 billion. The increase was mainly due to State Equity Participation of IDR1.57 trillion.

CASH FLOWS FROM FINANCING ACTIVITIES (IN IDR BILLION)

Description	2020	2019	Growth	
			Nominal	%
Share capital received	1,570.00	-	1,570.00	100.00
Dividend payment	(110.83)	(155.46)	44.63	(28.71)
Payment for lease	(7.30)	-	(7.30)	(100.00)
Net cash flows provided from financing activities	1,451.87	(155.46)	1,607.33	(1,033.92)

OTHER FINANCIAL INFORMATION REVIEW

THE COMPANY'S SOLVENCY RATIO AND COLLECTIBILITY RATIO

Ability to Pay Short-Term Liabilities/Debts

The Company's ability to pay short-term liabilities/debts based on the liquidity ratio can be identified through Cash Ratio and Current Ratio. Cash Ratio describes the Company's ability to pay its short-term liabilities through its cash and cash equivalents (the most liquid assets). Current Ratio is the ratio used to know the Company's ability to pay debts using current assets.

As of the end of 2020, the Company's short-term liabilities/debts amounted to IDR45.92 billion. Meanwhile, the amount of cash and cash equivalents and investments amounted to IDR13.26 trillion. Based on its cash ratio and current ratio in 2020, the Company's liquidity was very good at 28,887.77% and 28,850.82%, respectively.

LIQUIDITY RATIO

DESCRIPTION	Growth (2020:2019)	2020	2019
Cash Ratio	4,209.67%	28,887.77%	24,678.11%
Current Ratio	4,813.08%	28,850.88%	23,737.80%

Ability to Pay Long-Term Liabilities/Debts

As of the end of 2020, the Company did not have substantial long-term debts to support its asset ownership. The balance of the Company's long-term debts was in the form of a two-step loans amounted to IDR55.13 billion, which used to increase and develop the capacity and technical operations of the Company through the support of the World Bank. While the remaining were the employee benefit liabilities of IDR36.23 billion. The principal of the loan shall be repaid in semi-annual installments after a grace period of 9 (nine) years from the date of the first drawdown with maturity in 2034. The rest of all activities for asset ownership were still financed by the Company's capital.

The Company's ability to pay long-term liabilities/debts could be seen from its solvency ratio. With no significant long-term debts against its large amount of assets, it could be concluded that the Company has a very good solvency ratio. In 2020, the Company's solvency ratio based on the ratio of liabilities to assets and equity amounted to 1.51% and 1.53%, respectively.

SOLVENCY RATIO

DESCRIPTION	2020	2019	Δ 2020-2019
Liabilities to Assets Ratio	1.51%	1.26%	0.25%
Liabilities to Equity Ratio	1.53%	1.27%	0.26%

Receivables Collectability Ratio

As of the end of 2020, the Company's Receivables derived from interest receivables from investments in deposits and bonds, guarantee receivables, and PDF receivables. The Company's receivables were dominated by guarantee receivables and interest receivables from investments in deposits and bonds, which accounted for 59.82% and 32.34% of total account receivables. The Company has calculated the expected credit in accordance with SFAS 71 related to trade receivables and non-material. The Company's guarantee receivables mainly derived from infrastructure guarantee in which 90.65% of the guarantee receivables have not matured until the end of 2020. In addition, the Company placed deposits through tender mechanism and placed bonds by taking into account the standards allowed in the Investment Policy and Regulation of the Minister of Finance No. 95/PMK.08/2017 concerning the Scope and Procedure for Providing Government Guarantee in the Infrastructure Sector by Infrastructure Guarantee Business Entity. Hence, the Company has not experienced dynamics in its collectability ratio, both short-term and long-term receivables collectability



CAPITAL STRUCTURE AND ITS POLICY

Capital Structure

The Company's objective in managing capital is to protect its capability in maintaining business continuity to enable the Company in generating returns and benefits to shareholders and other stakeholders as well as maintaining optimal capital structure in order to reduce the cost of capital. In maintaining or adjusting the capital structure, the Company could adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce the amount of debts.

Currently, the Company's assets are mostly funded by its equity in the form of State Equity Participation by the Government of the Republic of Indonesia. In 2020, the Company has increased its authorized capital to IDR20 trillion. As of December 30, 2020, based on Government Regulation No. 79 of 2020 concerning the Addition of State Equity Participation of the Republic Indonesia to the Company's capital, an additional share capital of IDR1.57 trillion has been deposited. Hence, in the position of December 30, 2020, the Company's issued and fully paid capital was recorded at IDR9.57 trillion. In addition to issued capital, as of the end of 2020, the Company's balance of other comprehensive income and retained earnings amounted to IDR3.77 trillion as part of its equity.

TABLE OF CAPITAL STRUCTURE (IN IDR BILLION)

Description	2020		2019	
	Nominal	Percentage	Nominal	Percentage
Liabilities	204.03	1.51	139.46	1.26
Equity	13,343.43	98.49	10,971.78	98.74
Total	13,547.46	100	11,111.24	100

The Management's Policy on Capital Structure

The capital management policy aims to ensure that the Company has efficient capital structure, strong capital to support its current business development strategy and sustain its business continuity in the future as well as to meet the capital adequacy set by the regulator.

Based on its capital structure in 2020, the Company's authorized capital has increased to IDR20 trillion based on the results of the shareholder resolution as stated in the notarial deed of Irma Devita Purnamasari, S.H., M.Kn. No. 14 dated November 19, 2020. In addition, the shareholder have added paid-in capital and issued capital in the form of State Equity Participation of IDR1.57 trillion, which made the Company's issued and fully paid-up capital structure amounted to IDR9.57 trillion in 2020.

MATERIAL COMMITMENT FOR CAPITAL EXPENDITURE IN 2020

As of the end of 2020, the Company has no material commitments related to capital expenditure.

CAPITAL EXPENDITURE IN 2020

During 2020, the Company has realized capital expenditure of IDR 3.8 billion.

INFORMATION ON THE COMPARISON OF 2020 TARGET VS REALIZATION AND 2021 PROJECTION

The Company's realization of operating revenues in 2020 amounted to IDR998.11 billion or 95.33 when compared to the Company's 2020 Work Plan and Budget (RKAP) target of IDR1.05 trillion. As for the 2021 RKAP target, the Company projected operating revenues of IDR1.13 trillion, an increase of 13.56% from the realization in 2020.

Meanwhile, the realization of profit for the year in 2020 amounted to IDR620.56 billion or 111.91% when compared to the 2020 RKAP target of IDR554.54 billion. As for the 2021 RKAP target, the Company projected profit for the year of IDR653.31 billion, an increase of 5.28% from the realization in 2020.

In terms of financial position, the realization of assets in 2020 amounted to IDR13.55 trillion or 102.89% when compared to the 2020 RKAP target for assets of IDR13.17 trillion. As for the 2021 RKAP target, the Company projected assets of IDR14.19 trillion, an increase of 4.74% from the realization in 2020. Realization of equity amounted to IDR13.34 trillion or 102.94% when compared to the 2020 RKAP target of IDR12.96 trillion. As for the 2021 RKAP target, the Company projected equity of IDR13.65 trillion, an increase of 2.33% from the realization in 2020.

Comparison of Profit and Loss and Financial Position of 2020 Company's Work Plan and Budget Target vs Realization, as well as 2021 Company's Work Plan and Budget Projection

Description (in USD billion)	Company's Work Plan and Budget {Target*}	2020 Realization	Company's Work Plan and Budget Target	Realization: 2020 Company's Work Plan and Budget (%)	Realization: 2021 Company's Work Plan and Budget (%)
COMPREHENSIVE PROFIT OR LOSS					
Operating Revenues	1,046.99	998.11	1,133.48	95.33	88.06
Operating Expenses	(495.65)	(376.69)	(483.11)	76.00	77.97
Profit Before Tax	551.34	621.42	650.37	112.71	95.55
Income Tax Expenses	3.20	(0.86)	2.94	(26.88)	(29.25)
Profit for the Year	554.54	620.56	653.31	111.91	94.99
Comprehensive income for the year	564.70	912.48	659.75	161.59	138.31
FINANCIAL POSITION					
ASSETS	13,167.50	13,547.46	14,189.61	102.89	95.47
Liabilities	204.60	204.03	535.10	99.72	38.13
Equity	12,962.90	13,343.43	13,654.51	102.94	97.72
Total Liabilities and Equity	13,167.50	13,547.46	14,189.61	102.89	95.47

*) The Company's 2020 Work Plan and Budget target has been adjusted using the 2020 RKAP amendments that have been ratified through the Extraordinary GMS on December 21, 2020.



MATERIAL INFORMATION AND FACTS SUBSEQUENT TO THE ACCOUNTANT'S REPORTING DATE

In 2020, there have been material information and facts that occurred subsequent to the accountant's reporting date, including:

1. Job Creation Law

In February 2021, the Government officially enacted 49 implementing regulations for the Law concerning Job Creation. At the time the financial statements were authorized, the Company was still studying the impact that might arise from the implementing regulations of the Law concerning Job Creation, as well as its effects on the Company's financial statements.

2. Signing of the Guarantee Agreement for Jatiluhur I SPAM PPP Project

On February 19, 2021, the Company signed a guarantee agreement with PT Wika Tirta Jaya Jatiluhur as the Investor.

3. Signing of the Guarantee Agreement for Non-PPP Project

a. Distribution Network Development Project of Kalimantan and Maluku-Papua with Result-Based Lending Scheme (RBL-KMP)

On January 14, 2021, the project guarantee has been effective with the fulfillment of all the requirements stipulated in the guarantee agreement.

b. Distribution Network Development Project in East Java and Bali (EJB)

On February 10, 2021, the Company signed loan agreement of the Project with PLN as the guaranteed SOE.

Company as its future business development is to remain focused on stabilizing guarantee business in PPP sector with the target to increase the number of projects ("double down"), which can be provided with guarantee support. Along with this, in the mid-term strategy development phase, the Company shall be able to develop its core business towards the Guarantee for non-PPP projects, transaction advisors for potential GCAs, and to improve ecosystem capacity, including practitioners in the infrastructure sector.

Upon the development of such condition, the Company will structurally perform 4 activities simultaneously in implementing infrastructure project guarantee, namely:

1. Processing of new projects with wider coverage of sectors, which in this case including the social sector, as part of the "Double down" of the guaranteed infrastructure projects.
2. Active monitoring of projects that have been effectively guaranteed in order to anticipate and mitigate jointly with GCAs.
3. Standardization of business processes related to project monitoring; including potential changes (amendment) of agreement, claim process, recourse mechanism, and strengthening of guarantee capacity analysis as well as leveraging factor.
4. Business development preparation and new options related to the expansion of mandate.

Infrastructure Guarantee Project Business Outlook

In line with the 2018-2022 Long Term Plan, the Company targeted to expand the scope of the project sector to create a more diverse portfolio of the guaranteed project. As of 2020, the Company has provided guarantees for 30 infrastructure projects from 6 sectors with an estimated total investment value of IDR315.4 trillion.

In terms of Guarantee for PPP Projects, based on the Regulation of the Minister of National Development Planning No. 2 of 2020 concerning the Amendment to the Regulation of the Minister of National Development Planning No. 4 of 2015 concerning Procedures for the Implementation of Public Private Partnership for the Provision of Infrastructure, 20 sectors of infrastructure project could be conducted under PPP scheme. The Company has mapped out the potential of the sectors and sub-sectors to be granted government guarantee to capture these prospects.

THE COMPANY'S BUSINESS OUTLOOK

The optimism built in 2020 was generated by the continuous encouragement for infrastructure development in Indonesia by the Government of Indonesia. Presidential Regulation No. 56 of 2018, which has established 223 infrastructure projects as the National Priority Project, has provided fresh air to the Company's business through a more targeted infrastructure development.

In taking advantage of the momentum, as a prominent and more reliable guarantee institution, the guarantee facilities offered by the Company shall be able to increase the confidence of investors and financiers in working together with the government to develop an infrastructure project. The option selected by the



Business Development Strategy

Considering the great potential opportunities for the Company, PT PII has formulated a business strategy to capture these business prospects. In the medium term, the strategic directions of business development to be performed include:

- Business strengthening and development within the scope of the Company's current mandate, namely by expanding the scope of new sectors and sub-sectors in its portfolio for PPP guarantee, Non-PPP guarantee, as well as project preparation and transaction advisory assignments (PDF).
- Potential exploration and preparation for business development and new options related to the expansion of the Company's mandate.

MARKETING ASPECT

In 2020, the Company conducted more extensive business activities. Based on Government Regulation No. 55 of 2020 concerning the Second Amendment to Government Regulation No. 35 of 2009, the scope of activities of the Company shall no longer be limited to sovereign guarantee in the infrastructure sector, but also provides sovereign guarantee in other sectors besides infrastructure based on Government assignments.

In addition, since 2018 the Company has carried out project preparation and transaction advisory activities for PPP Projects through PDF assignments from the Ministry of Finance. Hence, the scope of the Company's business activities shall no longer be limited to guarantee, but also assist, from the preparation stage to the implementation of transaction.

Marketing Strategy

Throughout 2020, the Company has actively conducted socialization activities and provided a comprehensive understanding of PPP scheme as the role of the Company to prospective GCAs and potential investors. In addition, the Company also provided assistance to the Government's Contracting Agencies (GCA) in studying, planning, preparing and implementing projects to be built under the PPP scheme to ensure that the project pipeline has the potential to be guaranteed.

The Company performed the marketing strategy by coordinating and actively communicating with the PPP Joint Office, prospective GCAs, as well as the relevant stakeholders in PPP project through a series of activities carried out both face-to-face (offline) at the beginning of the year before the COVID-19 pandemic and online after the COVID-19 pandemic.

In the era of digitalization and rapid technology development, the Company also actively carried out marketing activities through digital channels by utilizing digital applications and platforms which support the Company's marketing activities and socialization of PPP Scheme and the Company's role to stakeholders. Hence, amid the Pandemic, which made face-to-face activities to be limited, the Company was still able to carry out sustainable marketing activities.

In order to assist GCAs in preparing PPP projects, such as reviews on Preliminary Study, Outline Business Case and Final Business Case, the Company has actively brought together the needs of GCAs with institutions or donors who may provide consultancy assistance in preparing these studies. GCAs' support in preparing the review was expected to improve the overall quality and speed of the project.

In terms of the need for infrastructure project financing, the Company has also carried out intensive socialization and discussions with potential investors and banks throughout 2020. These events were expected to increase the understanding of investors and banks on PPP scheme in general and infrastructure guarantees in particular to increase their interest in investing in infrastructure projects in PPP infrastructure projects in Indonesia.

The Company consistently referred to the documents issued by the government in mapping out the potential government guarantee according to its line of business, such as the List of PPP Plan/PPP Book, government planning documents, planning documents from the relevant infrastructure sector, etc.



The Company then formulated the strategy by analyzing the opportunities and challenges faced to support the business in accordance with its line of business, before finally determined the activities to be carried out to support the sustainability of the Company's business performance, which in the end placed the Company in the Guarantee and Infrastructure market. The marketing strategy was supported by efficient budget and resource allocation, which enabled the Company in implementing its plans in a more structured and optimal manner.

DIVIDEND POLICY

The Company is a State-Owned Enterprise, in which the issued and paid-up capital is 100% by the Government of the Republic of Indonesia as the shareholder. Hence, the right for dividend distribution is fully owned by the Government of the Republic of Indonesia. Determination of the amount of dividend paid to the Shareholder is based on the decision of the Ministry of Finance as the GMS as well as the Shareholder's proxy.

The decision of the dividend amount to distribute is determined by the shareholder through the General Meeting of Shareholders. In 2020, the Company has distributed dividends amounted to IDR110.83 billion on June 22, 2020.

TABLE OF DIVIDEND DISTRIBUTION

Dividend Policy	Fiscal Year	
	2020	2019
Profit for the Year (IDR billion)	620.56	529.42
Dividend paid (IDR billion)	110.83	155.46
Number of shares (share)	9,570,000	8,000,000
Date of GMS	12 June 2020	23 May 2019
Date of Announcement	12 June 2020	23 May 2019
Date of Payment	22 June 2020	20 June 2019

EMPLOYEE AND/OR MANAGEMENT STOCK OPTIONS PROGRAM (ESOP/MSOP)

Until the end of 2020, the Company has not conducted Initial Public Offering (IPO) or issuance of shares, hence, there has been no information on the Company's employee and/or management stock options program (ESOP/MSOP).

REALIZATION ON THE USE OF PROCEEDS FROM PUBLIC OFFERING

Until the end of 2020, the Company has not issued any shares, securities or bonds, hence there has been no information on the proceeds from public offering through the issuance of shares, securities or bonds.

INVESTMENT, EXPANSION, DIVESTMENT, ACQUISITION OR DEBT RESTRUCTURING

Until the end of 2020, there has been no transaction conducted by the Company on investment, expansion, divestment, acquisition or debt restructuring.

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICT OF INTEREST AND/OR TRANSACTIONS WITH RELATED PARTIES

The Company entered into transactions with related parties as defined in the Statement of Financial Accounting Standards (SFAS) No. 7 (Revised 2010), concerning "Related Parties Disclosures", which are defined as follows:

1. Entities under the control of the Company;
2. Associated companies;
3. Investors with an interest in the voting that gives them significant influence;
4. Entities controlled by investors under point III above;
5. Key employees and family members; and
6. Entity that is controlled, jointly controlled or significantly influenced by the Government.

The nature of relationship:

1. The Government of the Republic of Indonesia is the shareholder of the Company.
2. Directors are persons who have the authority and responsibility for planning, directing and controlling the activities of the Company.
3. State-owned banks and state-owned non-bank entities are related parties since they are entities under common control by the Government of the Republic of Indonesia in which the Company makes investments in the form of deposits and bonds.

In its business activities, the Company enters into transactions with related parties. These transactions include the following:

INVESTMENT TO RELATED PARTIES (IN IDR THOUSAND)

Description	2020	2019
Cash and cash equivalents	4,060,725,543	23,682,615
Investment	7,743,486,137	6,745,956,126
Account receivables	79,796,056	65,760,874
	11,884,007,736	6,835,399,615
Percentage to total assets	87.72%	61.52%

INCOME FROM INVESTMENTS TO RELATED PARTIES (IN IDR THOUSAND)

Description	2020	2019
PT Bank Negara Indonesia (Persero) Tbk	197,197,219	103,018,330
Pemerintah Republik Indonesia	173,816,759	129,366,851
PT Bank Rakyat Indonesia (Persero) Tbk	148,892,681	17,108,887
PT Bank Tabungan Negara (Persero) Tbk	38,874,151	12,963,644
PT Sarana Multi Infrastruktur (Persero)	19,072,500	23,760,736
PT Perseroan Listrik Negara (Persero)	17,263,057	8,556,939
PT Pegadaian (Persero)	15,544,167	18,037,000
PT Pelabuhan Indonesia (Persero)	13,725,000	13,920,938
PT Bank Mandiri (Persero) Tbk	12,750,000	12,750,000
PT Sarana Multigriya Finansial (Persero)	12,347,396	12,057,666
Lembaga Pembiayaan Ekspor Indonesia (Bank Exim)	10,125,000	12,806,708
PT Semen Indonesia (Persero) Tbk	9,450,000	5,565,000
PT Bank BNI Syariah	9,336,331	-
PT Telekomunikasi Indonesia (Persero) Tbk	8,735,700	9,157,457

**INCOME FROM INVESTMENTS TO RELATED PARTIES (IN IDR THOUSAND)**

Description	2020	2019
PT Bank Tabungan Negara (Persero) Tbk - UUS	8,689,107	36,208,193
PT Geo Dipa Energi (Persero)	7,370,895	-
PT Pupuk Indonesia (Persero)	5,501,458	7,600,000
PT Kereta Api Indonesia (Persero)	5,217,500	2,092,389
PT Angkasa Pura (Persero)	2,842,000	2,413,475
PT Waskita Karya (Persero) Tbk	1,322,750	1,665,000
PT Marga Lingkar Jakarta	1,274,778	1,490,000
PT Pengembangan Pariwisata Indonesia (Persero)	1,227,766	1,004,383
PT Jasa Marga (Persero) Tbk	1,025,383	1,218,907
PT Adhi Karya (Persero) Tbk	779,251	3,719,051
PT Aneka Tambang Tbk	599,847	469,797
	722,980,696	436,951,351
Percentage of total revenues	72.43%	43.35%

LIABILITIES TO RELATED PARTIES (IN IDR THOUSAND)

Description	2020	2019
Two-Step Loans	55,126,686	55,126,686
Accrued Expenses, Provisions and Other Payables	1,281,163	1,353,436
	56,407,849	56,480,122
Percentage to total Liabilities	27.65%	40.50%

REMUNERATION AND FACILITIES FOR THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS (IN IDR THOUSAND)

Description	2020	2019
Board of Commissioners		
- Salary and short term – employee benefit	4,077,725	5,027,935
Directors		
- Salary and short term – employee benefit	11,337,156	11,622,613
Total Remuneration and Facilities	15,414,881	16,650,548
Percentage to total operating expenses	4.09%	4.03%



AMENDMENT TO LAWS AND REGULATIONS

Issuance of/amendment to laws and regulations with significant impact on the Company in 2020.

No.	Name of the Regulation	Impact on the Company
1	Regulation of the Minister of Finance No.197/PMK.06/2019 concerning Procedures for Appointment and Dismissal of Members of the Board of Commissioners of Limited Liability Companies under the Guidance and Supervision of the Minister of Finance	Serves as the guidelines for the Company regarding the procedures for appointment of members of the Board of Commissioners in the Regulation of the Minister of Finance No. 197/2019 including provisions for requirements, fit and proper test, appointment of members of the Board of Commissioners and reappointment of members of the Board of Commissioners.
2	Law No. 11 of 2020 concerning Job Creation	Serves as the basis for the Company concerning labor-related arrangements.
3	Government Regulation No. 55 of 2020 concerning the Second Amendment to Government Regulation No. 35 of 2009 concerning State Equity Participation of the Republic of Indonesia for the Establishment of Limited Liability Company (Persero) in the Infrastructure Guarantee Sector	Serves as the basis for Company in carrying out activities related to the implementation of government guarantee and other activities related to the implementation of project development that supports the economy, provides sovereign guarantee in financing in other sectors, and provide sovereign guarantee in the infrastructure sector.
4	Law No.10 of 2020 concerning Stamp Duty.	Serves as the basis for the Company to comply with the provisions related to Stamp Duty and participate in optimizing state revenues, efforts to raise sufficient and independent financing funds to conduct National Development.
5	Regulation of the Minister of National Development Planning No.2 of 2020 concerning Amendment to Regulation of the Minister of National Development Planning No. 4 of 2015 concerning Procedures for the Implementation of Public Private Partnersjhip in the Provision of Infrastructure	Serves as the basis for the Company in carrying out infrastructure guarantee in accordance with the laws and regulations and coordinating with the Infrastructure Guarantee Business Entity for projects that received Government Guarantee.
6	Regulation of the Governor of Special Capital Region of Jakarta No. 33 of 2020 concerning the Implementation of Large-Scale Social Restrictions in Handling Corona Virus Disease 2019 (COVID-19) in the Province of the Special Capital Region of Jakarta	Serves as the basis for the Company in anticipating the New Normal scenario for SOEs as each SOE is required to establish COVID-19 Handling Task Force based on the policies of the Ministry of SOEs, each SOE is required to prepare COVID-19 Handling Protocol, and each SOE is campaigning for optimism movement in dealing with the New Normal through the use of #CovidSafe BUMN hastag at every relevant momentum/media.
7	Government Regulation in Lieu of Law No. 1 of 2020 concerning State Financial Policy and Financial System Stability for handling the Corona Virus Disease 2019 (COVID-19) Pandemic and/or Facing Threats that Endanger the National Economy and/or Financial System Stability	Serves as the basis for the Company in receiving the Government's assignment to carry out a role in supporting the National Economic Recovery program, especially through the provision of government guarantee.
8	Law No. 2 of 2020 concerning Stipulation of Regulation in Lieu of Law No.1 of 2020 concerning State Financial Policy and Financial System Stability for handling the Corona Virus Disease 2019 (COVID-19) Pandemic and/or Facing Threats that Endanger the National Economy and/or Financial System Stability	



No.	Name of the Regulation	Impact on the Company
9	Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program to Support State Financial Policy for Handling the 2019 Corona Virus Disease Pandemic (COVID-19) and/or Facing Threats that Endanger the National Economy and/or Financial System Stability and Save the National Economy	Serves as the basis for the Company in receiving the Government's assignment to provide government guarantee for SOEs loans and corporation business actors in the implementation of the National Economic Recovery program.
10	Government Regulation No. 43 of 2020 concerning Amendment to Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program to Support State Financial Policy for Handling the 2019 Corona Virus Disease Pandemic (COVID-19) and/or Facing Threats that Endanger the National Economy and/or Financial System Stability and Save the National Economy	
11	Regulation of the Minister of Finance No. 98/PMK.08/2020 concerning Government Guarantees Procedures to Corporate Business Actors through Appointed Guarantee Business Entities for the Implementation of the National Economic Recovery Program	Serves as the basis for the Company in providing loss limit guarantee and provide guarantee with Indonesia Eximbank for corporation business players loans in the implementation of the National Economic Recovery program.
12	Regulation of the Minister of Finance No. 211/PMK.08/2020 concerning Procedures for the Granting of Government Loans to State-Owned Enterprises in the Implementation of the National Economic Recovery Program	Serves as the basis for the Company in providing Joint Government Guarantee on SOEs Loans for financing, both infrastructure projects and non-infrastructure projects, in the implementation of the National Economic Recovery program.
13	Government Regulation No. 79 of 2020 concerning Additional State Equity Participation of the Republic of Indonesia into the Share Capital of the Limited Liability Company (Persero) PT Penjaminan Infrastruktur Indonesia (Persero)	Provides additional capital for the Company, specifically for the implementation of the National Economic Recovery program.
14	Regulation of the Minister of Finance No. 180/PMK.08/2020 concerning Facilities for the Preparation and Implementation of Transactions in Public Private Partnership (PPP) Projects for the Provision of Infrastructure	Amendment to the Regulation of the Minister of Finance No. 73/PMK.08/2018, which regulates the facilities provided for Priority PPP Projects, Oil Refinery PPP Projects, and/or other PPP Projects that meet the criteria for receiving facilities for the project preparation and transactions.

CHANGES IN ACCOUNTING POLICIES

Accounting Standards Issued but Not Yet Effective

Financial Accounting Standard Board of Indonesian Institute of Accountants ("DSAK-IAI") has issued new standards, amendments and interpretations, but will be effective for the financial year beginning January 1, 2021 as follows:

- SFAS 112 "Accounting for Endowments"

This SFAS has no impact to the Company's financial statements.



Changes in Accounting Policies and Reasons

Financial Accounting Standard Board of Indonesian Institute of Accountants ("DSAK-IAI") has issued new standards, amendments and interpretations effective since January 1, 2020 as follows:

- SFAS 71: "Financial Instruments";
SFAS 72: "Revenue from Contracts with Customers";
- SFAS 73: "Leases";
Amendment to SFAS 25 "Accounting Policies, Changes in Accounting Estimates and Errors";
- Amendment to SFAS 71 "Financial Instruments: Prepayment Features with Negative Compensation";
- Amendment to SFAS 73 "Leases" related to COVID-19 rent concessions;
- Annual improvements 2019 to SFAS 1 "Presentation of Financial Statements";
- Amendment to SFAS 1 "Presentation of financial statement" and SFAS 25 "Accounting policies, changes in accounting and errors"; and
- Amendment to Conceptual Framework for Financial Reporting.

Impact on Financial Statements

Except for the changes as explained below, the implementation of the above standards did not result in substantial changes to the Company's accounting policies and had no material impact to the financial statements for current year or prior financial years.

1. Impact of new accounting policies SFAS 71
SFAS 71 replaces SFAS 55 "Financial Instruments: Recognition and Measurement" and introduces new requirements for classification and measurement for financial instruments based on business model and contractual cashflow assessment, recognition and measurement for allowance for impairment losses for financial instruments using the expected credit loss model, which replaced the incurred credit loss model and also provides simplified approach to hedge accounting.

In accordance with the transition requirements in SFAS 71, the Company elected to apply modified retrospective approach with the cumulative effect of initial implementation recognized at January 1, 2020 and not to restate the comparative information. There is no adjustment in the beginning retained earnings as of January 1, 2020 which resulted from changes in allowance for losses for financial instruments.

Based on business model assessments and contractual cashflow, there is no change to the carrying amount of financial assets and liabilities as of January 1, 2020 due to the adoption of new classification under SFAS 71.

2. Impact of new accounting policies SFAS 72
SFAS 72 requires the Company to analyze revenue recognition using five steps based on contracts where revenue is recognised when performance obligation is satisfied by transferring the promised goods or services to a customer (which is when the customer obtains control of the goods or services).

Based on the Company's assessment, the underlying principles of the new standard, relating to the measurement of revenue and the timing of recognition, are closely aligned with the Company's current business model and practices. As a result, the adoption of SFAS 72 did not have a material impact on the Company's financial statements.

3. Impact of new accounting policies SFAS 73
In relation to the implementation of SFAS 73, the Company as lessee recognised right-of-use assets and leases liabilities related to leases which were previously classified as operation leases based on SFAS 30 "Leases", except for short-term leases or leases with low value assets. Lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of January 1, 2020. In determining incremental borrowing rate, the Company considers the following main factors: the Company's corporate credit risk, the lease term, the lease payment term, the time at which the lease is entered into, and the currency in which the lease payments are denominated.



In accordance with the transition requirements in SFAS 73 "Leases", the Company could select to apply modified retrospective approach of which the right-of-use assets were measured at the amount equal to the lease liabilities and adjusted by the amount of any prepaid. In applying SFAS 73 for the first time, the Company used this practical expedient permitted by the standard in which use of a single discount rate to a portfolio of leases with reasonably similar characteristics and did not make transition adjustment for leases with low value underlying assets and short-term leases.

In the statements of financial position as of January 1, 2020, the Company did not have right-of-use assets and leases liabilities so that it would not impact the cumulative effect of the beginning retained earnings at January 1, 2020 and the Company will not restate the comparative information.

INFORMATION ON BUSINESS CONTINUITY

In 2020, there have been no matters deemed and potentially have a significant impact on the Company's business continuity. This was based on the strategic planning methods used by the Company to evaluate strengths, weaknesses, opportunities, and threats.

In addition, related to the spread of the COVID-19 pandemic, the Company has assessed the impact of the COVID-19 pandemic on its operational and business plans. Based on the assessment carried out, the Company has not found any material uncertainties, which could generate significant losses to the Company's business and operations or raise significant doubts on the ability to maintain its business continuity.





DRINKING WATER SUPPLY UMBULAN

WATER CAPACITY 4.000 LITERS PER SECOND

BUSINESS SUPPORT FUNCTION

The Company is fully aware that human resources (HR) are important assets in maintaining the sustainability of its business. Based on this, the Company has made HR management as one of the main focuses in facing today's global competition.

In addition to human resources, Information Technology is also important. The Company believes that Information Technology is one of the main supporting factors for the Company's success.



HUMAN CAPITAL

HR MANAGEMENT ROADMAP

The Company has prepared the 2020-2024 HR Management Roadmap as a continuation of the previous roadmap, which has been adjusted to the Company's Long Term Plan (RJPP), in order to have better and more focused HR management to support the achievement of the Company's objectives.

The Company's HR Management Roadmap is as follows:

Year	2020	2021	2022	2023	2024
Focus	Internal Transformation		Continuous Development		Actual Impact of Change
Objectives	- Readiness of the HR function to perform a strategic role - Involvement in the National Economic Recovery (PEN)		- The Company's HR Competency Development (Management Level) - Talent management based on data	- HR Competency (Non-Managerial Level) - Positive employee experience	Measure the impact of change on the organization and business achievements
Work Program Priorities	- Employee Engagement - Development of the HC Model Target Operating and HC Organization - Availability of HC Business Process (end-to-end) and Policies - Adjusted KPIs to accommodate short-term mandates - Establishment of new organization with a specific short-term focus - Organizational culture strategy - Employee Engagement	- Competency Management Improvement - Improvement of the Job Grading system - Pre-Retirement Period (MPP) - Internalization of Organizational Culture - Implementation of HRIS	- Establishment of training and development curriculum for managerial level - Assessment and Development Program for managerial level and HC Team - HR Analytics - Talent Segmentation	- Establishment of training and development curriculum for non-managerial level - Assessment and Development Program for non-managerial level	<i>Employer Branding</i> <i>Impact Monitoring</i>

HR Management Roadmap Achievements in 2020

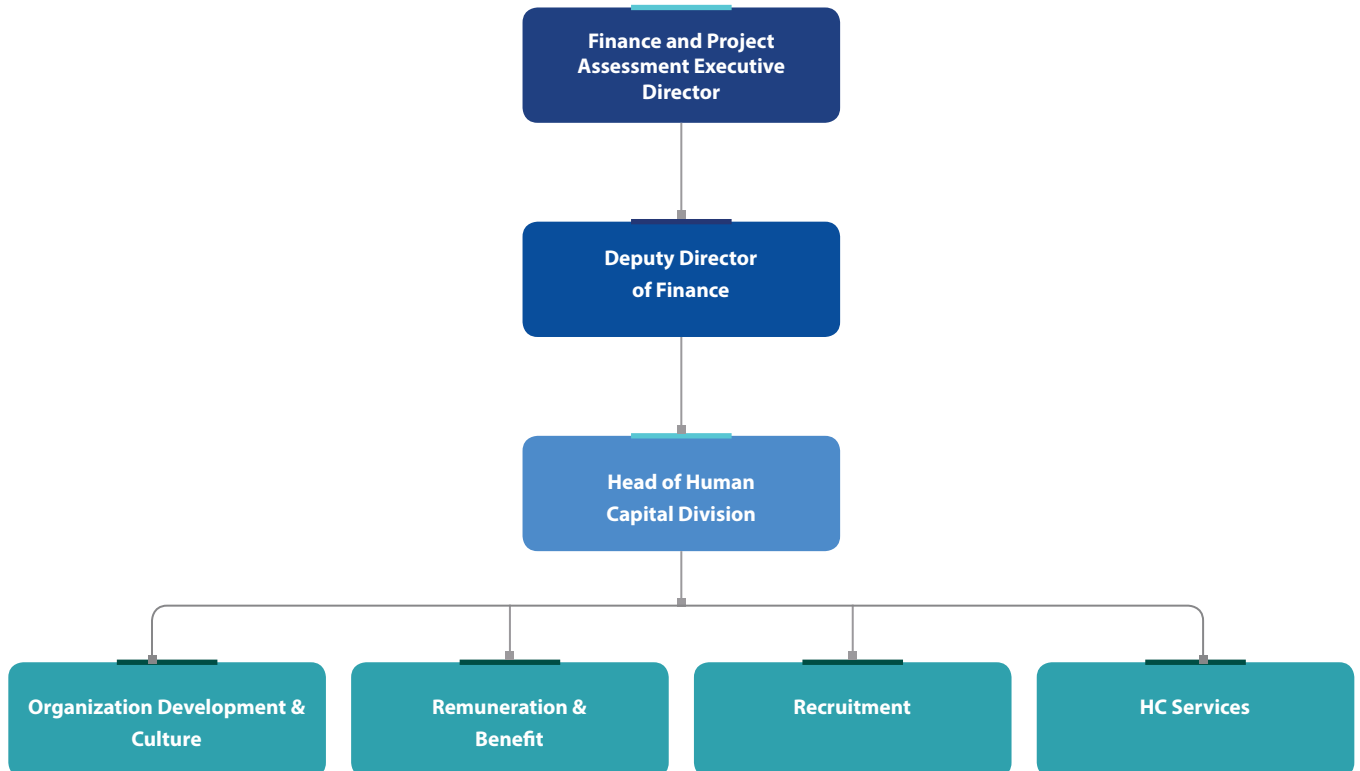
In 2020, the stages in the roadmap which have already been initiated include:

- Development of HC Model Target Operating and HC Organization.
- Availability of HC Business Process (end-to-end) and Policies.
Updates on policies related to several aspects of HR are undertaken to ensure current HR policies are in accordance with the organization requirements as well as with the current employment conditions by conducting several benchmarks on similar industries.
- Adjusted KPIs to accommodate short-term mandates.
Addition of performance assessment aspect to accommodate the addition of new mandate of the Company.
- Establishment of new organization with a specific, short-term focus.
Establishment of new work unit in the Division to ensure the achievement of new targets given by the addition of the Company's mandate.
- Organizational culture strategy
Adjustment of the cultural program to the current pandemic conditions, in which employees have to conduct operational works transfer (work from home) since March 2020.
- Employee Engagement
In improving the quality of organization, the Company has made changes in conducting employee assessment of the organization, from employee satisfaction to employee engagement approach, which was undertaken in January 2020. The results of employee engagement in 2020 were used as the initial benchmark for the survey for the following years.

PARTY RESPONSIBLE FOR THE COMPANY'S HR MANAGEMENT

Realizing the importance of human resources to the Company, PT PII committed and gives great attention to its HR management. The Company wants to ensure that HR management is conducted with proper focus in order to support the achievement of its objectives.

One form of the Company's commitment to good HR management is the establishment of a division which specifically deals with HR, namely the Human Capital Division. The Human Capital Division is led by the Head of Division who is responsible to the Board of Directors.





KEY DUTIES OF HC DIVISION

In general, the duties, responsibilities, role and scope of the Human Capital Division can be described as follows:

1. Contributing actively to improve the optimization and productivity of work units.
2. Ensuring the fulfillment of the Company's human capital requirements through employee recruitment and selection process based on the established procedures as well as the latest methods.
3. Ensuring the effectiveness of the implementation of employee development program based on the organization's strategic direction to enable competency development program in meeting the requirements of the Company's as well as individual employees.
4. Ensuring the implementation of a structured, objective, and fair performance assessment system in all work units within the organization.
5. Ensuring the implementation of compensation and benefit system based on the principle of 'internally fair & externally competitive'.
6. Contributing to the achievement of the established targets for work units as well as conducting continuous development.

The Company's HR management focuses on 4 (four) areas as follows:

HC Operations

The functions of HC Operations include administrative and employee relations management functions. Administrative functions which are conducted, consist of employee data management, preparation of employee contract documents and management of the HRIS system in the Company. The employee relations function is responsible for creating a positive work environment

Payroll

The Payroll function performs an important part in employee remuneration as well as benefits, which include BPJS Kesehatan and BPJS Ketenagakerjaan, Financial Institution Pension Fund (DPLK) and insurance.

Recruitment

The recruitment function in the Human Capital Division performs a major role and continues to be the main focus in accordance with the Company's increasing business and its developments. The major challenge in this function is obtaining the right human capital in an accurate and timely manner.

Strategy & Culture

In this function, the Human Capital Division performs an important role in aligning the Company's business development with human capital development through the provision of training, job rotation, employee transfer and career development. In this function, the Division is also responsible for employee performance evaluation, development and job grading, as well as corporate culture.

To prevent the spread of COVID-19 virus and to maintain its operational activities sustainability, since March 2020 the Company has implemented the transfer of operational activities from office to Work from Home (WFH). In reference to the Government's appeal, the Company has gradually implemented the Transitional WFH policy by limiting the number of employees working from the office while still prioritizing employee health and safety as well as health protocols.





HR MANAGEMENT

Recruitment Policy and Implementation

In line with the changes and challenges of industrial development, in obtaining the best human resources, the Company focuses on highly qualified human resources with high integrity and the ability to adapt to changes and have excellent competencies in accordance with the Company's requirements. In every recruitment process, the Company applies the principles of equal opportunity, fairness and openness in the recruitment and selection process.

The recruitment and selection process is conducted by considering the Company's requirements and business development. In 2020, the Company recruited 9 (nine) new employees, both pro-hire and fresh graduates. The new employees from various positions were assigned to several divisions.

Competency Development Policy and Implementation

Employee capability is one of the factors that affect the Company's productivity and performance. The Company consistently strives to improve employee competency by providing opportunities for every employee who meets the requirements to take part in various development programs organized by internal and external parties. The HR development program is tailored to the training need analysis for each employee, which includes knowledge management and learning services programs.

The Company realizes the employee competency development program based on the Competency Model of which the opportunity is open to every employee. Each employee has the right to apply as a training participant by submitting specific administrative requirements and obtaining approval from the respective head of division/supervisor. The type of training and development proposed to be joined should be in line with the needs of the duties, competency development plan and business development.

The Company warrants that there shall be no acts of discrimination in treating employees to create fair and honest treatment in accordance with the potential, ability, experience and skills of each employee in achieving performance excellence.

Table of Education and Training Table

The table of education and training in 2020 can be seen in the Company Profile section

Career Development Policy and Implementation

The Company provides opportunities for all employees to develop careers by their capacities and capabilities. The Company has established a clear and definite career path for each position, both through functional and structural channels.

The objectives of career development are as follows:

1. Helping the achievement of individual and the Company's objectives as a reciprocal relationship that is beneficial to the welfare of employees and the Company's objectives.
2. Demonstrating the relationship between employee welfare, in which the increase in welfare is expected to increase productivity and loyalty.
3. Assisting employees to understand their potential and expertise, to create a positive work climate.
4. Reducing turnover, where low turnover can save labor costs, especially the cost for new employees' education.

In preparing the employee development program, the Company pays attention to the development needs required by employees through coaching results in the performance assessment and competency evaluation, which conclude the training needs according to operational conditions. In addition, the Company determines the composition of the hard competency, soft competency and managerial competency development programs according to the level of the position held.

Performance Assessment

Periodically, the Company conducts performance assessment based on the system, which the results are further used for employee development, rotation, transfer and promotion programs. The performance assessment process is carried out periodically using Key Performance Indicator (KPI) based on the Balanced Score Card (BSC) or known as BSC KPI.

In addition, the Company also conducts mid-year performance evaluation, which aims to monitor the performance achievements of individuals, divisions and the Company in 2020.



Remuneration Strategy and Policy

Employee welfare is one of the rights to be fulfilled by the Company, one of which through sufficient remuneration or compensation. Sufficient remuneration will increase employee engagement with the Company and supports the Company's development as each employee will work optimally in achieving the Company's work plan.

In providing competitive remuneration, the Company has set remuneration standard according to employee rankings and position levels based on remuneration surveys in similar industries by considering the Law on Manpower and Provincial Minimum Wage (UMP) regulations.

Every year the Company makes several adjustments related to the remuneration structure. The structure focused on the external competitive element and the fairness element in employee income according to each level and performance.

The components of the remuneration consist of:

1. Basic salary;
2. Religious holiday allowance (THR);
3. Annual Leave Allowance;
4. Major Leave allowance;
5. Clothing Allowance;
6. Other allowances (job position, housing, communication, transportation);
7. Performance incentives in accordance with Employee performance and the Company's policies.

Employee Satisfaction Survey

The Company is committed in providing welfare to its employees consistently. Therefore, every year the Company conducts an employee satisfaction survey. In 2020, for the first time, the Company improved the scale of the employee survey from the satisfaction survey to engagement survey in order to determine the level of employee engagement to the Company. Through this survey, the employees are expected to feel proud to work with the Company, and shall be willing to give more than expected and continue to be committed to the Company. In 2020, The Employee Engagement Survey was participated by 129 employees. The survey was conducted online with the assistance of a consultant to ensure the independence and confidentiality of the survey.

The survey showed that 61% of total employees engaged with the Company.

Retirement Program

The Company retirement program is as follows:

1. The employee's retirement age is set at 56 (fifty six) years old, with the last period of service falls at the end of the month when the employee is 56 (fifty six) years old.
2. In maintaining the efficiency and effectiveness of the Company's business and providing opportunities for the development of potential employees outside the Company, the Company may determine or provide early retirement to employees. Employees can also apply for early retirement as individual aspirations after a ten (10) year period of service with minimum age of 50 (fifty) years old upon prior approval from the Board of Directors.
3. Application for retirement is stipulated in the Decree of the Board of Directors.



EMPLOYEE TURNOVER

The Company's employee turnover rate for the last 3 (three) years can be seen in the following table:

2018		2019		2020	
Total (People)	Percentage	Total (People)	Percentage	Total (People)	Percentage
9	7,6%	11	8,4%	11	8,3%

The efforts to control employee turnover in 2020 include several improvements of communication patterns and working relationships through HC Talk by conducting roadshows to each division in the Company. The Company also organized some activities to all increase employee engagement in 2020 through quizzes and challenges to all employees, as well as improving the communication patterns and coordination within the internal division through roll call program during the implementation of work from home. In terms of compensation, in 2020 several employee salary adjustments have been made by reducing the competitive gap between employees at each rank and reducing the number of outlier employees below the minimum ratio. In terms of strategy and career development, the Human Capital Division also strived to continuously update policies, business processes and job descriptions to enable employees to work comfortably and safely.

BPJS Ketenagakerjaan

The Company admitted all of its employees in the BPJS Ketenagakerjaan Program in accordance with the Government Regulation of the Republic of Indonesia No. 46 of 2015 concerning the Implementation of the Old Age Savings Program and the Pension Security Program in accordance with Government Regulation No. 45 of 2015 concerning the Implementation of the Pension Security Program.

INTERNALIZATION OF WORK CULTURE

The Company established the work culture known as INTIME (Integrity, Teamwork, Think Big, Mutual Trust and Excellence). In the previous year, the Company conducted a revitalization of the existing organizational cultural values to ensure the conformity of these values in supporting the Company's long-term achievements. The output from the revitalization was then followed up by the preparation of cultural programs involving selected employees from the staff level to the Executive Vice President (EVP) level.

The internalization of Work Culture activities conducted in 2020 was still referring to the Company's cultural values, namely INTIME. However, there have been some adjustments due to the conditions of the COVID-19 pandemic and the implementation of work from home. In 2020, there were 3 (three) programs, namely clean and healthy living, improving work quality while working from home, and increasing care for others. The objectives of the implementation of each of these programs are as follows:

1. Cultural program of clean and healthy living

The program is an implementation of the "Excellence" cultural value, which aims to increase body immunity through clean and healthy living. The targets of this program include 1) individual behavior improvement; 2) encouraging a culture of reminding each other among members of the Division team; 3) material and information sharing related to clean and healthy living.

2. Cultural program of improving work quality while working from home

The Company has started implementing work from home since March 2020. The program is expected to make every employee challenge their mindset to continue providing the best for the Company while working from home. The targets to be achieved include 1) positive and productive individual behavior; 2) encouraging a culture of reminding each other among members of the Division team; 3) consistently providing example to colleagues in the Division team or other Divisions. This cultural program is an implementation of the cultural values of Integrity, Excellence, and Think Big.

3. Cultural program of increasing awareness towards the environment

This program is conducted for the employee to embed awareness of the surrounding environment which is experiencing unfavorable conditions during the COVID-19 pandemic as well as to assisting the government in economic recovery by supporting the MSMEs around them. This program is an implementation of the cultural values of Excellence and Think Big.



Industrial Relations

The Company commits to create and maintain sound and harmonious Industrial Relations which represent healthy and constructive work relations between employees, the Company's management, and the Government (Tripartite).

The ultimate goal of regulating Industrial Relations within the Company is to increase the productivity and welfare of employees and the Company. To that end, the Company positions its employees as strategic partners in developing and maintaining harmonious industrial relations in the work environment through regular and continuous communication.

The Company continuously strives to create an open, positive, and progressive working atmosphere to create sound and harmonious industrial relations. Several approaches are conducted with activities in the form of town hall meetings that involve all employees or focus group discussions (FGD) that involve Senior Leaders. In these activities, the Company's messages are conveyed to the employees, and the Company also facilitates the employees to convey their aspirations to the Company.

In 2020, the Company received a lawsuit from an employee candidate who was unable to join PT PII. A mediation effort has been done for the case but has not yet been agreed upon by the plaintiff. Hence, at the end of 2020, the case was continued to the trial process.

The Company values employees as its assets and is committed to implementing an equitable, fair, and consistent recruitment, promotion and career development system based on competency and in accordance with the needs of the Company. PT PII shall consistently evaluate and improve the Company's policies and be committed to following up on employee-related complaints submitted to the Company in the most appropriate manner.

FUTURE PLAN

In facing challenges and changes in a rapidly growing industry, the Company's HR development requires sustainable strategic planning. In accordance with the Company's strategic initiatives, in 2021 the development of the Company's human resources shall focus on the strengthening of organizational structure in terms of flexible and adaptive human resources to the business mandate, structured and comprehensive talent management by paying attention to technical and non-technical competencies, as well as adjustment to employee engagement programs in accordance with the demands, challenges and working conditions in the future.



INFORMATION TECHNOLOGY

In this digital era, Information Technology (IT) has an important role in supporting the effective implementation of the Company's operations. For the Company, IT is one of the mandatory requirements, which needs to be considered carefully.

The pandemic era has brought various changes in the implementation of work activities, in which all works have been based and needs to be supported by Information Technology.

The Company continues to improve and optimize IT facilities and infrastructure constantly, especially the security of IT usage. Commitment to maintaining Cyber Security is a challenge faced by the Company. The Company is committed to ensuring the confidentiality, integrity and availability of data, which has become increasingly crucial nowadays. Efforts to strengthen Cyber Security are supported by various tools, which are sufficiently available at the Company.

Through IT-based services, the Company hopes to improve and facilitate the Company's business processes. It is part of the Company's commitment and enthusiasm in realizing its vision and mission.

INFORMATION TECHNOLOGY MANAGEMENT ROADMAP

The Company has formulated and implemented the Information Technology Master Plan (ITMP) as the reference for its IT development. ITMP is used as reference in the development of information technology and is implemented in the 2018-2023 period.

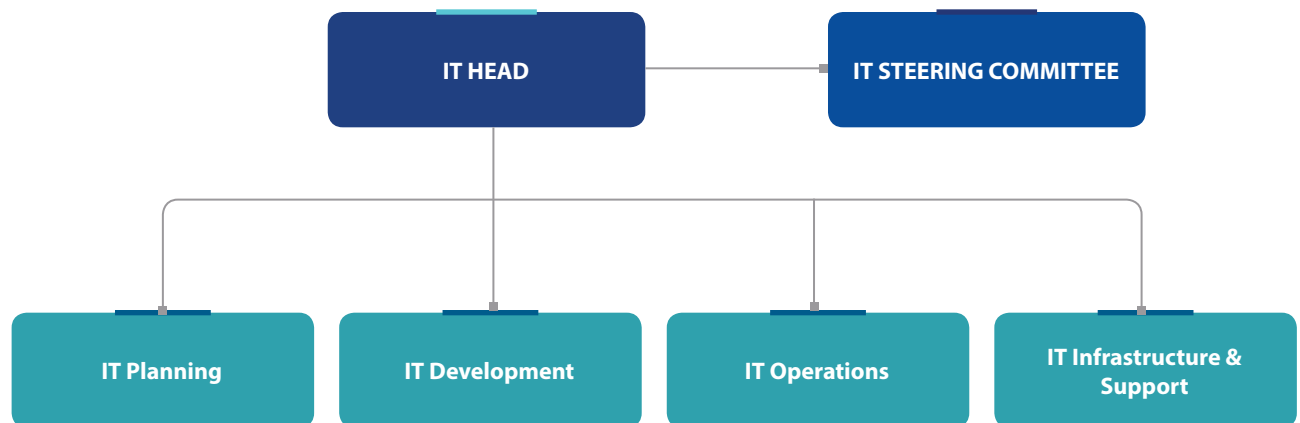
The stages of the Company's IT management roadmap are as follows:



PARTY RESPONSIBLE FOR INFORMATION TECHNOLOGY MANAGEMENT

Organizationally, the management of information technology within the Company is under the CSP-IT Division. IT management is carried out together with the IT Steering Committee for the implementation of ITMP. In IT management, several sections are responsible for the implementation of information technology governance, namely: IT planning, IT development, IT operations and IT infrastructure and support.

In terms of organizational structure, the Company established IT Steering Committee with the President Director as a team leader of the IT Steering Committee.



The duties and responsibilities of the IT Steering Committee are as follows:

No	Position	Job Description
1	Team Leader	- Approve the monitoring policies and procedures for Technology Master Plan (ITMP). - Responsible for the completion of the planned activities described in the IT Road Map. - Provide information disclosure on behalf of the IT Steering Committee.
2	Team Member	- Conduct reviews to ensure that investments are exercised effectively and efficiently based on business needs and priorities as described in the ITMP. - Monitor and evaluate the effectiveness of IT policy implementation at the Company. - Conduct periodic reviews on IT Governance performance. - Provide approval on IT investment plans and initiatives in support of IT services to users and customers. - Identify representatives assigned to the IT Steering Committee as well as authorized personnel to handle problem escalation in IT projects. - Provide data/information related to future trends in IT. - Address key issues related to IT projects as well as capabilities of third-parties to fulfill their contractual obligations in IT projects. - Analyze and submit proposals for the use of expert or consultancy services related to IT projects. - Formulate the annual budget of IT Steering Committee. - Facilitate the resolution of issues with IT related parties.



2020 INFORMATION TECHNOLOGY (IT) STRATEGIES AND POLICIES

The Company develops the appropriate technology in accordance with the needs of the Company and provides added value to business acceleration through focus and strategic policies in the IT sector. Through the CSP-IT Division, the Company manages and develops targeted and effective IT in providing services in accordance with the standards of the Company's expectations and requirements. Throughout 2020, the Company has implemented IT strategies with focuses as follows:

1. Increased server service capacity
2. Development of Project Stakeholder and Database (Project Database) application
3. Development of Document Management System (DMS)

REALIZATION OF INFORMATION TECHNOLOGY ACTIVITIES IN 2020

During 2020, Information Technology activities that have been carried out include:

1. Conducted IT Maturity Assessment with a score of 2.37
2. Reviewed the 2020 IT Master Plan (ITMP 2018-2023)
3. Increased the capacity of server virtualization and data backup
4. Development of Project Database
5. Development of Document Management System (DMS)
6. The Company's collaboration support using the Video Conference application

The Company gives great attention and priority to the integrity and security of its information technology network. One of the efforts conducted by the Company in anticipating the occurrence of potential cyber-crimes includes the strengthening of IT network security and monitoring, which is conducted regularly.

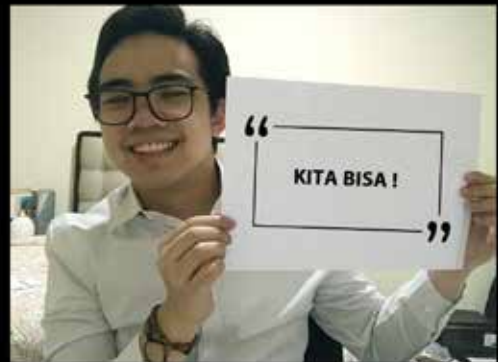
In 2020, the implementation of the Company's transfer of operational activities to Work from Home has clearly shown the increased challenges of IT network security. One of the obstacles faced by the Company in 2020 was the occurrence of attacks on PT PII's IT network (ransom ware/malware). However, these obstacles have been followed up properly. Hence, in 2020 there have been no significant losses, both in terms of financial and substance.

Until now, the Company's business operations continue to run normally and intensive monitoring is carried out consistently towards the Company's entire IT network. Based on the experience, the Company has made improvements both in terms of supporting infrastructure as well as increasing employee awareness of the security of the network which supports the Company's operational sustainability.

FUTURE PLAN

In facing challenges and changes in a rapidly growing industry, the Company's Information Technology development requires sustainable strategic planning. In accordance with the Company's strategic initiatives, in 2021 the development of the Company's Information Technology shall focus on:

1. Strengthening of Cyber security
2. Development of Enterprise Resource Planning (ERP)
3. Development of Project Database
4. Development of E-office and Digital Signature



**PANDAAN MALANG
TOLL ROAD PROJECT**

38.49 KM TOLL ROAD

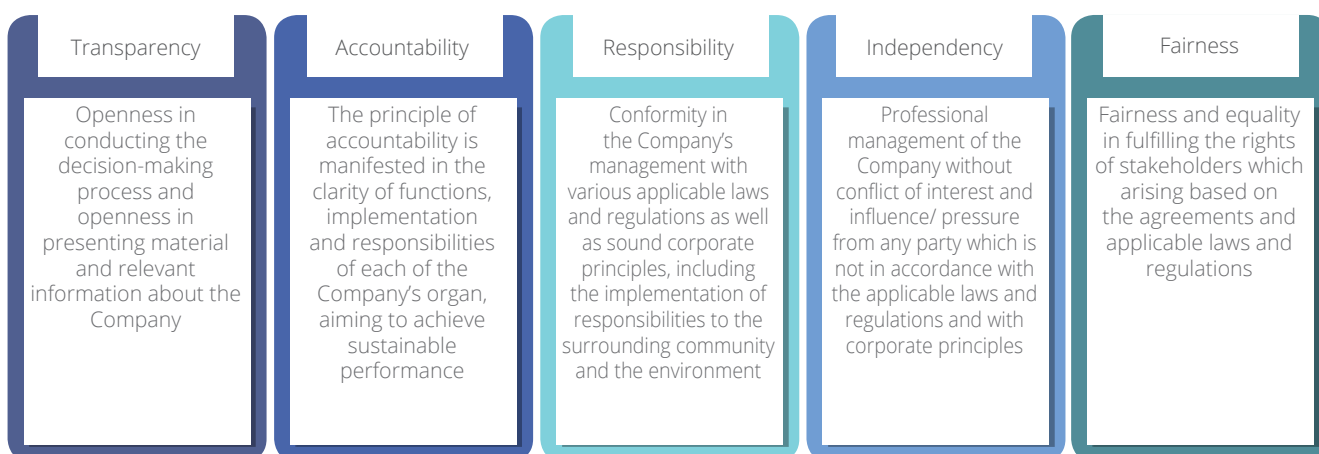
GOOD CORPORATE GOVERNANCE

The implementation of Good Corporate Governance is a manifestation of the Company's commitment to establishing sound business ethics and providing benefits for the Company in supporting sustainable development



FRAMEWORK OF GCG IMPLEMENTATION

For the Company, GCG implementation is an important aspect to increase and maximize its value, encourage professional, transparent and efficient management of the Company to fulfill obligations responsibly to Shareholders, business partners, and the public in general. The implementation of GCG principles is expected to be able to maximize the value of the Company for stakeholders in the form of improved performance, which can be measured by the Company's long-term value as well as its image, thereby further strengthening the Company's position in global competition and sustainable business growth. GCG is a system as well as structure for providing confidence to all stakeholders that the Company is managed and controlled to protect the interests of stakeholders in line with the laws and regulations as well as the principles of GCG, namely:



OBJECTIVES AND BENEFITS OF GCG IMPLEMENTATION

The Company implements GCG as a fundamental strategy in performing transformation and turn around, which is expected to establish the Company as a sustainable company. The objectives of GCG implementation at the Company are as follows:

1. Optimizing the Company's value to build strong competitiveness both nationally and internationally, to maintain existence and sustainable growth;
2. Encouraging professional, efficient and effective management of the Company as well as empowering functions and increasing the independence of organs within the Company;
3. Arranging the working relationship between the General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors;
4. Encouraging that every decision-making and its implementation is based on high moral values and by the applicable laws and regulations as well as social responsibility;
5. Creating professional human resources;
6. Increasing accountability to stakeholders;
7. Preventing irregularities in the management of the Company;
8. Improving the Company's Work Culture;
9. Improving the good image of the Company



LEGAL BASIS OF GCG IMPLEMENTATION

The Company strives to comply with all regulations as the legal basis for implementing GCG and as reference for the Company, which include:

1. Law of the Republic of Indonesia No. 17 of 2003 on State Finances
2. Law of the Republic of Indonesia No. 19 of 2003 concerning State-Owned Enterprises;
3. Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Companies;
4. Government Regulation of the Republic of Indonesia No. 45 of 2005;
5. Government Regulation of the Republic of Indonesia No. 55 of 2020;
6. Regulation of the Minister of Finance No. 28/PMK.06/2013;
7. Regulation of the Minister of Finance No. 88/PMK.06/2015;
8. Regulation of the Minister of Finance No. 78/PMK.06/2015;
9. Regulation of the Minister of Finance No. 59/PMK.06/2016;
10. Regulation of the Minister of Finance No. 135/PMK.06/2017;
11. Regulation of the Minister of Finance No. 197/PMK.06/2019;
12. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero)

EFFORTS TO STRENGTHEN GCG IMPLEMENTATION

In interpreting GCG implementation, the Company is committed to making GCG a part of the Company's management through the implementation of a system that reflects the principles of information disclosure, accountability, equality and responsibility.

Throughout 2020, various GCG implementation initiatives have been carried out, both independently and assisted by independent parties in achieving sustainable corporate governance, including:

1. Dissemination of the Code of Conduct to all of the Company's employees, both existing and new employees;
2. Renewal of the Board of Commissioners and Board of Directors Integrity Pact and Commitment on the Implementation of GCG;
3. Implementation of the 2020 GCG Assessment conducted by Financial and Development Supervisory Agency of Special Capital Region of Jakarta Province;
4. Follow up the recommendations on areas of improvement of GCG implementation based on the 2019 GCG Assessment results;
5. Strengthening the Whistleblowing System by providing various tools that facilitate reporting;
6. Conducted stakeholder survey to analyze stakeholder perspectives on the Company;
7. Conducted satisfaction survey on the Company's vendors/partners;
8. Socialization of the Company's gratification control program and whistleblowing system;
9. Participation in award events related to GCG.



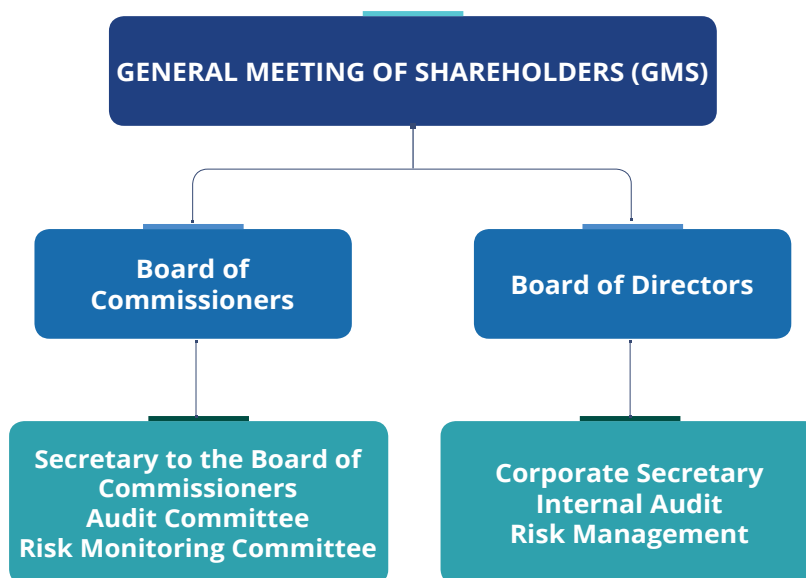
GCG STRUCTURE AND MECHANISM

GCG Structure

In accordance with Law No. 40 of 2007 Chapter I Regarding General Provisions Article 1, the Company's organs consist of the General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors.

1. The General Meeting of Shareholders, hereinafter referred to as the GMS, is the Company's Organ which has the authority not granted to the Board of Directors or the Board of Commissioners within the limits specified in the Law and/or Articles of Association.
2. The Board of Commissioners is the Company's Organ in charge of conducting general and/or specific supervision in accordance with the Articles of Association and provision of advice to the Board of Directors.
3. The Board of Directors is the Company's organ authorized and fully responsible for PT PII's management for the Company's benefit, in accordance with its purposes and objectives, and represents the Company, both inside and outside the court in accordance with the provisions of the Articles of Association.

THE COMPANY'S CORPORATE GOVERNANCE STRUCTURE



Supporting Organs

The effectiveness of GCG implementation is reflected by the alignment of 3 (three) aspects of the governance system, namely governance structure, governance process and governance outcome. Governance Structure is related to the adequacy of the structure and infrastructure of corporate governance so that the implementation of the principles of GCG resulted in outcomes, which are in line with the expectations of the Company's stakeholders. The structure of the governance organ includes the Board of Commissioners, Board of Directors, Committees and Company's Work Units. While the governance infrastructure aspect includes policies and procedures, management information system as well as the main duties and functions of each organizational structure.

The Governance Process is the effectiveness of the implementation of GCG principles, which is supported by the adequacy of the structure and infrastructure of Corporate Governance to produce outcomes that are in line with the expectations of all stakeholders. Therefore, Governance Outcome is the final result of the implementation of the Governance Process and adequate support from Governance Structure.

The Company has implemented all three aspects of the governance system and implemented them in every process of planning, developing and operating the Company's business. The Company shall continue to develop the governance structure and mechanism according to the prevailing laws and best practices. By conducting its business activities based on GCG principles, the Company is expected to create long-term business sustainability.



GCG Mechanism

GCG mechanism is reflected in a robust implementation system. This is important since GCG implementation shall not only rely on the governance structure, but also requires clear regulation in the form of a mechanism. Governance mechanism can be interpreted as the regulation, procedures and a clear relationship between the party making the decision and the party exercising the control (supervision) of the decision.

The Company has already established comprehensive regulation as contained in:

Guideline	Regulatory Framework	Content
Code of Corporate Governance	a. Law of the Republic of Indonesia No. 17 of 2003 b. Law of the Republic of Indonesia No. 19 of 2003; c. Law of the Republic of Indonesia No. 40 of 2007; d. Government Regulation of the Republic of Indonesia No. 45 of 2005; e. Government Regulation of the Republic of Indonesia No. 50 of 2016; f. Regulation of the Minister of Finance No. 28/PMK.06/2013; g. Regulation of the Minister of Finance No. 88/PMK.06/2015; h. Regulation of the Minister of Finance No. 78/PMK.06/2015; i. Regulation of the Minister of Finance No. 59/PMK.06/2016; j. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero).	The policy and procedure as the operational basis for the implementation of Good Corporate Governance (GCG) principles by all of the Company's Organs and Personnel, include: • CHAPTER I : Introduction • CHAPTER II : The Company's Organs • CHAPTER III : Risk Management • CHAPTER IV : Internal Control Governance • CHAPTER V : Information Governance • CHAPTER VI : The Company's Stakeholders Relations Governance • CHAPTER VII : The Company's Long-Term Plan (RJPP) and Work Plan and Budget (RKAP) • CHAPTER VIII : Good Corporate Governance (GCG) Assessment and Reporting • CHAPTER IX : Closing
Work Guidelines for the Board of Commissioners and Board of Directors (Board Manual)	a. Law of the Republic of Indonesia No. 19 of 2003; b. Law of the Republic of Indonesia No. 40 of 2007; c. Government Regulation of the Republic of Indonesia No. 45 of 2005; d. Government Regulation of the Republic of Indonesia No. 35 of 2009; e. Regulation of the Minister of Finance No. 88/PMK.06/2015; f. Regulation of the Minister of Finance No. 28/PMK.06/2013; g. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero).	Work Guidelines for the Board of Commissioners and the Board of Directors, which regulate the implementation of the work relationship between the Board of Commissioners and the Board of Directors and their respective organs, including: • CHAPTER I : Introduction • CHAPTER II : Board of Commissioners • CHAPTER III : Board of Directors • CHAPTER IV : Work Relationship Mechanism Between Corporate Organs • CHAPTER V : Assessment, Evaluation and Reporting on the Implementation of Good Corporate Governance
Code of Conduct	a. Regulation of the Minister of Finance No. 88/PMK.06/2015; b. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero) c. Guidelines for Good Corporate Governance (Code of GCG) of PT Penjaminan Infrastruktur Indonesia (Persero).	Work Guidelines for the Company's internal relations (the Company's organs and employees) and relations with the stakeholders in running the Company's business. The contents include the following: • CHAPTER I : Introduction • CHAPTER II : Statements of Corporate Values • CHAPTER III : Code of Conduct and Business Ethics • CHAPTER IV : Instruction for Implementation • CHAPTER V : Reporting and Sanction for Violations • CHAPTER VI : Closing



Guideline	Regulatory Framework	Content
Audit Committee Charter	a. Law of the Republic of Indonesia No. 17 of 2003 b. Law of the Republic of Indonesia No. 19 of 2003 c. Law of the Republic of Indonesia No. 40 of 2007 d. Government Regulation of the Republic of Indonesia No. 45 of 2005; e. Regulation of the Minister of Finance No. 88/PMK.06/2013; f. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero).	Work reference and guidelines for the Company's Audit Committee in carrying out its duties and authorities are as follows: • CHAPTER I : Pendahuluan • CHAPTER II : Tugas, Tanggung Jawab, dan Wewenang • CHAPTER III : Pola Hubungan Kerja, Keanggotaan dan Masa Jabatan • CHAPTER IV : Tata Kerja dan Prosedur Kerja • CHAPTER V : Penganggaran dan Pembiayaan • CHAPTER VI : Penutup
Risk Monitoring Committee Charter	a. Law of the Republic of Indonesia No. 17 of 2003 on State Finances b. Law of the Republic of Indonesia No. 19 of 2003 c. Law of the Republic of Indonesia No. 40 of 2007; d. Government Regulation of the Republic of Indonesia No. 45 of 2005; e. Regulation of the Minister of Finance No. 88/PMK.06/2013; f. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero).	Work reference and guidelines for the Company's Risk Monitoring Committee in carrying out its duties and authorities are as follows: • CHAPTER I : Introduction • CHAPTER II : Duties, Responsibilities, and Authorities • CHAPTER III : Scheme of Employment Relationship, Membership and Term of Office • CHAPTER IV : Work Guidelines and Procedures • CHAPTER V : Budgeting and Financing • CHAPTER VI : Closing
Internal Audit Charter	a. Government Regulation of the Republic of Indonesia No. 35 of 2009; b. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero) c. Decree of the Company's Board of Directors No. SK-002/DIR/GEN/08/2010 concerning the Operating Manual of PT Penjaminan Infrastruktur Indonesia (Persero).	Operational procedures of Internal Audit in conducting the function to review and examine the Company's operations as business organization, which in general covers: • CHAPTER I : Introduction • CHAPTER II : Structure, Requirements, and Independence of Internal Auditor • CHAPTER III : Scope, Authority, Responsibilities of Auditor • CHAPTER IV : Assignment Process of Internal Audit • CHAPTER V : Closing
Whistleblowing System Policy	a. Law of the Republic of Indonesia No. 31 of 1999, as amended by Law of the Republic of Indonesia No. 20 of 2001; b. Law of the Republic of Indonesia No. 13 of 2006 c. Law of the Republic of Indonesia No. 40 of 2007 d. Government Regulation of the Republic of Indonesia No. 35 of 2009 as amended by Government Regulation of the Republic of Indonesia No. 50 of 2016; e. Guideline for Violations Reporting System (Whistleblowing System) of the National Committee of Governance Policies 2008; f. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero) g. Guidelines for Good Corporate Governance (Code of GCG) of PT Penjaminan Infrastruktur Indonesia (Persero).	Guidelines which regulate the mechanism for violations reporting addressed to the Company. The contents of the Guideline for Whistleblowing System are as follows: • CHAPTER I : Introduction • CHAPTER II : Violations Reporting • CHAPTER II : Violations Reporting Management • CHAPTER IV : Protection of Reporters (Whistleblowers) • CHAPTER V : Socialization and Enforcement



Guideline	Regulatory Framework	Content
Gratification Policy	a. Law No. 31 of 1999, as amended by Law No. 20 of 2001; b. Law No. 30 of 2002; c. Law No. 40 of 2007; d. Government Regulation No. 35 of 2009 as amended by Government Regulation No. 50 of 2016; e. Regulation of the Minister of Finance Number 7/PMK.09/2017; f. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero); g. Guidelines of Good Corporate Governance (Code of GCG) of PT Penjaminan Infrastruktur Indonesia (Persero); h. Guidelines of Whistleblowing System, PT Penjaminan Infrastruktur Indonesia (Persero); i. Code of Conduct, PT Penjaminan Infrastruktur Indonesia (Persero).	The guidelines refer to the acceptance and giving of all forms of gratifications, limitations, as well as reporting of gratifications, that apply to all personnel of the Company and its stakeholders. The contents of the guidelines are as follows: • CHAPTER I : Introduction • CHAPTER II : General Provisions of Gratification • CHAPTER III : Closing
Internal Control System Guidelines	a. Regulation of the Minister of Finance Number 88/KMK.06/ 2015; b. COSO Internal Control - Integrated Framework (2013); c. Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero) d. Code of Good Corporate Governance (Code of GCG) of PT Penjaminan Infrastruktur Indonesia (Persero).	Guidelines for implementing internal control applied within the Company, which includes: • CHAPTER I : Pendahuluan • CHAPTER II : Implementasi Sistem Pengendalian Internal • CHAPTER III : Tugas dan Tanggung Jawab

The Company carries out the preparation, review and evaluation of business process documents (policies, guidelines, procedures and work instructions) applied in the Company regularly. Policies are prepared by taking into account the methodology, best practices, applicable regulations and, if required, involving the Company's employees to obtain input through focus group discussions. Periodic review and evaluation of business process documents aim to improve the Company's existing business processes and ensure that its policies are up-to-date in accordance with the Company's business developments. Preparation of business process documents is a working synergy of business units, which shall carry out their respective business processes, with the special unit for preparing business process documents (Organization Design).



INFORMATION ON MAJOR AND CONTROLLING SHAREHOLDERS

Information on Major and Controlling Shareholders

The Controlling Shareholder of the Company is the Republic of Indonesia which controls 100% of the shares. Therefore, there is only 1 (one) shareholder who owns shares of 5% or more, namely the Republic of Indonesia.



Name of Shareholders	Number of Shares	Percentage
The Republic of Indonesia	9,570,000 shares	100%





GENERAL MEETING OF SHAREHOLDERS (GMS)

The General Meeting of Shareholders (GMS) is the highest organ in the Corporate Governance structure. The GMS has authorities not granted to the Board of Directors and the Board of Commissioners as stipulated in the Company's Articles of Association and the prevailing laws and regulations. Through GMS, shareholders make decisions based on the interests of the Company, which are conducted fairly and transparently. The GMS consists of Annual GMS (AGMS), which is held once a year and Extraordinary GMS (EGMS), which can be held at any time required. Both AGMS and EGMS have the highest authority in the corporate governance structure.

Authorities of GMS

1. Stipulating amendment to Articles of Association;
2. Appointing and dismissing member(s) of the Board of Directors and Board of Commissioners;
3. Providing resolutions which are required to maintain the Company's long-term and short-term business interests in accordance with the Law and Regulations as well as Articles of Association;
4. Approving and ratifying or rejecting the Company's Annual Report and Financial Statements prepared by the Board of Directors, after having been examined by the Board of Commissioners;
5. Determining the amount of salary and facilities for the Board of Commissioners as well as salary and other facilities for the Board of Directors;
6. Appointing Public Accounting Firm to conduct an audit on the Company's Annual Financial Statements;
7. Approving or rejecting transactions to transfer assets or place the Company's assets as guarantee for loans of which amount is equal and/or more than 50% of the Company's total equity or net assets in 1 (one) transaction or more, either related to each other or not, as regulated in the Articles of Association, among others:
 - a. Use of the Company's fixed assets as collateral or guarantee to withdraw medium/long-term loans;
 - b. Placement and/or release of capital investment in other companies, Subsidiary, Joint Venture;
 - c. Merger, consolidation, acquisition, spin-off and/or dismissal of subsidiary/joint venture;
8. Approving or rejecting partnership between the Company with Business Entities or other parties in the form of guarantee, guarantee agreement, management contract, license partnership, assets rental or other partnerships with equal or more than 50% value of the Company's total equity;
9. Approving corporate action according to the prevailing laws and regulations;
10. Taking decisions under transparent and fair as well as an accountable process;
11. Implementing Good Corporate Governance according to respective authorities and responsibilities.

Publication of GMS

The Company publishes information regarding the implementation of GMS on the Company's website.

Types of GMS conducted in the Company

Annual GMS

Annual GMS is conducted every year, which includes:

1. GMS concerning the Approval on the Company's Annual Report.

Annual GMS to approve the Company's Annual Report is conducted at the latest 6 (six) months after the closing of the fiscal year. In this meeting, the Board of Directors shall submit:

 - a. Annual Report that has been signed by all members of the Board of Directors as well as the Board of Commissioners.
 - b. Proposal on the use of the Company's net income.
 - c. Other matters which need to be approved by the General Meeting of Shareholders for the interests of the Company
2. GSM concerning the Approval on the Company's Work Plan and Budget.

The Annual GMS to approve the Company's Work Plan and Budget shall be held no later than 30 (thirty) days after the current fiscal year (the budget year of the Company's Work Plan and Budget), and in the meeting the Board of Directors shall submit:

 - a. The Company's Work Plan and Budget, including Financial Statements Projection.
 - b. Other matters which need to be approved by the General Meeting of Shareholders for the interests of the Company that have not been included in the Draft Work Plan. The Annual General Meeting of Shareholders may also include proposals submitted by the Board of Commissioners and/or Shareholders, provided that the related proposals should have been received by the Board of Directors prior to the date of calling for Annual GMS.

**Other GMS (Extraordinary GMS)**

Extraordinary GMS may be held at any time as required for the interests of the Company.

GMS Invitation & Announcement

GMS invitations are conducted by the Company within 14 days before the GMS, without taking into account the date of calling and the date of GMS.

Procedures for GMS Implementation

Procedures for the Company's GMS implementation refer to the Deed of Establishment of PT PII No. 29 of 2009. The provisions contained in the deed include:

General Procedures

1. The GMS is chaired by the shareholders present.
2. All minutes of the GMS shall be prepared and signed by the Chair of the Meeting and at least 1 (one) shareholder appointed from and by the participants of the GMS.
3. Minutes of the GMS drawn up with Notarial Deed shall not require the said signature.

Decision Making Procedures

1. GMS decisions/resolutions are based on deliberation to reach a consensus.
2. If a decision based on deliberation to reach consensus as referred to in paragraph (1) is not reached, the decision shall be valid only if approved by more than 1/2 (one half) of the valid votes issued unless stipulated otherwise by the Company's Articles of Association.
3. GMS to amend the articles of association shall be conducted if the meeting is attended by shareholders or proxies representing at least 2/3 (two thirds) of the total shares with voting rights and the decision is approved by at least 2/3 (two thirds) of the votes.

4. GMS to approve the merger, consolidation, acquisition, or spin-off and changes of the legal entity shall be conducted if the GMS is attended by at least 3/4 (three quarters) of the total shares issued by the Company with valid voting rights and the decision is approved by at least 3/4 (three quarters) of the votes.

Quorum Provisions

1. The GMS can be held if at least 51% of the total shares with voting rights are present or represented, unless the law and/or articles of association stipulated otherwise.
2. If the quorum as referred to in paragraph (1) is not reached, a second GMS can be held.
3. The invitations of the second GMS must state that the first one was held and failed to reach the quorum.
4. The second GMS as referred to in paragraph (2) is valid and has the right to make a decision if during the GMS at least 50% of the total shares with voting rights are present or represented, unless the articles of association stipulated otherwise.
5. If the second GMS quorum as referred to in paragraph (4) is not reached, then the Company may request the Chief of the District Court, whose jurisdiction includes the Company's domicile, to set a quorum for the third GMS at the request of the Company.
6. The invitations of the third GMS must state that the second GMS has been held and has not reached a quorum and the third GMS shall be held with the quorum set by the Chief of the District Court.
7. The decision made by the Chief of the District Court regarding the quorum of the GMS as referred to in paragraph (5) shall be final and has permanent legal force.



2020 GMS Implementation and Its Realization

In 2020, the Company held 2 (two) Annual GMS and 1 (one) Extraordinary GMS, namely:

ANNUAL GMS ON THE APPROVAL OF THE COMPANY'S 2019 ANNUAL REPORT

Date	Venue	Agenda
June 12, 2021	Meeting Room of the Directorate General of State Assets, Syafrudin Prawiranegara Building, 10th Floor, Jl. Lapangan Banteng Timur No. 2-4, Jakarta	- Approval of the Annual Report of PT Penjaminan Infrastruktur Indonesia (Persero) for the 2019 Fiscal Year which includes; - Ratification of the Company's 2019 Financial Statements; and - Granting full settlement and release (acquitted de charge) to all members of the Board of Commissioners and Board of Directors of the Company for the supervisory and management actions that have been carried out during the 2019 Fiscal Year. - Determination of the decision to use the Net Profit of PT Penjaminan Infrastruktur Indonesia (Persero) for the 2019 Fiscal Year; and - Determination of salary/honorarium and allowances for the Board of Commissioners and Board of Directors of PT Penjaminan Infrastruktur Indonesia (Persero) for the 2020 Fiscal Year as well as the payment of Tantiem based on the 2019 Fiscal Year performance.

ANNUAL GMS FOR THE APPROVAL OF THE COMPANY'S 2020 WORK PLAN AND BUDGET

Date	Venue	Agenda
December 21, 2020	Conducted via video conference	- Approval of the 2021 Work Plan and Budget of PT Penjaminan Infrastruktur Indonesia (Persero); - Approval of the 2021 Performance Contract of the Board of Directors of PT Penjaminan Infrastruktur Indonesia (Persero); - Approval of the 2021 Performance Contract of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero).

EXTRAORDINARY GMS FOR AMENDMENT TO THE COMPANY'S 2020 WORK PLAN AND BUDGET

Date	Venue	Agenda
December 21, 2020	Conducted via video conference	Approval of Amendments of the Work Plan and Budget of PT Penjaminan Infrastruktur Indonesia (Persero) Year 2020

Realization of GMS Resolutions

All resolutions of the GMS have been fully carried out by the Company.

2019 GMS Implementation and Its Realization

Information regarding the 2019 GMS implementation and its realization can be seen in the 2019 Annual Report.



BOARD OF COMMISSIONERS

The Board of Commissioners is the Company's organ that is collectively responsible and acts independently to carry out general and/or specific supervision over the Company's policies, its management and to provide advice to the Board of Directors for the benefits of the Company in accordance with the Articles of Association. The Board of Commissioners also ensures that the Company implements the GCG principles in all of its business activities at all levels of the Company's organization.

Members of the Board of Commissioners are appointed and dismissed by the GMS and fulfill the general and special requirements stipulated in the Regulation of the Minister of Finance Number 197/PMK.06/2019, the Company's Articles of Association and other applicable provisions. All members of the Board of Commissioners as a board have the required core competencies to ensure its effectiveness, which includes accounting, finance, strategic ability, business understanding, managerial experience and depth, industry knowledge, regulatory understanding as well as risk management and control.

In carrying out supervisory function and providing advice to the Company's management, the Board of Commissioners of PT PII is assisted by committees as supporting organs for the Board of Commissioners, namely:

1. Audit Committee
2. Risk Monitoring Committee

THE COMPOSITION OF THE BOARD OF COMMISSIONERS

The Board of Commissioners consists of 3 (three) members. The Board of Commissioners is chaired by a President Commissioner. The Board of Commissioners has conducted the division of supervisory duties as decided internally by the Board of Commissioners.

Composition of the Company's Board of Commissioners as of December 31, 2020, is as follows:

Name	Position	Basis of Appointment	Passed Fit & Proper Test
Awan Nurmawan Nuh	President Commissioner	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 205/KMK.06/2020.	v
Mariatul Aini	Commissioner	Appointed for the first time based on the Decree of the Minister of Finance of the Republic of Indonesia No. 861/KMK.06/2018 and reappointed through the Decree of the Minister of Finance of the Republic of Indonesia No. 720/KMK.06/2019.	v
Wahyu Utomo	Commissioner	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 205/KMK.06/2020.	v

Duties and Authorities of the Board of Commissioners

The Board of Commissioners is the Company's organ having the collective responsibility to conduct general and/or specific supervision in accordance with the Articles of Association and to provide advice to the Board of Directors. The Board of Commissioners shall not participate in making operational decisions. The position of each member of the Board of Commissioners including the President Commissioner is equal. The duty of the President Commissioner as primus inter pares is to coordinate the activities of the Board of Commissioners.

The Board of Commissioners is appointed and dismissed by the GMS. In conducting the duties, the Board of Commissioners is responsible to the GMS. The accountability of the Board of Commissioners to the GMS is a manifestation of the accountability of supervision over the Company's management in implementing GCG principles.



Duties and Authorities of the Board of Commissioners include:

Duties of the Board of Commissioners

In carrying out its functions, duties of the Board of Commissioners include:

1. Implementing Good Corporate Governance according to the defined authorities and responsibilities.
2. Ensuring the implementation of Good Corporate Governance principles in every business activity of the Company at all levels of the organization.
3. Conducting supervisory towards the Board of Directors' duties and responsibilities, and provide advice to the Board of Directors.
4. Directing, supervising, and evaluating the implementation of the Company's basic and strategic policies.
5. Providing recommendation on significant issues related to the changing business environment, which are estimated will influence the Company promptly and efficiently.
6. Ensuring that the Board of Directors has followed-up audit findings and recommendations from the internal auditor, external auditor, and audit report from the Board of Commissioners and/or special audit by other audit agencies.
7. Reporting the implementation of duties and responsibilities to the GMS quarterly and/or incidentally as requested by the GMS.
8. Reporting to the Minister as the GMS for every progress of implementation of the mandate assigned to the Company.
9. Preparing the guidelines for decision-making, supervisory policy, performance assessment, division of duties, authorities and responsibilities, including the implementation.
10. Preparing the Annual Work Plan and Budget of the Board of Commissioners, which is an inseparable part of the Company's Work Plan and Budget (RKAP).
11. Ensuring that the Annual Report has disclosed information on the Board of Commissioners members' identities, main duties, position in other companies, including the meetings conducted in one fiscal year (internal meeting and joint meeting with the Board of Directors) as well as honorarium, facilities and/or other allowances received from the Company.

12. Having work guidelines and procedures that are binding for every member of the Board of Commissioners.
13. Providing sufficient time to carry out duties and responsibilities optimally.
14. Performing other supervisory authorities as long as not conflicting with the laws and regulations, Articles of Association, and/or General Meetings of Shareholders Resolution.

Authorities of the Board of Commissioners

In enabling the Board of Commissioners to carry out its duties, the Board of Commissioners is authorized to conduct the following:

1. Examining books, letters and other documents, and cash for verification purposes and other securities as well as assets of the Company.
2. Accessing yard, building and office used by the Company.
3. Requesting explanation from the Board of Directors and/or other Executives regarding any issue related to the Company's management.
4. Acknowledging every policy and action that has and will be implemented by the Board of Directors.
5. Requesting the Board of Directors and/or other Executives under the Board of Directors with the Board of Directors' acknowledgement to attend the Board of Commissioners meeting.
6. Appointing and dismissing Secretary to the Board of Commissioners, if considered necessary.
7. Temporary dismissing temporarily member of the Board of Directors according to provisions in the Company's Articles of Association.
8. Establishing other Committees than Audit Committee, if considered necessary by considering the Company's capability.
9. Hiring Expert for particular purpose and period on the Company's budget, if considered necessary.
10. Performing the Company's management under particular conditions and periods in accordance with the Articles of Association.
11. Attending Board of Directors meeting and provide opinions on the discussed issues. Performing other supervisory authorities so long as not conflicting with the laws and regulations, Articles of Association, and/or General Meetings of Shareholders Resolution.



Division of Duties of the Board of Commissioners

In carrying out supervisory duties over the Company's management, the Board of Commissioners has performed the division of duties, as stated in the Decree of the Board of Commissioners No. KEP-02/KOM PII/04/2020, as follows:

NO	NAME	POSITION	Job Description
1.	Awan Nurmawan Nuh	President Commissioner	1. Coordinate the overall duties of the Board of Commissioners; and 2. Carry out duties related to remuneration and nomination policy
2.	Mariatul Aini	Commissioner	1. Act as the Head of Audit Committee; 2. Matters that are related to Internal Audit, Legal and Compliance, Corporate Secretary and Communication, CEO Office, IIGF Institute, Corporate Strategy & Finance, Treasury & Investment, Human Capital, and Corporate Service & Procurement; 3. Carry out duties related to remuneration and nomination policy
3.	Wahyu Utomo	Commissioner	1. Act as the Head of Risk Monitoring Committee; 2. Matters that are related to Guidance & Consultation, Underwriting, Environment & Social, Business Initiation, Enterprise Risk Management, Project and Claim Risk Management, Project Appraisal, and Non-PPP Guarantee; 3. Carry out duties related to remuneration and nomination policies.

Board Charter of the Board of Commissioners

The Board of Commissioners has the job description outlined in the Work Guidelines for the Board of Commissioners and Board Directors (Board Manual), which was last updated in December 2019, and Guidelines for the Board of Commissioners, which was last updated in December 2017. These documents are guidelines for the Board of Commissioners and explaining the relationships, communications, and activities between the Company's organs in a structured, systematic, comprehensive and consistent manner. These guidelines can be a reference for the Board of Commissioners in conducting their respective duties to achieve the Company's vision and mission, thereby high work standards are expected to be achieved in line with GCG principles.

The Board Manual and Guidelines for the Board of Commissioners were prepared based on the principles of corporate law, the provisions of the Articles of Association, the prevailing laws and regulations, the direction of the Shareholders as well as the best practices of Good Corporate Governance.

The contents of the Board Manual related to the Board of Commissioners are as follows:

CHAPTER II BOARD OF COMMISSIONERS

- 2.1 Organization
- 2.2 Duties, Authorities and Obligations of the Board of Commissioners
- 2.3 Guidelines for Division of Duties, Authorities and Responsibilities of the Board of Commissioners
- 2.4 Guidelines for Supervisory Policy of the Board of Commissioners

2.5 Board of Commissioners Meetings

2.5.1 Definition

2.5.2 Holding of the Board of Commissioners Meetings

2.6 Guidelines for Decision-Making of the Board of Commissioners

2.7 Guidelines for Performance Assessment of the Board of Commissioners

2.8 Supporting Organs of the Board of Commissioners

2.8.1 Audit Committee

2.8.2 Risk Monitoring Committee

Further arrangements from the Board Manual in Guidelines for the Board of Commissioners include the following:

1. Guidelines for the implementation of duties in giving approval to the Company's Long-Term Plan and Work Plan and Budget draft
2. Guidelines for the implementation of duties of providing directions
3. Guidelines for the implementation of supervisory duties
4. Duties related to potential conflicts of interest
5. Duties related to the Company's Good Corporate Governance practices in accordance with the purposes and objectives of the Company.

Performance Assessment of Committees under the Board of Commissioners

In carrying out the duties, the Board of Commissioners is assisted by committees under the Board of Commissioners consisting of 2 (two) Committees.

These committees include:

1. Audit Committee
2. Risk Management Monitoring Committee



In 2020, the Board of Commissioners considered that the committees under the Board of Commissioners had carried out their duties and responsibilities properly.

The Audit Committee is a committee established to assist the Board of Commissioners in supervising the Company's management in accordance with GCG principles. During 2020, the Audit Committee has conducted the duties properly. The basis for consideration includes the attendance of the Audit Committee, which has always been present at the Board of Commissioners meetings, joint meetings of the Board of Commissioners and the Board of Directors, and carried out special meetings of the Audit Committee as many as 15 (fifteen) times as well as conducted the following duties:

1. Performance evaluation of Public Accounting Firm and the process of appointing Public Accounting Firm to audit the Company's 2020 financial statements.
2. Monitoring and evaluation of the follow-up on the findings of external and internal auditors.
3. Monitoring and evaluating the performance and projects guaranteed by the Company.

The Risk Monitoring Committee was established to improve the quality of supervision and advice provided by the Board of Commissioners on Enterprise Risk Management (ERM). During 2020, the Risk Monitoring Committee has carried out the duties properly. The basis for consideration includes the attendance of the Risk Monitoring Committee, which has always been present at the Board of Commissioners meetings, joint meetings of the Board of Commissioners and the Board of Directors, and conducted special meetings of the Risk Monitoring Committee as many as 13 (thirteen) times as well as the following duties:

1. Conducting assessment, monitoring, and evaluating the implementation of risk management in the Company.
2. Coordinating regularly with the risk management division, PMCM division and Business division.
3. Monitoring and evaluating the performance and projects guaranteed by the Company.

Criteria for the Board of Commissioners

Based on the provisions of the Regulation of the Minister of Finance of the Republic of Indonesia No. 197/PMK/06/2019 concerning Procedures for the Appointment and Dismissal of Members of the Board of Commissioners of Limited Liability Companies (Persero) Under the Guidance and Supervision of the Minister of Finance, the requirements for Members of the Board of Commissioners are as follows:

General Requirements:

Individuals who are capable of performing legal actions.

Special Requirements:

1. Physically and mentally healthy
2. Have integrity and good morals
3. Have a strong will and high dedication
4. Understand management issues of the Company related to one of the management functions
5. Have adequate knowledge on the Company's line of business
6. Able to provide sufficient time to carry out duties.

Other Requirements:

1. Not a member of a political party, a political party administrator, a member of the legislature and/or not currently running as a candidate for a member of the legislature
2. Not serving as regional head/deputy head and/or not currently running as a candidate for regional head/deputy head
3. Has not served as a member of the Board of Directors of the relevant Company, for at least 1 (one) year
4. Not currently holding a position which, based on the laws and regulations, is prohibited from concurrently serving as a member of the Board of Commissioners, except for signing a statement of willingness to resign from the position if appointed as a member of the Board of Commissioners.
5. Not serving as a member of the Board of Commissioners in the

Nomination for Members of the Board of Commissioners

The nominations for members of the Board of Commissioners of the Company are selected based on the provisions of Regulation of the Minister of Finance No. 197 of 2019 concerning Procedures for the Appointment and Dismissal of Members of the Board of Commissioners of Limited Liability Companies (Persero) Under the Guidance and Supervision of the Minister of Finance

Introduction and Training Program of the Board of Commissioners

In 2020, there has been an introduction program for the new members of the Board of Commissioners which was conducted on April 23, 2020.

The introduction program delivered includes:

1. Implementation of GCG principles by the Company.
2. An overview of the Company concerning to the objectives, nature and scope of activities, financial and operating performance, strategies, short-term and long-term business plans, competitive position, risks and other strategic issues.



3. Information relating to delegated authority, internal and external audits system and internal control policies, including the Audit Committee.
4. Information on the duties and responsibilities of the Board of Commissioners and the Board of Directors as well as matters that are prohibited.

During 2020, Members of the Board of Commissioners have attended Competency Development Training. Information on competency development of the Board of Commissioners can be seen in the Company Profile Chapter on page 99.

Concurrent Position of the Board of Commissioners

Members of the Company's Board of Commissioners have not served as members of the Board of Commissioners in other companies, or other positions prohibited based on the Company's Articles of Association and the prevailing laws and regulations.

Implementation of Duties and Responsibilities of the Board of Commissioners in 2020

In conducting the supervisory and providing direction and advice process mechanism to the Board of Directors related to the Company's management, the Board of Commissioners refers to the applicable laws and regulations and the Company's internal provisions. The supervisory process is to ensure the achievement of performance targets that have been set to provide satisfactory returns for the Shareholders and other Stakeholders.

The implementation of the supervisory duties of the Board of Commissioners during 2020 includes:

No	Activity	Objectives	Target
1	Preparation and determination of the Board of Commissioners' 2021 Work Plan and Budget Proposal	Determine and submit the 2021 Work Plan and Budget and Cost Budget Plan of the Board of Commissioners as part of the Company's 2021 Work Plan and Budget Draft	The Draft of Work Plan and Budget and Cost Budget Plan were prepared in August 2020 and submitted to the Board of Directors in September 2020 through the Letter of the Board of Commissioners No. S-21/PII/DK/0920 dated September 2, 2020. The work plan of the Board of Commissioners and the Organs of the Board of Commissioners was determined after the GMS for the Company's Work Plan and Budget approval through the Decree of the Board of Commissioners No. KEP-06/KOM/PII/12/2020 dated December 22, 2020
2	Preparation and determination of the Board of Commissioners' 2021 Performance Contract (KPI) Proposal	Submit the 2021 Draft KPI Proposal of the Board of Commissioners to the GMS	The 2021 Performance Contract (KPI) Proposal of the Board of Commissioners has been sent to the GMS through the Letter of the Board of Commissioners No. S-26/PII/DK/1020 dated October 27, 2020 and has been determined at the GMS for the Approval of the Company's 2021 Work Plan and Budget on December 21, 2020
3	Review and approval of the Company's 2021 Work Plan and Budget Proposal	Provide a comprehensive response to the 2021 Work Plan and Budget Proposal to the Board of Directors and the approval of the Board of Commissioners on the Company's 2021 Work Plan and Budget Draft	The Board of Commissioners has reviewed and provided input for the improvements of the Company's 2021 Work Plan and Budget Draft to the Board of Directors through Letter No. S-25/PII/DK/1020 dated October 16, 2020, which has been fully accommodated by the Board of Directors. Based on this, the Board of Commissioners approved the Company's 2021 Work Plan and Budget Draft to be submitted to the GMS through Letter No. 1039/PII/DRU/1220 dated December 15, 2020
4	Submission of the Board of Commissioners' response to the GMS on the Company's 2021 Work Plan and Budget Draft	Submit a response on the Company's 2021 Work Plan and Budget Draft to the GMS in a timely manner	The Board of Commissioners' response to the Company's 2021 Work Plan and Budget Draft has been submitted to the GMS through the Letter of the Board of Commissioners No. S-29/PII/DK/1120 dated November 3, 2020



No	Activity	Objectives	Target
5	Response to the requests for responses/explanations from the Board of Directors or the GMS	Review and submit responses to the requests for responses/explanations received from the Board of Directors or the GMS	All requests for responses/explanations from the Board of Directors/GMS have been responded to in a timely manner, no later than 14 days after the requests for responses/explanations from the Board of Directors or the GMS are completely received.
6	The Board of Commissioners monthly meeting	Supervise and evaluate the performance of the Company's management reports and discuss the latest issues regularly and periodically every month	During the period of 2020, 19 regular meetings of the Board of Commissioners have been held and regular joint meetings of the Board of Commissioners and the Board of Directors have been held 18 times
7	Supervision of the Board of Directors' compliance with the provision of Laws and Agreements with 3rd Parties	Supervise the Board of Directors' compliance with the Laws and Agreements with 3rd Parties	The meeting related to the compliance of the Board of Directors with the Laws and Agreements with 3rd Parties have been held in September 2020
8	Supervision and advice on policies and implementation of the internal control system	Ensure that the internal control system has been implemented sufficiently	Periodic meetings with IA Division and RM Division regarding the internal control system, which conducted quarterly
9	Supervision and advice on HR policies and its implementation	Ensure that HR policies have been implemented sufficiently	Joint meetings of the Board of Commissioners and the Board of Directors have been held to discuss HR and IT policies on July 30 and August 4, 2020
10	Supervision and advice on procurement policies and its implementation	Ensure that procurement policies have been implemented sufficiently	Board of Commissioners meeting has been held regarding procurement policies and its implementation in September 2020
11	Monitoring and advice on IT policies and its implementation	Supervise and ensure appropriate IT policies have been implemented	Joint meetings of the Board of Commissioners and the Board of Directors have been held to discuss HR and IT policies on July 30 and August 4, 2020
12	Supervision of the effectiveness of external and internal audits as well as review of complaints related to the Company	Ensure that the effectiveness of external and internal audits and the review of complaints related to the Company were sufficient	Quarterly meetings with IA Division regarding the effectiveness of external and internal audits
13	Supervision of accounting policies as well as the preparation of financial statements and its implementation	Ensure that accounting policies and preparation of financial statements have been carried out sufficiently	The meeting to discuss the accounting policies and preparation of financial statements was held in March 2020
14	Supervision and advice on risk management policies and its implementation	Ensure that risk management policies have been implemented sufficiently	Periodic meetings with RM Division regarding risk management policy system have been conducted quarterly
15	Evaluation of the implementation of the Company's Work Plan and Budget	Supervise the implementation of the Company's 2020 Work Plan and Budget	Supervisory Report of the Board of Commissioners on the Implementation of the Company's 2020 Work Plan and Budget in semester I and semester II has been submitted to the GMS
16	Review of the remuneration proposal of the Board of Directors	Comprehensive calculation of remuneration for the Board of Commissioners and the Board of Directors	Submit the proposal on the calculation of the 2019 tantien and the adjustment of the remuneration for the Board of Commissioners and Board of Directors in 2020 to the GMS
17	Monitoring on the performance of the Board of Directors	Ensure the performance of the Board of Directors is in accordance with the determined work plan and in accordance with Good Corporate Governance	Regular joint meetings of the Board of Commissioners and Board of Directors regarding monthly management reports throughout 2020
18	Monitoring of guaranteed projects	Ensure that the risk management of the guaranteed project has been properly monitored	Periodic meetings with RM division regarding risk monitoring of guaranteed projects, which carried out quarterly
19	Monitoring of IIGF Institute activities	Ensure that the IIGF Institute division has conducted work programs in accordance with the Company's 2020 Work Plan and Budget	Meetings related to IIGF Institute activities have been held in June 2020



No	Activity	Objectives	Target
20	Evaluation of CSR activities	Ensure the Company's CSR activities are in accordance with the determined work and following the Good Corporate Governance	Meetings of the Board of Commissioners regarding the evaluation of CSR activities were held in June and October 2020
21	Submission of reports on the implementation of the Board of Commissioners duties and responsibilities	Conduct the obligation to implement Good Corporate Governance in the Limited Liability Companies (Persero) in accordance with the Regulation of the Minister of Finance No. 88/PMK.06/2015	Reports on the implementation of the duties and responsibilities of the Board of Commissioners to be submitted to the GMS in a timely manner on every quarter
22	Submission of reports on the realization of the Board of Commissioners' KPI achievements		Reports on the realization of the Board of Commissioners' KPI achievements to be submitted to the GMS in a timely manner on every quarter
23	Assessment of the 2020 GCG implementation by Finance and Development Supervisory Agency (BPKP)	Ensure that the Company has carried out the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) in accordance with the Regulation of the Minister of Finance No. 88/PMK.06/2015	GCG implementation assessment in 2020 by BPKP has been completed based on the minutes of the exit meeting assessment of the Company's GCG implementation in 2020 with an overall score of 89.120
24	Proposal for the determination of Public Accounting Firm for the Company's 2020 Financial Statements Audit to the GMS	In accordance with Article 56 paragraph (1) of the Regulation of the Minister of Finance No. 88/PMK.06/2015, the Company's Annual Financial Statements to be audited by external auditor appointed by the GMS from the candidates proposed by the Board of Commissioners	The Board of Commissioners has submitted to the GMS, the proposal to appoint Public Accounting Firm to conduct general audit of the financial statements of PT Penjaminan Infrastruktur Indonesia (Persero) for the 2020 Fiscal Year through Letter No. S-22/PII/DK/0920 September 10, 2020
25	Competency improvement of the members of the Board of Commissioners	Improve the competency of the members of the Board of Commissioners	Throughout 2020, Training and Seminars attended by the Board of Commissioners both in Indonesia and overseas were attended virtually

Conflict of Interest

To minimize the occurrence of conflicts of interest, each member of the Board of Commissioners is required to make a Special Register containing information regarding their share ownership. The list is kept and administered by the Secretary to the Board of Commissioners. As of December 31, 2020, all members of the Board of Commissioners have not owned any of the Company's shares.

Affiliated Relationship Of The Board Of Commissioners

The Board of Commissioners has no financial, management, share ownership and/or family relationship with other members of the Board of Commissioners and/or with shareholders or other relationships with the Company that may affect its independence.

Decisions and Recommendations of the Board of Commissioners

All decisions from the joint meetings of the Board of Commissioners and the Board of Directors contained in the Minutes of the Meeting are monitored for its follow-up on the subsequent meeting. The Board of Commissioners conducts the duties and functions, among others by providing recommendations to the Board of Directors. The Secretary of the Board of Commissioners is assigned to monitor the follow-up of the decisions and recommendations from the Board of Commissioners.



As of December 31, 2020, the Board of Commissioners has issued the Decree of the Board of Commissioners as follows:

DECREES OF THE BOARD OF COMMISSIONERS THROUGHOUT 2020

No	Decree No.	Date	Subject
1	KEP-01/KOM/PII/01/2020	January 2, 2020	Decree concerning the Extension of the Term of Assignment of the Staff of Secretary of the Board of Commissioners, Aulia Alam Perkasa
2	KEP-02/KOM/PII/04/2020	April 28, 2020	Division of Duties of the Company's Board of Commissioners - 2020
3	KEP-03/KOM/PII/04/2020	April 28, 2020	Dismissal and Appointment of the Chairman of the Audit Committee 2020
4	KEP-04/KOM/PII/04/2020	April 28, 2020	Dismissal and Appointment of the Chairman of the Risk Monitoring Committee 2020
5	KEP-05/KOM/PII/06/2020	June 17, 2020	Appointment of the Member of the Audit Committee, Marsiyati
6	KEP-06/KOM/PII/12/2020	December 22, 2020	Determination of the Work Plan of the Board of Commissioners and the Organs of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) 2021
7	KEP-07/KOM/PII/12/2020	December 29, 2020	Joint Decree concerning the Whistleblowing Management Team of PT Penjaminan Infrastruktur Indonesia (Persero)
8	KEP-08/KOM/PII/12/2020	December 29, 2020	Joint Decree concerning the Gratification Control Unit of PT Penjaminan Infrastruktur Indonesia (Persero)

LETTERS OF THE BOARD OF COMMISSIONERS THROUGHOUT 2020

No	Letter No.	Date	Subject
1	S-01/PII/DK/0120	January 23, 2020	Follow-up on the Ratification of the Company's 2020 Work Plan and Budget
2	S-02/PII/DK/0120	January 29, 2020	Response to the Request for Approval on the Change of Internal Audit Division Head
3	S-03/PII/DK/0120	January 31, 2020	Report of the KPI Achievements of the Board of Commissioners for the 4 th Quarter of 2019
4	S-04/PII/DK/0120	January 31, 2020	Determination of the 2020 Performance Contracts/Key Performance Indicator (KPI) of the Board of Directors of PT Penjaminan Infrastruktur Indonesia (Persero)
5	S-05/PII/DK/0220	February 27, 2020	Supervisory Report of the Work Plan and Budget of PT Penjaminan Infrastruktur Indonesia (Persero) of 2 nd Semester 2019
6	S-06/PII/DK/0220	February 28, 2020	Representation Letter to PwC for 2019 Fiscal Year Audit
7	S-07/PII/DK/0220	February 28, 2020	Report on the Implementation of Duties and Responsibilities of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 4 th Quarter of 2019
8	S-08/PII/DK/0420	April 8, 2020	Evaluation of Internal Audit and Internal Control Activities of PT Penjaminan Infrastruktur Indonesia (Persero) in 2019
9	S-09/PII/DK/0420	April 30, 2020	Report on the Implementation of Duties and Responsibilities of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 1 st Quarter of 2019
10	S-10/PII/DK/0420	April 30, 2020	Report on the KPI Achievement of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 1 st Quarter of 2020
11	S-11/PII/DK/0520	May 11, 2020	Implementation of Religious Holiday Allowance (THR) Payment in 2020
12	S-12/PII/DK/0520	May 29, 2020	Commissioners on the implementation of the Company's 2019 Work Plan and Budget

**LETTERS OF THE BOARD OF COMMISSIONERS THROUGHOUT 2020**

No	Letter No.	Date	Subject
13	S-13/PII/DK/0620	June 4, 2020	Response to the Proposal of Adjustment to the Company's Articles of Association in accordance with Regulation of the Minister of Finance No. 197 PMK.06 2019
14	S-14/PII/DK/0620	June 16, 2020	Procurement of Public Accounting Firm to conduct General Audit on the Company's 2020 Financial Statements
15	S-15/PII/DK/0820	July 30, 2020	Response to the Proposal of the Additional State Equity Participation of PT Penjaminan Infrastruktur Indonesia (Persero) for 2020 Fiscal Year
16	S-16/PII/DK/0720	August 4, 2020	Report on the KPI Achievement of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 2 nd Quarter of 2020
17	S-17/PII/DK/0820	August 4, 2020	Follow-up on the Results of the Assessment on the Implementation of Good Corporation Governance (GCG) at PT Penjaminan Infrastruktur Indonesia (Persero) in 2019
18	S-18/PII/DK/0820	August 4, 2020	Anticipation to the Audit conducted by the Audit Board of the Republic of Indonesia (BPK RI) at PT Penjaminan Infrastruktur Indonesia (Persero)
19	S-19/PII/DK/0820	August 24, 2020	Report on the Implementation of Duties and Responsibilities of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 2nd Quarter of 2020
20	S-20/PII/DK/0820	August 24, 2020	Supervisory Report of the Work Plan and Budget of PT Penjaminan Infrastruktur Indonesia (Persero) for the 1st Semester of 2020
21	S-21/PII/DK/0920	September 2, 2020	Submission of the Work Plan and Budget Draft of the Board of Commissioners for the 2021 Fiscal Year
22	S-22/PII/DK/0920	September 10, 2020	Proposal for the Appointment of Public Accounting Firm Tanudiredja Wibisana Rintis & Partners (PwC) to conduct General Audit of the 2020 Financial Statements of PT Penjaminan Infrastruktur Indonesia (Persero)
23	S-23/PII/DK/0920	September 21, 2020	Direction on Procurement Policy and Implementation of Procurement Practices at PT Penjaminan Infrastruktur Indonesia (Persero)
24	S-24/PII/DK/092	September 22, 2020	Response to the Proposal of the Adjustment to the Articles of Association of PT Penjaminan Infrastruktur Indonesia (Persero)
25	S-25/PII/DK/1020	October 16, 2020	Response to the Company's 2021 Work Plan and Budget Draft
26	S-26/PII/DK/1020	October 27, 2020	Submission of the 2020 Performance Contract Proposal for the Company's Board of Commissioners
27	S-27/PII/DK/1020	October 27, 2020	Improvement of Human Capital Management - Internal Audit Division Review Results
28	S-28/PII/DK/1020	October 27, 2020	Report on the KPI Achievement of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 3rd Quarter of 2020
29	S-29/PII/DK/1120	November 3, 2020	Response to the 2021 Work Plan and Budget Draft of PT Penjaminan Infrastruktur Indonesia (Persero)
30	S-30/PII/DK/1120	November 13, 2020	Report on the Implementation of Duties and Responsibilities of the Board of Commissioners of PT Penjaminan Infrastruktur Indonesia (Persero) for the 3rd Quarter of 2020
31	S-31/PII/DK/1120	November 13, 2020	Request for Procurement of Independent Assessor to Assess the Implementation of Good Corporate Governance (GCG) of PT Penjaminan Infrastruktur Indonesia (Persero) in 2020
32	S-32/PII/DK/1120	November 30, 2020	Response to the Proposal of the Amendment on the 2020 Work Plan and Budget of PT Penjaminan Infrastruktur Indonesia (Persero)
33	S-33/PII/DK/1220	December 1, 2020	Response to the Draft Amendment of the 2020 Work Plan and Budget of PT Penjaminan Infrastruktur Indonesia (Persero)



INDEPENDENT COMMISSIONER

Independent Commissioners is a member of the Board of Commissioners who is not affiliated with the Board of Directors, other members of the Board of Commissioners, and the Controlling Shareholder, and is free from any business relationship or other relationship which may affect its ability to act independently or solely in the interests of the Company.

As of December 31, 2020, the Company has not yet appointed an Independent Commissioner. This was based on the consideration of the Shareholders that there has been no requirement for the Company to appoint an independent commissioner. However, all members of the Board of Commissioners have no affiliated relationships to prevent conflicts of interest and to enable them in conducting duties and authorities independently without any influence from any party.



BOARD OF DIRECTORS

The Board of Directors is the Company's organ that is collegially responsible for managing the Company. The Board of Directors must act and represent for and on behalf of the Company. The Board of Directors is fully responsible for conducting the duties for the benefit of the Company in achieving its vision and mission. The Board of Directors is also the key to the Company's activities and operations sustainability, to ensure optimal performance added value for Shareholders. Each member of the Board of Directors may carry out duties and make decisions in accordance with the division of duties and authorities.

Composition of the Board of Directors

The Board of Directors consists of 3 (three) members with the following composition:

Name	Position	Basis of Appointment	Passed the Fit & Proper Test
Muhammad Wahid Sutopo	President Director	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 890/KMK.06/2019.	√
Salusra Satria	Finance and Project Assessment Executive Director	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 465/KMK.06/2016.	√
Andre Permana	Business Executive Director	Based on the Decree of the Minister of Finance of the Republic of Indonesia No. 127/KMK.06/2020.	√

All members of the Board of Directors have integrity, competence, reputation and experience as well as expertise needed to carry out their respective functions and duties. All members of the Board of Directors have complied with the requirements in accordance with the provisions of the applicable laws and regulations.

Duties and Scope of Responsibilities of the Board of Directors

Duties and Scope of Responsibilities of the Company's Board of Directors are as follows:

Position	Duties and Responsibilities
President Director	The main focus is achieving the objectives of the Organization: 1. Ensuring business continuity (PDF projects) over a long period of time and ensuring optimal transactional support 2. Developing the Capacity Building program for external parties to support the establishment of guarantee projects 3. Ensuring compliance with the Law on projects guaranteed by the Company Other work focus: 1. Leading the implementation of internal and external synergies 2. Leading the achievement of the Organization's Vision and Mission 3. Creating strategic goals
Finance and Project Assessment Executive Director	The main focus is optimization of project appraisal, claim management and financial management Other work focus: 1. Developing systems and methodologies in terms of project appraisal and monitoring 2. Leading the achievement of targets, compliance and discipline financial records 3. Creating a support work unit that is optimal in driving the achievement of targets of the organization 4. Ensuring the establishment of work culture as well as positive and competitive HR quality



Position	Duties and Responsibilities
Business Executive Director	The main focus is the preparation of a sustainable pipeline Other work focus: 1. Developing and leading the planning and implementation of work programs at the initial stages of preparation and project guarantee scheme 2. Developing and leading financial collaboration with stakeholders 3. Leading the process of organizational integration related to Information Technology and Knowledge Management

Board Charter of the Board of Directors

Board of Directors has Work Procedures that refer to the rules and regulations applicable for the Company and bind each member of the Board of Directors. The Work Procedures have been updated from time to time, which most recently stipulated through the Joint Decree of PT Penjaminan Infrastruktur Indonesia (Persero) No. SK002/BOD/CSC/1219 and No. KEP-10/KOM/PII/12/2019 between The Company's Board of Directors and Board of Commissioners concerning the Ratification of Work Guidelines of the Board of Commissioners and the Board of Directors (Board Manual).

Board Manual

The Board Manual is the guidelines for the Board of Directors and Board of Commissioners in carrying out their duties in order to create a professional, transparent and efficient management of the Company. The Board Manual is based on the principles of corporate law, the applicable laws and regulations, the provisions of the Articles of Association, and the principles of Good Corporate Governance, namely transparency, accountability, responsibility, independency, and fairness. The objectives of preparing and implementing the Board Manual are as follows:

1. Providing clarity on the main duties, functions and authorities of each organ of the Company;
2. Improving the quality and effectiveness of work relationship between organs; and
3. Implementing GCG principles

The contents of the Board Manual related to the Board of Directors are as follows:

- General Requirements
- Distribution of Duties of the Board of Directors
- Duties, Authorities and Obligations of the Board of Directors
- Meeting and Decision Making of the Board of Directors
- Conflict of Interest

- Vacancies and Delegation of Authorities
- Temporary Dismissal and Resignation of the Board of Directors
- Supporting Organs of the Board of Directors
- Reporting
- Performance Assessment

The implementation of the Board Manual is a form of commitment from the Board of Commissioners and Board of Directors in order to implement GCG principles, with the hope that a harmonious working relationship scheme shall be created in the effort to achieve the Company's Vision and Mission.

Criteria for the Board of Directors

The general criteria for the selection of members of the Board of Directors are as follows:

1. Have the understanding of management and corporate governance;
2. Have the ability to formulate and implement strategic policies for developing the Company;
3. Have the ability to develop the Company;
4. Have sufficient expertise and knowledge in the area of their responsibility;
5. Have good leadership;
6. Good reputation in the implementation of previous duties;
7. Have integrity and good morals;
8. Able to carry out legal actions;
9. Never been declared bankrupt or is a member of the Board of Commissioners/Directors found guilty of causing a company to be declared bankrupt within 5 (five) years prior to the election;
10. Never been convicted of a criminal act that was detrimental to state finances and/or related to the financial sector within 5 (five) years prior to the election.



Nominations for Members of the Board of Directors

The nomination and selection of candidates for members of the Board of Directors is based on:

1. Regulation of the Minister of Finance No. 78/PMK.06/2015 concerning Procedures for Appointment and Dismissal of Members of the Board of Directors of Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance;
2. Regulation of the Minister of Finance No. 59/PMK.06/2016 concerning Amendment to the Regulation of the Minister of Finance No. 78/PMK.06/2015 concerning Procedures for Appointment and Dismissal of Members of the Board of Directors of Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance.
3. Regulation of the Minister of Finance No. 135/PMK.06/2017 concerning the Second Amendment to the Regulation of the Minister of Finance No. 78/PMK.06/2015 concerning Procedures for Appointment and Dismissal of Members of the Board of Directors of Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance

Introduction Program of the Board of Directors

During 2020, a new member of the Board of Directors was appointed. Introduction program of the Board of Directors was carried out on April 23, 2020 virtually through zoom cloud meetings, in order to comply with health protocols and Government policies related to the Large-Scale Social Restrictions (PSBB) that were taking place in DKI Jakarta during that period.

Concurrent Position of the Board of Directors

Members of the Company's Board of Directors have not served as members of the Board of Directors in other companies, or other positions prohibited based on the Company's Articles of Association and the prevailing laws and regulations.

Conflict of Interest

To minimize the occurrence of conflicts of interest, each member of the Board of Directors is required to make a Special Register containing information regarding their share ownership and/or their families in the Company as well as other companies. The list is kept and administered by the Corporate Secretary. As of December 31, 2020, all members of the Board of Directors have not owned any of the Company's shares.

Competency Development Program of the Board of Directors

During 2020, members of the Board of Directors have participated in training activities and seminars. Information regarding Competency Development Program of the Board of Directors can be found in the Company Profile Chapter on page 102.

Decisions of the Board of Directors in 2020

During 2020, members of the Board of Directors have issued various decisions in the areas of human resource management, finance, business operations, and strategic aspects.



GOOD CORPORATE GOVERNANCE IMPLEMENTATION ASSESSMENT

Periodically, the Company conducts GCG implementation assessment as required in the Regulation of the Minister of Finance No. 88/PMK.06/2015 dated April 28, 2019 concerning the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance. The objectives of GCG implementation assessment are as follows:

- Examine and assess the implementation of GCG by elaborating the implementation of GCG in comparison with predetermined indicators and parameters.
- Provide an overview of the results from such assessment by giving a score on the implementation of GCG, along with recommendations for improvements, in order to reduce the gap between the implementation and testing parameters.
- Monitor the consistency of GCG implementation in the Company's organization, and obtain input for the improvement and development of GCG policies.
- Encourage the management of the Company to be more professional, transparent and efficient, as well as empowering functions and increasing the independence of the Company's Organs.

GCG Assessment Criteria

The parameters of GCG assessment used are based on the parameters of the Decree of the Minister of Finance No. 505/KMK.06/2020 consisting of 6 (six) aspects, 43 Parameters, 153 Indicators and 568 Conformity Testing Factors.

The Party Conducting the Assessment

GCG implementation assessment is conducted in 2 methods, namely GCG assessment which is carried out periodically every year by independent assessors and GCG evaluation which is carried out in the following year. In principle, the evaluation is carried out by the Company (self-assessment) in which in its implementation, the Company may ask for assistance from independent assessors.

GCG Assessment Score in the Last 5 (Five) Years

The results of the Company's GCG assessment for the last 5 (five) years are as follows:

Year	GCG Assessment Score	Organizer
2016	82,620	Financial and Development Supervisory Agency
2017	80,553	Financial and Development Supervisory Agency
2018	86,709	Financial and Development Supervisory Agency
2019	89.082	Financial and Development Supervisory Agency
2020	89,120	Financial and Development Supervisory Agency



GOOD CORPORATE GOVERNANCE IMPLEMENTATION ASSESSMENT 2020

The latest GCG assessment was conducted in 2020, which was carried out by an Independent Party, namely the Financial and Development Supervisory Agency. Based on the results of the assessment, the Company received the score of 89.120, in the "EXCELLENT" category, an increase compared to previous years.

Summary of the assessment/evaluation of the Company's GCG implementation is as follows:

Assessment Aspect/Indicator/Parameter		Weight	2020 Achievement	
			Score	Achievement %
I	Commitment to Sustainable Implementation of Good Corporate Governance	7,00	6,163	88,038
II	Shareholders and GMS / Shareholders.	9,00	8,654	96,154
III	Board of Commissioners / Supervisory Board	35,00	32,483	92,807
IV	Board of Directors	35,00	33,026	94,360
V	Information Disclosure and Transparency	9,00	8,794	97,716
VI	Other Aspect	5,00	0,000	
OVERALL SCORE		100,00	89,120	
CLASSIFICATION OF GCG IMPLEMENTATION QUALITY			EXCELLENT	

From the results of the 2020 GCG assessment, there were 48 recommendations for areas of improvement with details of responsible party as follows:

No	Responsible Party for Recommendations	Number of Recommendations
1	Shareholders	2
2	Board of Commissioners	26
3	Board of Directors	20

The increase in the GCG implementation assessment score every year is a proof of the commitment of the Company's Shareholders, Management and all employees to consistently implement GCG principles in every activity of the Company and is committed to following up on all recommendations for improving areas of improvement resulting from the GCG assessment every year.



GOOD CORPORATE GOVERNANCE IMPLEMENTATION ASSESSMENT 2019

GCG Assessment Results

The results of the last GCG assessment were conducted in 2019 by the Financial and Development Supervisory Agency.

Based on the results of the assessment, the Company received the score of 89.082, in the "EXCELLENT" category, an increase compared to previous years.

Summary of the results of the assessment/evaluation of the Company's GCG implementation is as follows:

Assessment Aspect/Indicator/Parameter		Weight	2019 Achievement	
			Score	Achievement %
I	Commitment to Sustainable Implementation of Good Corporate Governance	7,00	6.329	90.414
II	Shareholders and GMS / Shareholders.	9,00	8.301	92.233
III	Board of Commissioners / Supervisory Board	35,00	32.733	93.523
IV	Board of Directors	35,00	32.736	93.531
V	Information Disclosure and Transparency	9,00	8.358	92.867
VI	Other Aspect	5,00	0.625	
OVERALL SCORE		100,00	89,082	
CLASSIFICATION OF GCG IMPLEMENTATION QUALITY			EXCELLENT	

The table above illustrated the comparison between the conditions against the best practices for the Company's GCG implementation. Some aspects of the assessment have approached the standard and best practice; however improvements were still needed in certain areas.

From the results of the 2019 GCG assessment, there were 58 recommendations for areas of improvement with details of responsible party as follows:

No	Responsible Party for Recommendations	Number of Recommendations	Follow Up in 2020	Reasons for Not Yet Followed Up
1	Commitment to GCG	6	4	Still in the process of being finalized
2	Shareholders	12	12	-
3	Boards of Commissioners	19	17	Still in the process of being finalized
4	Boards of Directors	17	10	Still in the process of being finalized
5	Information and Transparency	4	4	-



GCG IMPLEMENTATION ASSESSMENT OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

From the results of the GCG assessment in 2020, the Board of Commissioners received the score of 92.807%, while the Board of Directors received the score of 94.360%.

In general, GCG assessment of the Board of Commissioners includes the following aspects:

1. The Board of Commissioners hold training/learning programs on an ongoing basis.
2. The Board of Commissioners performs a clear division of duties, authorities and responsibilities and determines the factors needed to support the implementation of its duties.
3. The Board of Commissioners approves the Company's Long-Term Plan Draft or its changes and the Company's Work Plan and Budget Draft or its changes submitted by the Board of Directors.
4. The Board of Commissioners provides direction to the Board of Directors on the implementation of the Company's policy plans.
5. The Board of Commissioners supervises the Board of Directors on the implementation of the Company's plans and policies.
6. The Board of Commissioners supervises the implementation of policies for managing subsidiaries/associates.
7. The Board of Commissioners performs the role in nominating a candidate of the members of the Board of Directors, assessing the performance of the Board of Directors (individual and collegial) and proposing tantien/incentives for the performance of the Board of Directors and the Board of Commissioners in accordance with the applicable regulations and taking into account the performance of the Board of Directors and the Board of Commissioners.
8. The Board of Commissioners takes action against potential conflicts of interest concerning them.
9. The Board of Commissioners monitors and ensures that Good Corporate Governance practices have been implemented effectively and sustainably.
10. The Board of Commissioners measures and evaluates the performance of the Board of Commissioners.
11. The Board of Commissioners holds effective Board of Commissioners Meetings and attends the Board of Commissioners Meetings in accordance with the laws and regulations.
12. The Board of Commissioners establishes the Secretariat of the Board of Commissioners to support the duties and operations of the Board of Commissioners.
13. The Board of Commissioners has effective Board of Commissioners Committees.

In general, GCG assessment of the Board of Directors includes the following aspects:

1. The Board of Directors holds training/learning programs on an ongoing basis.
2. The Board of Directors performs a clear division of duties, authorities and responsibilities.
3. The Board of Directors prepares the Company's planning.
4. The Board of Directors perform a role in meeting the Company's performance targets.
5. The Board of Directors carries out operational and financial control over the implementation of the Company's plans and policies.
6. The Board of Directors carries out the Company's management in accordance with the provisions of laws and regulations and the Articles of Association.
7. The Board of Directors conducts value-added relationships for the Company and stakeholders.
8. The Board of Directors monitors and manages potential conflicts of interest between members of the Board of Directors and management under the Board of Directors.
9. The Board of Directors ensures that the Company carries out information and communication disclosure in accordance with the provisions of the laws and regulations and conveys information to the Board of Commissioners and Shareholders in a timely manner.
10. The Board of Directors holds the Board of Directors Meetings and attends the Board of Commissioners Meetings in accordance with the provisions of the laws and regulations.
11. The Board of Directors is required to conduct internal supervision.
12. The Board of Directors carries out the secretarial function of the Company.
13. The Board of Directors holds the Annual GMS and other GMS in accordance with the provisions of the laws and regulations.

The Party Conducting the GCG Assessment

The party carrying out the GCG assessment is the Financial and Development Supervisory Agency. The assessment parameters refer to the Decree of the Minister of Finance No. 505/KMK.06/2020 concerning Guidelines for Assessment and Evaluation of the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance.



DESCRIPTION OF THE REMUNERATION POLICY FOR THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Referring to Article 96 paragraph (1) of Law No. 40 of 2007 concerning Limited Liability Companies, the amount of salary and allowances for the Board of Directors is determined based on GMS resolution. The authority based on Article 96 paragraph (2) can be delegated to the Board of Commissioners.

Determination of the remuneration for the Board of Commissioners and the Board of Directors is based on considerations including: fairness, increasing demands and responsibilities of managing the Company as well as the increasing need for Cost of Living Adjustment (COLA) and comparisons of similar industries.

Procedures for Determining the Remuneration for the Board of Commissioners and the Board of Directors

The mechanism for determining remuneration is as follows:

1. The Board of Directors submits a proposal for the remuneration of the Board of Directors to the Board of Commissioners.
2. The Board of Commissioners who carries out the nomination and remuneration functions conducts review related to the determination of remuneration. This review can be done by asking for assistance from an independent party.
3. The Board of Commissioners review the proposals from the Board of Directors and independent parties (if any) to be submitted to the GMS.
4. The GMS reviews the proposal from the Board of Commissioners.
5. The GMS shall approve and determine the remuneration for the Board of Commissioners and the Board of Directors.

The remuneration for the Board of Commissioners and the Board of Directors refers to GMS resolution by taking into account the proposal and review conducted by the Company. The study in determining remuneration considers aspects such as:

1. Financial performance and achievement of Key Performance Indicators (KPI).
2. Fairness with other peer companies.
3. Consideration of the Company's long-term goals and strategies.

REMUNERATION FOR THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

REMUNERATION POLICY FOR THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The remuneration policy for the Board of Commissioners and the Board of Directors refers to the provisions of the Regulation of the Minister of Finance No. 200/PMK.06/2018 concerning Guidelines for Determining the Income of the Board of Directors and Board of Commissioners of Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance.

REMUNERATION STRUCTURE OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The components of the Remuneration for the Board of Commissioners consist of:

1. Salary and/or Honorarium;
2. Allowances;
3. Facilities;
4. Tantiem/Performance Incentives; and
5. Other Income.

The components of the Board of Directors' Remuneration consist of:

1. Salary and/or Honorarium;
2. Allowances;
3. Facilities;
4. Tantiem/Performance Incentives; and
5. Other Income.

Total Remuneration For The Board Of Commissioners And Board Of Directors

Description	Amount
Board of Commissioners	4.077.725
Board of Directors	11.337.156
Jumlah	15.414.881

Non-Performance Bonuses and Stock Options

There are no non-performance bonuses and stock options given to each member of the Board of Commissioners and Board of Directors.



MEETING FREQUENCY AND ATTENDANCE OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Board of Commissioners Meeting

The Company's Board Manual explains that the Board of Commissioners meetings are held at least once a month. The Board of Commissioners meetings consist of the Internal Meetings of the Board of Commissioners and the Joint Meetings of the Board of Commissioners and the Board of Directors.

The Board of Commissioners regularly conducts meetings, both internal meetings and joint meetings with the Board of Directors. During 2020, the Board of Commissioners held 19 meetings.

The frequency of attendance of each member of the Board of Commissioners in Internal Meetings of the Board of Commissioners and Board of Directors in 2020 is as follows:

Name	Position	Internal Meetings of the Board of Commissioners (19 meetings)	
		Total	%
Awan Nurmawan Nuh	President Commissioner	19	100
Mariatul Aini	Commissioner	19	100
Wahyu Utomo	Commissioner	19	100

AGENDA OF INTERNAL MEETINGS OF THE BOARD OF COMMISSIONERS

No	Date	Agenda
1	January 20, 2020	- Individual KPIs of the Board of Directors for 2020 - Update of 2020 Strategic Plan - Results of the Board of Commissioners' Organ Meeting with the Technical Team of the Board of Directors on January 11, 2020 - Discussion on Management Report of December 2019 - Follow-up of the Shareholders direction in the GMS for the Company's 2020 Work Plan and Budget
2	February 20, 2020	- Management Report Highlights of January 2020 - Evaluation of the Company's Accounting Policies
3	March 20, 2020	- Management Report Highlights of February 2020 - Audit Results for 2019 Fiscal Year Conducted by PwC Public Accounting Firm - Application of SFAS 71, 72, and 73 - Guidance & Consultation Division Business Plan
4	April 28, 2020	- Division of Duties of the Board of Commissioners - Authorities and Responsibilities of the Board of Commissioners - Performance Contracts for the Board of Directors and the Board of Commissioners 2019 GCG Implementation - Management Report of March 2020 - Accomplishment/Prognosis of the the Board of Commissioners KPIs for the 1st Quarter of 2020
5	May 7, 2020	- Evaluation of the Company's HR Management - Development of HR Blueprint
6	May 18, 2020	- Management Report of April 2020 - Discussion of the policy/design of the internal control system and its implementation.
7	June 5, 2020	Preparation of the GMS for the Company's 2019 Annual Report
8	June 16, 2020	Introduction to CEO Office Division: Joint office and CSR Issues
9	June 18, 2020	- Management Report of May 2020 - Guarantee Fee Relaxation
10	June 28, 2020	- Management Report Highlights of June 2020 - Proposal for Additional State Equity Participation for 2020 Fiscal Year - Results of the Risk Monitoring Committee Meeting - IT Policy Review - Accomplishment/Prognosis of Board of COMmisssioners KPIs for 2nd Quarter of 2020
11	August 25, 2020	- Management Report Highlights of July 2020 - Discussion on the 2021 Work Plan and Budget (RKA) and Cost Budget Plan (RAB) of the Secretariat of the Board of Commissioners



AGENDA OF INTERNAL MEETINGS OF THE BOARD OF COMMISSIONERS

No	Date	Agenda
12	August 28, 2020	Discussion on the Letter of the Board of Directors concerning the Amendment to the Company's Articles of Association
13	September 19, 2020	Discussion on the Amendment to the Company's Articles of Association related to Expansion of Mandate – increase in authorized capital
14	September 22, 2020	1. Management Report Highlights of August 2020 2. Review of Procurement Policy 3. The Process of Appointing Public Accounting Firm for the Company's 2020 Financial Statements Audit
15	October 15, 2020	1. Response of the Board of Commissioners to the Company's 2021 Work Plan and Budget 2. Accomplishment/Prognosis of Board of Commissioners KPIs for 3rd Quarter of 2020
16	November 17, 2020	Management Report Highlights of October 2020
17	November 29, 2020	Discussion on the Company's 2020 Revised Work Plan and Budget
18	November 30, 2020	Discussion on the Company's 2020 Revised Work Plan and Budget with the Board of Directors
19	December 22, 2020	Management Report Highlights of November 2020

The frequency of attendance of each member of the Board of Commissioners at the Joint Meetings of the Board of Commissioners and the Board of Directors in 2020 is as follows:

Name	Position	Joint Meetings of the Board of Commissioners and the Board of Directors (18 meetings)	
		Jumlah	%
Awan Nurmawan Nuh	President Commissioner	18	100
Mariatul Aini	Commissioner	18	100
Wahyu Utomo	Commissioner	18	100

AGENDA OF JOINT MEETINGS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

No	Date	Agenda
1	January 29, 2020	1. Management Report of December 2019 2. Discussion on the 2020 Individual KPIs of the Board of Directors
2	February 24, 2020	1. Management Report of January 2020 2. Update on the Company's Decade Program 2020 3. BPKP's Exit Meeting on the Company's 2019 GCG Assessment
3	March 26, 2020	1. Management Report of February 2020 2. Mechanism of Action during COVID-19 3. Risk Management in Dealing with COVID-19
4	April 30, 2020	Discussion on Management Report of March 2020
5	May 19, 2020	1. Stress test and scenario analysis of COVID-19 2. Management Report of April 2020
6	June 3, 2020	Preparation of the Annual GMS
7	June 11, 2020	Preparation of the Annual GMS
8	June 23, 2020	1. Discussion on Management Report 2. Guarantee Fee Relaxation Assessment
9	July 22, 2020	Corporation Guarantee - Assignment of the National Economic Recovery Program

**AGENDA OF JOINT MEETINGS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS**

No	Date	Agenda
10	July 30, 2020	1. Management Report 2. HR Governance 3. IT Development Progress
11	August 4, 2020	1. Management Report 2. HR Governance 3. IT Development Progress
12	September 8, 2020	Discussion on Management Report of July 2020
13	September 29, 2020	Discussion on Management Report of August 2020
14	October 27, 2020	Discussion on the Company's 2021 Work Plan and Budget
15	November 5, 2020	Discussion on Management Report of September 2020
16	November 24, 2020	Discussion on Management Report of October 2020
17	December 17, 2020	Preparation of the GMS for the Company's 2021 Work Plan and Budget (Dec 21, 2020)
18	December 29, 2020	Discussion on Management Report of November 2020

The frequency of attendance at the Audit Committee meetings in 2020 is as follows:

Name	Position	Board of Commissioners Meetings (15 meetings)	
		Total	%
Mariatul Aini	Head of the Audit Committee	15	100
Ahmad Ghufon	Member of the Audit Committee	15	100
Marsiyati	Member of the Audit Committee	15	100

AGENDA OF THE BOARD OF COMMISSIONERS MEETINGS WITH THE AUDIT COMMITTEE

No	Date	Agenda
1	January 6, 2020	Entry meeting of GCG assessment with BPKP for 2019 audit year
2	February 13, 2020	Follow-up on Internal Audit's recommendations – 4 th Quarter
3	February 18, 2020	Discussion on the Public Accounting Firm's Audit Progress for 2019 Fiscal Year with PwC and the Audit Committee
4	March 12, 2020	The Company's Accounting Policies (SFAS 71,72.73)
5	April 9, 2020	Internal Audit's 2020 Work Plan & Follow-up on the Internal Audit's recommendations – 1 st Quarter
6	May 5, 2020	Work Plan & Realization, as well as Follow Up on Audit Results of the Company's Non-PPP Guarantee
7	June 2, 2020	Update of IIGF Institute Division
8	July 3, 2020	Discussion of Audit Committee – Internal Audit regarding the Follow-up on BPK's letter
9	July 14, 2020	Internal Audit report on audit results of 2 nd Quarter
10	August 13, 2020	Follow up on AOIs from 2019 GCG Assessment by BPKP
11	September 10, 2020	1. Discussion on the Procurement of Public Accounting Firm for the Company's Financial Statements Audit for 2020 Fiscal Year 2. Evaluation of the Procurement Policy and its Implementation



AGENDA OF THE BOARD OF COMMISSIONERS MEETINGS WITH THE AUDIT COMMITTEE

No	Date	Agenda
12	October 19, 2020	Evaluation on the Company's CSR Policy – 2020 Realization and 2021 Work Plan
13	October 20, 2020	1. Report on Non-Audit Activities for 3 rd Quarter 2. Report on Internal Audit Activities for 3 rd Quarter
14	November 11, 2020	Investment Performance of September 2020 & Projected Achievement of December 2020 - Treasury & Investment Division
15	December 28, 2020	Follow-up on the results of review on the function management of Human Capital division

The frequency of attendance at Risk Monitoring Committee meetings in 2020 is as follows:

Name	Position	Risk Monitoring Committee Meetings (13 meetings)	
		Total	%
Wahyu Utomo	Head of the Risk Monitoring Committee	13	100
Iqbal Islami	Member of the Risk Monitoring Committee	12	92
Ferry Irawan	Member of the Risk Monitoring Committee	13	100

AGENDA OF RISK MONITORING COMMITTEE MEETINGS

No	Date	Agenda
1	Januari 29, 2020	Risk Management Contingency Review Quarter IV & Risk Management Update of Quarter IV
2	February 5, 2020	Discussion of ERM framework with consultant
3	February 27, 2020	1. Development of projects that have been managed in 2019 2. 2020 Work plan and its realization until the end of February 2020. 3. Other things related to the Guidance and Consultation Division which need to be addressed.
4	March 26, 2020	1. Development of projects that have been managed in 2019 2. 2020 Work plan and its realization until March 2020. 3. Other things related to Underwriting Division that need to be addressed.
5	April 23, 2020	Risk Management Performance Review Q1 of 2020
6	May 12, 2020	1. Introduction to PMCM Division 2. Project Risk Management update as of April 2020
7	June 9, 2020	Updated on the Jogja – Bawen toll road project
8	July 9, 2020	Risk Management performance report for Q2 period
9	August 18, 2020	Jatiluhur 1 SPAM Project
10	September 15, 2020	Pekanbaru SPAM Project Update
11	October 13, 2020	1. Development of Annual Plan of RM Division- KPI 2. Risk Monitoring of Quarter III 3. ISO 37001 Anti-Bribery Management System Development Plan (SMAP)
12	October 19, 2020	Evaluation on the Company's CSR Policy - 2020 Realization and 2021 Work Plan
13	December 23, 2020	Progress Update of Patimban Port Guarantee Project



Board of Directors Meetings

Based on the provisions in the Board Manual, the Board of Directors holds regular internal meetings at least once every month.

The Board of Directors conducts regular internal meetings and attends joint meetings of the Board of Commissioners and the Board of Directors. Decisions taken at the Board of Directors meetings are based on the principle of deliberation for consensus or by majority voting.

Frequency of attendance of each member in the Internal Meetings of the Board of Directors in 2020 is as follows:

Name	Position	Board of Directors Meetings	
		Total	%
Muhammad Wahid Sutopo	President Director	52	100
Salusra Satria	Finance and Project Assessment Executive Director	52	100
Andre Permana	Business Executive Director	44*	100

* Mr. Andre Permana has only been active as Member of the Company's Board of Directors in April 2020

AGENDA OF INTERNAL MEETINGS OF THE BOARD OF DIRECTORS

No	Meeting Date	Meeting Agenda
1	January 7, 2020	Update on the Hang Nadim Airport PPP Project Guarantee
2	January 28, 2020	Management Report of December 2019
3	February 5, 2020	Preparation of the PPP Project Agreement signing for the Development of Komodo Labuan Bajo Airport
4	February 17, 2020	1. Management Report of January 2020; 2. Discussion on the appraisal results of the Pekanbaru SPAM PPP Project Guarantee
5	February 24, 2020	Discussion on the appraisal results of direct loan guarantees for PLTP Dieng 2 and PLTP Patuha 2 projects of PT Geo Dipa Energi (Persero)
6	March 5, 2020	Update on the process and indication of guarantee fee for the Pekanbaru SPAM PPP Project
7	March 11, 2020	1. Further discussion of the indicative guarantee fee for the Pekanbaru SPAM PPP Project 2. Postponement of Toll Road Tariff Increase
8	March 17, 2020	Management Report of February 2020
9	April 9, 2020	1. Follow-up update on the direct loan guarantees plan for PLTP Dieng 2 and PLTP Patuha 2 projects of PT Geo Dipa Energi (Persero); 2. Update the RSUD Krian Sidoarjo PPP Project
10	April 14, 2020	Corporate Update
11	April 21, 2020	Management Report of March 2020
12	April 29, 2020	Status Update and Discussion on the Recourse of East Trans Sumatra Non-Toll Road PPP Project - Sumatra South Section
13	May 14, 2020	1. Presentation of the Appraisal Results of Jatiluhur SPAM Project; 2. Proposal for Guarantee Tenor and Exposure; 3. Indication of Guarantee Fee; 4. Other agenda (Yogya-Bawen Toll Project)
14	May 13, 2020	Management Report of April 2020
15	June 16, 2020	Management Report of May 2020



AGENDA OF INTERNAL MEETINGS OF THE BOARD OF DIRECTORS

No	Meeting Date	Meeting Agenda
16	June 18, 2020	1. Discussion on the Results of Guarantee Appraisal of Yogyakarta-Bawen PPP Project; 2. Proposal of Guarantee Coverage Indication for Yogyakarta-Bawen PPP Project
17	June 22, 2020	Discussion on Loan Guarantee for PLTP Dieng-2 and Patuha-2 Projects of PT Geo Dipa Energi
18	July 6, 2020	Issuance of In-Principal Approval (IPA) for Yogya - Bawen Toll Road PPP Project
19	July 7, 2020	Discussion on the Appraisal Results and Proposal of Guarantee Coverage Indication for Solo-Yogyakarta-Kulonprogo Toll PPP Project
20	July 10, 2020	1. Update on Payment Status of AP Palapa Ring Project and Guarantee Claim Mechanism; 2. Issuance of In-Principal Approval (IPA) for Solo - Yogya - Kulonprogo Toll Road PPP Project
21	July 17, 2020	Preparation for the Signing of Direct Loan Guarantee Agreement for PLTP Dieng 2 and PLTP Patuha 2 PT Geo Dipa Energi (Persero) Projects
22	July 20, 2020	Management Report of June 2020
23	July 22, 2020	Discussion on the issuance of In-Principal Approval (IPA) for the Jatiluhur I Regional SPAM PPP Project
24	July 24, 2020	Preparation for the Signing of the Agreement for the East Trans Sumatra Road (Non-Toll) PPP Project - South Sumatra Section
25	July 30, 2020	Update on Hang Nadim Airport PPP Project
26	August 11, 2020	1. Discussion on In-Principal Approval (IPA) Issuance of Pekanbaru SPAM PPP Project; 2. Plan for Amendment IV of Manado-Bitung Toll Road Concession Agreement (PPJT)
27	August 25, 2020	Management Report of July 2020
28	September 2, 2020	Discussion on Options of Submitting the Company's Guarantee Documents for PPP Projects with PDF Facilities at the PQ Stage
29	September 7, 2020	Preparation for the Signing of Solo - Yogya - Kulon Progo Toll Road PPP Project Agreement
30	September 21, 2020	1. Management Report of August 2020 2. Discussion on the Appraisal Results of East Trans Sumatra Road PPP Project - Riau Section
31	October 5, 2020	RPP and Evaluation of Project Guarantee for Distribution Network Development Project of Kalimantan and Maluku-Papua using Result-Based Lending Scheme
32	October 7, 2020	Discussion on the Appraisal Results of Karian Serpong SPAM PPP Project
33	October 14, 2020	Discussion on National Strategic Project Guarantee
34	October 23, 2020	Issuance of In-Principal Approval (IPA) for Karian Serpong SPAM PPP Project
35	October 26, 2020	Management Report of September 2020
36	November 2, 2020	Discussion on Guarantee Fee and Submission of Preliminary Draft Agreement of the Implementation of Guarantee for Distribution Network Development Project of Kalimantan and Maluku-Papua using Result-Based Lending Scheme
37	November 5, 2020	Issuance of Draft Guarantee Riau Jalintim PPP Project Agreement
38	November 9, 2020	Preparation for the Signing of Yogya-Bawen Toll Road PPP Project Agreement
39	November 10, 2020	1. Amendment VII of PPJT Batang-Semarang 2. RPP of Distribution Network Development Project of Sulawesi and Nusa Tenggara using Result Based Lending Scheme
40	November 11, 2020	RPP of Distribution Network Development Project of East Java and Bali
41	November 18, 2020	Discussion on the Decree of the Minister of Finance concerning Corporate Guarantee Assignment
42	November 19, 2020	Discussion on the Appraisal Results of Patimban Port PPP Project
43	November 21, 2020	Management Report of October 2020
44	November 24, 2020	Issuance of In-Principal Approval (IPA) for Jalintim Riau PPP Project



AGENDA OF INTERNAL MEETINGS OF THE BOARD OF DIRECTORS

No	Meeting Date	Meeting Agenda
45	November 27, 2020	The Company's 2020 Revised Work Plan and Budget
46	December 2, 2020	Issuance of In-Principal Approval (IPA) for Patimban Port Project
47	December 4, 2020	Preparation for the Signing of the Pekanbaru SPAM PPP Project Agreement
48	December 15, 2020	Signing Preparation: 1. Agreement for Distribution Network Development Project of Kalimantan and Maluku-Papua using Result-Based Lending Scheme; 2. Agreement for Distribution Development Project of Sulawesi and Nusa Tenggara using Result-Based Lending Scheme; 3. Pekanbaru SPAM PPP Project Agreement; 4. Cooperation Agreement concerning the Implementation of Loss Limit Support in the Framework of Government Guarantee for Corporation Business Actors for the Implementation of National Economic Recovery Program
49	December 21, 2020	Discussion on Joint Guarantee in the Framework of Government Guarantee for the National Economic Recovery Program
50	December 28, 2020	Preparation for the Disbursement of State Equity Participation in connection with the Assignment of National Economic Recovery Program Implementation
51	December 22, 2020	Management Report of November 2020
52	December 29, 2020	Preparation for the Signing of Cooperation Agreement in Relation to the Implementation of the Joint Guarantee Assignment in the Framework of Government Guarantee for National Economic Recovery Program

Frequency of attendance of each member of the Board of Directors in Joint Meetings of the Board of Commissioners with the Board of Directors during 2020:

Name	Name	Board of Directors Meetings	
		Total	%
M. Wahid Sutopo	President Director	17	94
Salusra Satria	Executive Director of Finance and Project Assessment	18	100
Andre Permana	Business Executive Director	18	100

AGENDA OF THE JOINT MEETINGS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

No	Meeting Date	Meeting Agenda	Meeting Participants from the Board of Directors
1	January 29, 2020	1. Management Report of December 2019 2. Discussion on the 2020 Individual KPIs of the Board of Directors	Muhammad Wahid Sutopo Salusra Satria Andre Permana
2	February 24, 2020	1. Management Report of January 2020 2. Update on the Company's Decade Program 2020 3. BPKP's Exit Meeting on the Company's 2019 GCG Assessment	Muhammad Wahid Sutopo Salusra Satria Andre Permana
3	March 26, 2020	1. Management Report of February 2020 2. Work Mechanism during COVID-19 3. Risk Management in Dealing with COVID-19	Muhammad Wahid Sutopo Salusra Satria Andre Permana
4	April 30, 2020	Discussion on Management Report of March 2020	Muhammad Wahid Sutopo Salusra Satria Andre Permana
5	May 19, 2020	1. Stress test and scenario analysis of COVID-19 2. Management Report of April 2020	Muhammad Wahid Sutopo Salusra Satria Andre Permana



AGENDA OF THE JOINT MEETINGS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

No	Meeting Date	Meeting Agenda	Meeting Participants from the Board of Directors
6	June 3, 2020	Preparation of the Annual GMS	Muhammad Wahid Sutopo Salusra Satria Andre Permana
7	June 11, 2020	Preparation of the Annual GMS	Muhammad Wahid Sutopo Salusra Satria Andre Permana
8	June 23, 2020	1. Discussion on Management Report 2. Guarantee Fee Relaxation Assessment	Muhammad Wahid Sutopo Salusra Satria Andre Permana
9	July 22, 2020	Corporation Guarantee - Assignment of the National Economic Recovery Program	Muhammad Wahid Sutopo Salusra Satria Andre Permana
10	July 30, 2020	1. Management Report 2. HR Governance 3. IT Development Progress	Muhammad Wahid Sutopo Salusra Satria Andre Permana
11	August 4, 2020	1. Management Report 2. HR Governance 3. IT Development Progress	Muhammad Wahid Sutopo Salusra Satria Andre Permana
12	September 8, 2020	Discussion on Management Report of July 2020	Muhammad Wahid Sutopo Salusra Satria Andre Permana
13	September 29, 2020	Discussion on Management Report of August 2020	Salusra Satria Andre Permana
14	October 27, 2020	Discussion on the Company's 2021 Work Plan and Budget	Muhammad Wahid Sutopo Salusra Satria Andre Permana
15	November 5, 2020	Discussion on Management Report of September 2020	Muhammad Wahid Sutopo Salusra Satria Andre Permana
16	November 24, 2020	Discussion on Management Report of October 2020	Muhammad Wahid Sutopo Salusra Satria Andre Permana
17	December 17, 2020	Preparation of the GMS for the Company's 2021 Work Plan and Budget (December 21, 2020)	Muhammad Wahid Sutopo Salusra Satria Andre Permana
18	December 29, 2020	Discussion on Management Report of November 2020	Muhammad Wahid Sutopo Salusra Satria Andre Permana



DISCLOSURE OF AFFILIATED RELATIONSHIP OF THE BOARD OF DIRECTORS, BOARD OF COMMISSIONERS AND SHAREHOLDERS

In accordance with the prevailing regulations, each organ of the Company is independent and shall not interfere with one another. Each member of the Board of Directors may act independently in conducting functions and duties, both individually and collectively, solely for the benefit of the Company. The relationship between the Board of Commissioners and the Board of Directors is a working relationship as the key organs of corporate governance, each of which has the role as a supervisory function and management function of the Company.

Affiliated Relationship of the Board of Directors

Family relationship and management affiliation in other companies of members of the Board of Directors with fellow members of the Board of Directors and/or members of the Board of Commissioners and Shareholders during 2020 are as follows:

Name	Family Relationship with the Company's Organs						Management Affiliation in Other Companies					
	Board of Commissioners		Board of Directors		Shareholders		As Board of Commissioners		As Board of Directors		As Shareholders	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Muhammad Wahid Sutopo		√		√		√		√		√		√
Salusra Satria		√		√		√		√		√		√
Andre Permana		√		√		√		√		√		√

Affiliated Relationship of the Board of Commissioners

Family relationship and management affiliation in other companies of members of the Board of Commissioners with fellow members of the Board of Commissioners and/or members of the Board of Directors and Shareholders during 2020 are as follows:

Name	Family Relationship with the Company's Organs						Management Affiliation in Other Companies					
	Board of Commissioners		Board of Directors		Shareholders		As Board of Commissioners		As Board of Directors		As Shareholders	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Awan Nurmawan Nuh		√		√		√		√		√		√
Mariatul Aini		√		√		√		√		√		√
Wahyu Utomo		√		√		√		√		√		√

AUDIT COMMITTEE

Membership Composition of the Audit Committee

The Company's Audit Committee consists of 1 (one) Head of Committee who is a Member of the Board of Commissioners and 2 (two) Members of Committee from independent parties as follows:

Name	Position	Basis of Appointment
Mariatul Aini	Head of the Audit Committee	Decree of the Board of Commissioners No. KEP-03/KOM/PII/04/2020 dated April 28, 2020
Ahmad Ghufon	Member of the Audit Committee	Decree of the Board of Commissioners No. KEP-06/KOM/PII/09/2019 dated September 30, 2020
Marsiyati	Member of the Audit Committee	Decree of the Board of Commissioners No. KEP-05/KOM/PII/06/2020 dated June 17, 2020

Profile of Members of the Audit Committee



MARIATUL AINI Audit Committee

Indonesian citizen Age : 57 years old
 Domicile : Jakarta, DKI Jakarta, Indonesia

Started serving as the Head of the Audit Committee on April 28, 2020, based on the Decree of the Board of Commissioners No. KEP-03/KOM/PII/04/2020 April 28, 2020.

She has an Engineering background in Soil Science, Bogor Institute of Agriculture (1987) and a Master of Business Administration from University of Wisconsin, United States (1994).

She has held various key positions at the Directorate General of Budget, Ministry of Finance of the Republic of Indonesia, including Director of Harmonization of Budgeting Regulations (2011) and Director of Non-Tax State Revenue (2018). Currently, she is still serving as Secretary of the Directorate General of Budget of the Ministry RI Finance.



AHMAD GHUFON Audit Committee

Indonesian citizen Age : 48 years old
 Domicile : Jakarta, DKI Jakarta, Indonesia

He has an accounting and management background and obtained a Master Degree in Accounting from the University of Indonesia. He has various professional certifications which support the implementation of his duties as a member of the Audit Committee, namely Certified Enterprise Risk Governance (CERG), Qualified Risk Governance Professional (QRGP), Certified Risk Management Professional (CRMP), and Certified Strategy Execution Professional (CSEP).

Throughout his career, in addition to internal audit he has the experience in implementation of risk management, internal control, governance, performance management, procurement of goods and services, organizational transformation, and oversight committee. In the academic sector, he is also listed as a part-time lecturer at STAN State Finance Polytechnic for internal audit and investigation audit.

**MARSIYATI****Audit Committee**

Indonesian citizen



Age : 44 years old



Domicile : Jakarta, DKI Jakarta, Indonesia

She has an educational background in accounting and management. She graduated from the STAN State Finance Polytechnic and obtained a Master's degree from STIAM Institute. She has various trainings which support the implementation of her duties as a member of the Audit Committee.

Throughout her career, she has experience in the field of supervision and development at Special Mission Vehicle under the Ministry of Finance, in the field of Government investment analysis, risk management implementation, as well as performance management.

Independency of the Audit Committee

All members of the Audit Committee are independent parties, in which do not have financial, management, share ownership and/or family relations with members of the Board of Commissioners, members of the Board of Directors and/or Shareholders who can influence their ability to act independently.

In performing the duties, the Audit Committee is independent and works professionally and independently.

Description of Duties and Responsibilities

The main function of the Audit Committee is to assist the Board of Commissioners in fulfilling its supervisory to enable the Company's management to run effectively and efficiently. In carrying out its duties and report, the Audit Committee is independent and is directly responsible to the Board of Commissioners. The accountability of the Audit Committee to the Board of Commissioners is the manifestation of supervisory accountability on the Company's management in the implementation of GCG principles.

The duties and responsibilities of the Audit Committee as set out in the Audit Committee Charter consist of:

1. Ensuring the effectiveness of the internal control system and the effectiveness of the duties implementation of external auditors and internal auditors.
2. Providing recommendations regarding the improvement of the Company's management control system as well as its implementation. Assessing the activities and audit results conducted by the Internal Auditor Unit and external auditors.
3. Providing recommendations on the improvement of the management control system and its implementation.
4. Ensuring that there is a satisfactory review procedure towards any information published by the Company.
5. Identifying matters that require the attention of the Board of Commissioners as well as other duties of the Board of Commissioners



Work Plan and Realization of the Audit Committee Activities in 2020

The Audit Committee has conducted oversight activities to ensure the implementation of Good Corporate Governance (GCG) has been managed effectively. Although the year 2020 was marked by the COVID-19 pandemic, which resulted in restrictions of physical social interaction, the implementation of the Audit Committee's activities in 2020 could be carried out in accordance with the work plan that has been established. In general the activities of the Audit Committee were classified into 3 (three) groups, namely meeting activities, work visits and seminar /training activities as described in the following:

1. Audit Committee Meeting Activities

The Audit Committee has held both regular and non-regular meetings. Regular meetings are meetings that are held periodically in accordance with the annual work plan, including those related to monitoring meetings on the implementation of internal and external audits, the Company's Work Plan and Budget, and discussion of management reports. Meanwhile, non-regular meetings are meetings that are held based on needs in accordance with the duties of the Audit Committee. In 2020, non-regular meetings were held related to the expansion of the Company's mandate, the impact of the pandemic on the Company's business, the revision of the Company's Work Plan and Budget, as well as the revision of the Articles of Association.

2. Work Visits and Seminar /Training Activities

In 2020, work visits could not be carried out due to the implementation of physical contact restrictions related to the COVID-19 pandemic. The seminar/training activities were carried out by the Audit Committee in order to enhance insights and improve knowledge in areas that support the duties and functions of the Audit Committee. The seminar/training activities attended by the Audit Committee are as follows:

No	Name	Position	Training/Workshop/ Seminar	Organizer	Date
1	Ahmad Ghufron	Audit Committee	Enterprise Risk Governance Training	Centre for Risk Management & Sustainability (CRMS)	October 5-6, 2020
			Certified Enterprise Risk Governance and Qualified Risk Governance Professional Certification	ERM Academy Singapura dan LSP MKS	October 5-7, 2020
			Webinar Strategic Risk Management and Risk Based Budgeting in the Economic Recession	Global Integrated Risk Management Association	November 21, 2020
			Training ERM & Audit Integration	Centre for Risk Management & Sustainability (CRMS)	November 16-17, 2020
			Webinar on Building Cyber Risk Management Excellence in the Digital Marketing Era of the National Insurance Industry	Itikad Academy	December 16, 2020



No	Name	Position	Training/Workshop/Seminar	Organizer	Date
2	Marsiyati	Audit Committee	Balance Scorecard Master Class Training	GML Performance Consulting	Januari 21-23, 2020
			Cross Function of State Financial Management	Budget and Treasury Education and Training Center	March 23-28, 2020
			Information Security Awareness	General Finance Education and Training Center	July 6-9, 2020
			Enterprise Risk Management	Financial Education and Training Agency	July 20-24, 2020
			Ministry of Finance Corpu Talk: Government Investment Support to SOEs in the National Economic Recovery Program	State Assets and Financial Balance Education and Training Center	July 24, 2020
			Business Etiquette Communication Skills Online Training	TALKINC	September 16, 2020
			Introduction to Risk Management	General Finance Education and Training Center	September 21-29, 2020

3. Constraints

In general, the activities of the Audit Committee have not experienced significant obstacles, the pandemic condition was indeed a challenge in itself with restrictions on physical activity. However, by utilizing information technology-based facilities, this has not become a significant constraint and oversight activities could still be carried out properly.

4. Conclusion

- In general, the Audit Committee's programs could be carried out optimally and oversight activities could still be carried out amid challenging situations due to the pandemic.
- The Audit Committee actively reviewed the activities carried out by the management and provided input to the Board of Commissioners in carrying out the Company's supervisory function.

Meeting Frequency and Attendance of Audit Committee Meetings

During 2020, the Audit Committee has held 15 meetings, consisting of internal meetings with the Board of Commissioners and Committee meetings with the Management as well as joint meetings with the Internal Auditor, External Auditor. The attendance level of members of the Audit Committee in these meetings is as follows:



TABLE OF ATTENDANCE LEVEL AT AUDIT COMMITTEE MEETINGS

Name	Position	Audit Committee Meetings	
		Total	%
Mariatul Aini	Head	13	100 %
Ahmad Ghufro	Member of the Audit Committee	13	100 %
Marsiyati	Member of the Audit Committee	8*	100 %

* Mrs. Marsiyati has only been active as Member of the Company's Audit Committee in July 2020

AUDIT COMMITTEE MEETINGS

No	Date	Agenda
1	January 6, 2020	Entry meeting of GCG assessment with BPKP for 2019 audit year
2	February 13, 2020	Follow-up on Internal Audit's recommendations – 4 th Quarter
3	February 18, 2020	Discussion on the Public Accounting Firm's Audit Progress for 2019 Fiscal Year with PwC and the Audit Committee
4	March 12, 2020	The Company's Accounting Policies (SFAS 71,72.73)
5	April 9, 2020	Internal Audit's 2020 Work Plan & Follow-up on the Internal Audit's recommendations – 1 st Quarter
6	May 5, 2020	Work Plan & Realization, as well as Follow Up on Audit Results of the Company's Non-PPP Guarantee
7	June 2, 2020	Update of IIGF Institute Division
8	July 3, 2020	Discussion of Audit Committee – Internal Audit regarding the Follow-up on BPK's letter
9	July 14, 2020	Internal Audit report on audit results of 2 nd Quarter
10	August 13, 2020	Follow up on AOIs from 2019 GCG Assessment by BPKP
11	September 10, 2020	1. Discussion on the Procurement of Public Accounting Firm for the Company's Financial Statements Audit for 2020 Fiscal Year 2. Evaluation of the Procurement Policy and its Implementation
12	October 19, 2020	Evaluation on the Company's CSR Policy – 2020 Realization and 2021 Work Plan
13	October 20, 2020	1. Report on Non-Audit Activities for 3 rd Quarter 2. Report on Internal Audit Activities for 3 rd Quarter
14	November 11, 2020	Investment Performance of September 2020 & Projected Achievement of December 2020 - Treasury & Investment Division
15	December 28, 2020	Follow-up on the results of review on the function management of Human Capital division



RISK MONITORING COMMITTEE

In addition to the Audit Committee, the Company has also established another committee, namely the Risk Monitoring Committee. Based on the Decree of the Board of Commissioners Number KEP-01/KOM/PII/01/2018 concerning the Establishment of the Risk Monitoring Committee at PT PII (Persero) dated January 27, 2018.

Membership Composition of the Risk Monitoring Committee

The Company's Risk Committee consists of 1 (one) Head of Committee who is a Member of the Board of Commissioners and 2 (two) members of Committee who are independent parties:

Name	Position	Basis of Appointment
Wahyu Utomo	Head of the Risk Monitoring Committee	Decree of the Board of Commissioners No. KEP-03/KOM/PII/04/2020 dated April 28, 2020
Iqbal Islami	Member of the Risk Monitoring Committee	Decree of the Board of Commissioners No. KEP-01/KOM/PII/01/2018 dated January 27, 2018
Ferry Irawan	Member of the Risk Monitoring Committee	Decree of the Board of Commissioners No. KEP-08/KOM/PII/11/2019 dated November 29, 2019

Profile of Members of the Risk Monitoring Committee



WAHYU UTOMO Head of the Risk Committee

 Indonesian citizen  56 years old
 Domicile : Jakarta, DKI Jakarta, Indonesia.

Currently serving as Deputy for the Coordination of Infrastructure Acceleration and Regional Development of the Coordinating Ministry for Economic Affairs of the Republic of Indonesia and Chairman of the Committee for Acceleration of Priority Infrastructure Delivery and several other positions. Previously, he held various key positions in the Coordinating Ministry for Economic Affairs of the Republic of Indonesia, including Assistant Deputy for Housing, Land and Public Private Partnership (2007-2014), Assistant Deputy for Infrastructure and Regional Development Affairs for Kalimantan-Sulawesi (2005-2007), and Head of Economic Decentralization (2002-2005).

He earned a Bachelor of Engineering majoring in Civil Engineering in 1987 from the Bandung Institute of Technology and earned a Master of Science in Regional Science in 1999 as well as a PhD in Regional Science in 2002, both from Cornell University.

IQBAL ISLAMI

Komite Pemantau Risiko



Indonesian citizen



56 years old



Domicile : Jakarta, DKI Jakarta, Indonesia.

Iqbal Islami started serving as a Member of the Risk Monitoring Committee since February 1, 2018. In addition, he currently also serves as the Head of the Budget and Treasury Training Center, Financial Education and Training Agency, Ministry of Finance.

Before serving as a Member of the Risk Monitoring Committee, he served as a member of the Audit Committee at PT PII for five years from November 1, 2012 to October 30, 2017. Before serving as a member of the Audit Committee at PT PII, he also served as a member of the Audit Committee in two SOEs and a public company. In the academic field, he is also a lecturer at STAN State Finance Polytechnic since 1991. His field of expertise include Strategic Management, Finance, Corporate Governance, Risk Management and State Finance.

He obtained an Accountant Degree from the STAN State Finance Polytechnic and a Master of Business Administration in Finance from Case Western Reserve University, Ohio, USA.

FERRY IRAWAN

Komite Pemantau Risiko



Indonesian citizen



45 years old



Domicile : Depok, Indonesia.

Appointed as a Member of the Risk Monitoring Committee since December 1, 2019 based on the Decree of the Board of Commissioners No. KEP-08/KOM/PII/ 2019. Previously he served as a Member of the Company's Audit Committee since December 1, 2017. He was born in Depok on February 2, 1975, and currently serves as Assistant Deputy for Monetary and External Sector, Coordinating Ministry for Economic Affairs. Previously served in the Fiscal Policy Agency, Ministry of Finance and handled several issues including Fiscal Analysis, Monetary Analysis and Financial Institutions/Balance of Payments, he also served at the Fiscal Risk Management Center , which handles fiscal risk issues and its management.

He completed his Bachelor's degree in the Department of Financial Management, master's degree and his doctorate degree in Monetary Economics in 2006, the Graduate Program at the Faculty of Economics, University of Indonesia. He is also a lecturer in the Postgraduate Program/Masters Program in Public Policy Planning, Faculty of Economics and Business, University of Indonesia.

Risk Monitoring Committee Charter

The Risk Monitoring Committee Charter was established for the first time on March 15, 2018 based on the Decree of the Board of Commissioners No. KEP-03/PII/KOM/03/2018 concerning the Risk Monitoring Committee Charter of PT PII, which among others contained the background and basis for the establishment, duties, responsibilities and authorities, membership structure and its requirements, meetings, work patterns, reporting, and term of office of the the members of the Risk Monitoring Committee.



Description of Duties and Responsibilities

Duties of the Risk Monitoring Committee

1. Obtain an understanding of the Company's risk management which includes various risks faced by the Company, strategies, systems and policies of the Company's risk management, the Company's internal control, including policies, methodologies and infrastructure.
2. Evaluate various risk measurement models used by the Company and provide recommendations for further improvement.
3. Monitor the conformity of various policies and implementation of the Company's risk management.
4. Monitor various potential risks faced by the Company.
5. Evaluate the Company's various risk management policies.
6. Coordinate the implementation and supervision of the existence and effectiveness of each component of Enterprise Risk Management (ERM) within the Company.
7. Measure the effectiveness of each component of ERM that has been implemented in the Company
8. Carry out other duties assigned by the Board of Commissioners based on the laws and regulations.

Work Plan and Realization of Risk Monitoring Committee Activities in 2020

The implementation of Risk Monitoring Committee activities in 2020 was carried out in accordance with the work plan that has been set. In general the Committee's activities were classified into 3 (three) groups, namely meeting activities, work visit activities and seminar activities as described in the following:

Committee Activities/Meetings

The Committee has held both regular and non-regular meetings in accordance with the predetermined plan. Regular activities/meetings are meetings that are held regularly and continuously while non-regular meetings are meetings that are conducted when required based on needs in accordance with the duties of the Committee.

Seminar & Benchmarking Activities

In order to enhance insights and improve knowledge about the duties and functions of risk monitoring, the Risk Monitoring Committee has participated in Seminar activities.

Name	Position	Training/Seminar/Workshop	Organizer	Date	Location
Wahyu Utomo	Head of the Risk Committee	Focus Group Discussion (FGD): Discussion on Lombok Regional SPAM and Wosusokas Regional SPAM using the PPP Scheme	PT PII	April 14, 2020	Online
		Town Hall Meeting: Connecting the Sense of Nationality of the Ministry of Finance	Ministry of Finance	August 19, 2020	Online
		Talk Show "Charismatic Communication with Creative Thinking for New Normal and New You"	PT PII	August 24, 2020	Online
		Webinar Forum Governance Risk and Compliance 2020 - "Trends of Cloud Computing & Threats of Cyber Crime in the Era of Covid-19 Pandemic"	PT PII	October 8, 2020	Online



Name	Position	Training/Seminar/Workshop	Organizer	Date	Location
		World Anti-Corruption Day (Hakordia) 2020 - Talkshow "Building a Culture of Integrity and Its Challenges"	Ministry of Finance	December 3, 2020	Online
		Webinar on World Anti-Corruption Day (HAKORDIA)	PT PII	December 8, 2020	Online
Iqbal Islami	Member of Risk Monitoring Committee	- Learning How to Learn: Powerful Mental Tools to Help You Master Tough Subjects - Introduction to Psychology	- McMaster University dan University of California San Diego - Yale University	- August 10 -31, 2020 - September 14 - October 19, 2020	Online
Ferry Irawan	Member of Risk Monitoring Committee	- Focus Group Discussion (FGD) on Regional Lombok SPAM Project and Regional Wosusokas SPAM Project using the PPP Scheme 2020 World Anti-Corruption Day (Hakordia) - Talkshow "Building a Culture of Integrity and Its Challenges"	- PT PII - Ministry of Finance	- April 14, 2020 - December 3, 2020	Online

Constraints

In general, the activities of the Risk Monitoring Committee has not experienced significant obstacles, the pandemic condition was indeed a challenge in itself with restrictions on physical activity. However, by utilizing information technology-based facilities, this has not become a significant constraint and oversight activities could still be carried out properly.

Conclusion

- In general, the Risk Monitoring Committee's programs could be carried out optimally and oversight activities could still be carried out amid challenging situations due to the pandemic.
- The Risk Monitoring Committee actively reviewed the activities carried out by the management and provided input to the Board of Commissioners in carrying out the Company's supervisory function.



Meeting Frequency and Attendance of the Risk Monitoring Committee

During 2020, the Risk Monitoring Committee held 13 meetings, both with other organs of the Board of Commissioners and with the Company's divisions with the following agenda:

ATTENDANCE LEVEL AT RISK MONITORING COMMITTEE MEETINGS

Name	Position	Risk Monitoring Committee Meetings	
		Total	%
Wahyu Utomo	Head of the Risk Monitoring Committee	13	100 %
Iqbal Islami	Member of the Risk Monitoring Committee	12	92 %
Ferry Irawan	Member of the Risk Monitoring Committee	13	100 %

RISK MONITORING COMMITTEE MEETINGS

No	Date	Agenda
1	January 29, 2020	Risk Management Contingency Review 4 th Quarter & Risk Management Update of 4 th Quarter
2	February 5, 2020	Discussion of ERM framework with consultant
3	February 27, 2020	1. Development of projects that have been managed in 2019 2. 2020 Work plan and its realization until the end of February 2020. 3. Other things related to the Guidance and Consultation Division that need to be addressed.
4	March 26, 2020	1. Development of projects that have been managed in 2019 2. 2020 Work plan and its realization until March 2020. 3. Other things related to Underwriting Division that need to be addressed.
5	April 23, 2020	Risk Management Performance Review 1 st Quarter of 2020
6	May 12, 2020	1. Introduction to PMCM Division 2. Project Risk Management update as of April 2020
7	June 9, 2020	Update on the Jogja – Bawen toll road project
8	July 9, 2020	Risk Management performance report for 2 nd Quarter
9	August 18, 2020	Jatiluhur 1 SPAM Project
10	September 15, 2020	Pekanbaru SPAM Project Update
11	October 13, 2020	1. Development of Annual Plan of RM Division- KPI 2. Risk Monitoring of 3 rd Quarter 3. ISO 37001 Anti-Bribery Management System Development Plan (SMAP)
12	October 19, 2020	Evaluation on the Company's CSR Policy - 2020 Realization and 2021 Work Plan
13	December 23, 2020	Progress Update of Patimban Port Guarantee Project

NOMINATION AND REMUNERATION COMMITTEE

The Company has not established a specific Nomination and Remuneration Committee. However, the Nomination and Remuneration functions are carried out jointly by all members of the Board of Commissioners.

SECRETARY OF THE BOARD OF COMMISSIONERS

In order to support the implementation of the Board of Commissioners' functions and its effectiveness, a Secretary to the Board of Commissioners has been appointed. In 2020, the Secretary of the Board of Commissioners is held by Muhammad Nahdi based on the Decree of the Board of Commissioners No. KEP-03/KOM/PII/08/2019, which has the main duty of providing administrative and secretarial support to the Board of Commissioners in conducting supervisory duties and provision of advice to the Board of Directors in relation to the management of the Company.

Secretary of the Board of Commissioners

MUHAMMAD NAHDI

Secretary of the Board of Commissioners



Indonesian citizen



45 years old



Domicile : Jakarta, DKI Jakarta, Indonesia

Served as Secretary of the Board of Commissioners since August 15, 2019, based on Decree of the Board of Commissioners Number KEP-03/KOM/PII/08/2019. Currently, he also serves as a member of the Indonesian Assessment Standards Organizer Committee (KPSPI) (2017 - present).

He obtained a Post-graduate Master of Commerce (Advanced) majoring in Applied Finance from the Faculty of Business, Economics and Law (BEL), The University of Queensland, Brisbane, Australia. Previously served as Head of Business Appraisal II/Head of Standardization of Business Appraisal II in the Directorate of Valuation of State Assets, Directorate General of State Assets (DJKN), Ministry of Finance of the Republic of Indonesia (2007 - 2012), Head of Valuation Division at the Regional Office of DJKN Riau-West Sumatra-Riau Islands, DJKN, Ministry of Finance of the Republic of Indonesia, and Head of the Sub Directorate for Standardization of Business Appraisal and Natural Resources at the Directorate of Valuation, DJKN, Ministry of Finance of the Republic of Indonesia.

The Duties and Responsibilities of the Secretary of the Board of Commissioners

In general, the duties of the Secretary to the Board of Commissioners are as follows:

1. Assisting the Board of Commissioners in preparing the minutes of the Board of Commissioners' meetings;
2. Coordinating the implementation of the Board of Commissioners' meetings;
3. Coordinating the administrative, secretarial and protocol duties of the Board of Commissioners;
4. Coordinating and following up on requests and/or collection of data/information from and/or to the Company's management and external parties that are not covered by the duties of the Committee, including information on regulations and provisions relevant to the duties and responsibilities of the Board of Commissioners;
5. Coordinating the preparation of the draft budget and submit the Annual Budget of the Board of Commissioners;
6. Coordinating the preparation of suggestions and opinions regarding the agenda and material of the General Meeting of Shareholders;
7. Coordinating and following up on other duties that are not included in the duties of the Committees under the Board of Commissioners;

**IMPLEMENTATION OF DUTIES OF THE SECRETARY OF THE BOARD OF COMMISSIONERS IN 2020**

Description of Activity		Time of Implementation	Implementation
Planning Aspect			
1	Preparation of 2021 Work Plan and Budget of the Secretary of the Board of Commissioners	July – August	Establishing and submitting 2021 Work Plan and Budget of the Secretary of the Board of Commissioners as part of the 2021 Work Plan and Budget (RKA) & Cost Budget Plan (RAB) of the Board of Commissioners as well as part of the Company's 2021 Work Plan and Budget Draft
2	Preparation of materials for 2021 Work Plan and Budget of the Board of Commissioners	August	The 2021 Work Plan and Budget (RKA) & Cost Budget Plan (RAB) of the Board of Commissioners were prepared in August 2020 and submitted to the Board of Directors in September 2020 through the Letter of the Board of Commissioners No. S-21/PII/DK/0920 dated September 2, 2020
3	Preparation of the proposed Performance Contract (IKU) for the Board of Commissioners in 2021	August – September	Preparing and submitting the 2021 KPI Proposal Draft of the Board of Commissioners to the GMS to be determined at the GMS for the Approval of the Company's 2021 Work Plan and Budget on December 21, 2020
4	Review of the Company's 2021 Work Plan and Budget Proposal	September – October	Assisting the Board of Commissioners in providing comprehensive feedback on the Company's 2021 Work Plan and Budget Proposal to the Board of Directors and Approval of the Board of Commissioner on the Company's 2021 Work Plan and Budget.
5	Preparation of materials for the Board of Commissioners' response to the GMS for the Company's 2021 Work Plan and Budget Draft	October	Assisting and preparing the Board of Commissioners to provide response to the the Company's 2021 Work Plan and Budget Proposal, which has been submitted to the GMS through the Letter of the Board of Commissioners No.S-29/PII/DK/1120 dated November 3, 2020
Supervisory Aspect			
6	Implementation of internal meetings of the Board of Commissioners	Every month and not limited to the level of corporate urgency	During the 2020 period, 19 regular meetings of the Board of Commissioners have been held
7	Implementation of the joint meetings of the Board of Commissioners and the Board of Directors	Every month and not limited to the level of corporate urgency	During the 2020 period, 18 regular joint meetings of the Board of Commissioners and the Board of Directors have been held



IMPLEMENTATION OF DUTIES OF THE SECRETARY OF THE BOARD OF COMMISSIONERS IN 2020

Description of Activity		Time of Implementation	Implementation
8	Evaluation on the implementation of the Company's Work Plan and Budget	Every Semester	Assisting the Board of Commissioners in conducting a review to monitor the performance of the Company's Work Plan and Budget achievement in accordance with Regulation of the Minister of Finance No. 28/PMK.06/2013
9	Evaluation on the implementation of CSR activities	Every Semester	Preparing the Board of Commissioners Meetings regarding the evaluation of CSR activities which have been carried out in June and October 2020
10	Monitoring of IIGF Institute activities	Every Semester	Preparing and conducting the Board of Commissioners Meeting concerning the to IIGF Institute activities with related divisions, which has been held in June 2020
11	Review related to transactions or actions within the scope of authority of the Board of Commissioners/GMS	According to the disposition of the Board of Commissioners	Komisaris/RUPS sesuai disposisi Dewan Komisaris Assisting the Board of Commissioners in conducting reviews related to transactions or actions within the scope of authority of the Board of Commissioners/GMS in accordance with the disposition of the Board of Commissioners
12	Monitoring of guaranteed projects	According to the schedule of the Project Monitoring Division	Evaluating and monitoring projects that have been guaranteed to assist the Board of Commissioners in supervising the Company's performance
Reporting Aspect			
13	Preparation of reports on the implementation of the duties and responsibilities of the Board of Commissioners	Every Quarter	Assisting in the preparation of reports on the implementation of the duties and responsibilities of the Board of Commissioners in accordance with the Regulation of the Minister of Finance No. 88/PMK.06/2015 concerning the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance. Report on the implementation of the duties and responsibilities of the Board of Commissioners is sent to the GMS every quarter
14	Preparation of supervisory report of the Company's Work Plan and Budget	every Semester	Assisting the Board of Commissioners in carrying out supervision of the Company's performance in accordance with the mandate of the Regulation of the Minister of Finance No. 28/PMK.06/2013 concerning the Preparation, Submission and Amendment of the Long-Term Plan and Work Plan and Budget of Limited Liability Companies (Persero) Under the Guidance and Supervision of the Minister of Finance. The Board of Commissioners carries out supervision over achievement of the Company's Work Plan and Budget and submits reports to the GMS every semester



IMPLEMENTATION OF DUTIES OF THE SECRETARY OF THE BOARD OF COMMISSIONERS IN 2020

Description of Activity		Time of Implementation	Implementation
15	Preparation of KPI realization reports	Every Quarter	Assisting the Board of Commissioners in preparing and submitting the Report on the Realization of Key Performance Indicators (KPI) Achievement of the Company's Board of Commissioners in accordance with the Regulation of the Minister of Finance No. 106/PMK.06/2017 at every quarter
16	Submission of responses to the Company's 2019 Annual Report	April	In 2020, a technical meeting of the Board of Commissioners and Corporate Secretary was held regarding the preparation of the Company's 2019 Annual Report in April 2020
GCG Implementation Aspect			
17	Monitoring on the follow up of GCG AOI based on the recommendations from the Financial and Development Supervisory Agency (BPKP) in 2018	January	Technical meeting of the organs of the Board of Commissioners and the organs of the Board of Directors was held in January 2020 related to the monitoring on the follow up of GCG AOI based on the recommendations from the Financial and Development Supervisory Agency (BPKP) in 2018
18	The 2019 GCG implementation assessment by the Financial and Development Supervisory Agency (BPKP)	January	The 2019 GCG assessment has been carried out by an independent assessor from the Financial and Development Supervisory Agency (BPKP) of Special Capital Region of Jakarta, with the final score of 89.12
19	Monitoring on the follow up of GCG AOI based on the recommendations from the Financial and Development Supervisory Agency (BPKP) in 2019	Per Semester	Technical meeting has been held every semester between the organs of the Board of Commissioners and the organs of the Board of Directors related to the monitoring on the follow up of GCG AOI based on the recommendations from the Financial and Development Supervisory Agency (BPKP) in 2019
20	Procurement of GCG Assessors in 2020	November	Preparing the Letter from the Board of Commissioners to the Board of Directors through Letter No. S-31/PII/DK/1120 concerning Requests for the Procurement of Independent Assessor for 2020 GCG Assessment
Other Aspect			
21	Competency improvement of Secretary of the Board of Commissioners and its Staff	On schedule	In 2020, there were 3 seminar/training activities, which were carried out through webinar events and, online meeting applications given to the condition of the Covid-19 Pandemic.



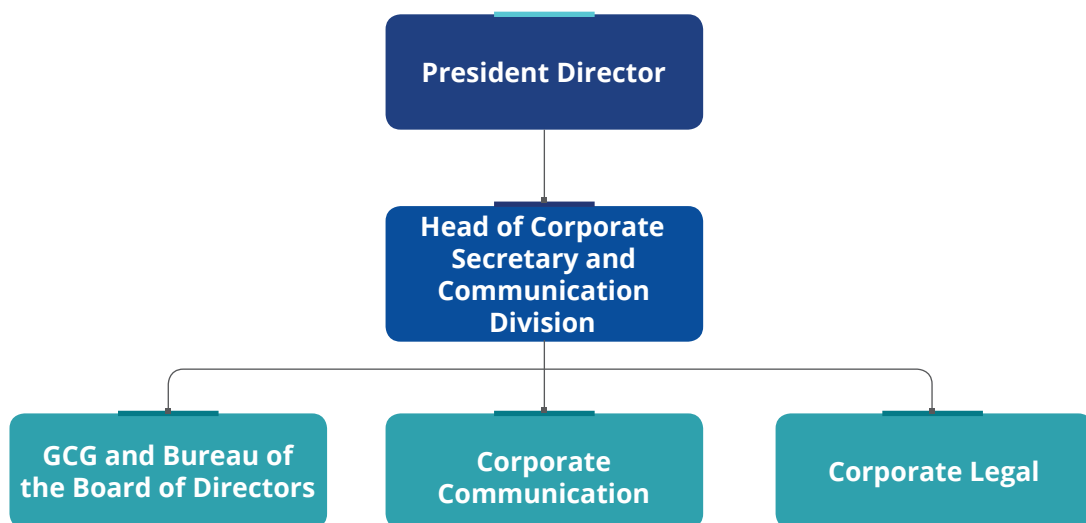
CORPORATE SECRETARY

The Corporate Secretary has the main duty of maintaining the Company's image primarily by building good communication and relationships to support the management of the Company carried out by the Board of Directors. The Corporate Secretary plays an important role in ensuring the transparency aspect of the Company.

Position of Corporate Secretary

The Corporate Secretary function is carried out by the Corporate Secretary and Communication Division and is led by an official at the level of Executive Vice President who is appointed and dismissed by the Board of Directors in accordance with the Company's internal regulations. The position of the Corporate Secretary is under the President Director.

The Corporate Secretary's organizational structure is as follows:





Profile of the Corporate Secretary



PRATOMO ISMUJATMIKA Corporate Secretary



Indonesian citizen



Age : 44 years old



Domicile : Jakarta, DKI Jakarta, Indonesia

Joined the Company in 2013, and appointed as Corporate Secretary on May 1, 2019 based on Decree of the Board of Directors No. 016/DRK/HC/0519. Before serving as EVP Corporate Secretary and Communication, he served as SVP of Business Development and Communication and has served as SVP of Guarantee Underwriting. He has also worked in several companies including as Deputy Corporate Secretary of AVP ICB Bumiputera Bank (2011-2013), AVP-CEO Officer - Corporate Secretary of ICB Bumiputera Bank (2011), Manager-Board Advisory-Corporate Secretary of PT Bank Negara Indonesia Tbk (2009-2011), as well as the Credit Analyst-Corporate Banking Group of PT Bank Negara Indonesia Tbk (2006-2009).

He obtained his Bachelor of Engineering from the Surabaya Institute of Technology in 1999, and Master of Management from Gadjah Mada University in 2001. He also attended the exchange program from University of Kentucky, Gatton College of Business, Lexington, KY, USA in 2003, and obtained a Master of Business Administration from Sullivan University, Lexington, United States in 2005.

Training History of Corporate Secretary

Training History of Corporate Secretary can be seen in the Company Profile Chapter on page 110.

Description of Duties and Responsibilities

The Corporate Secretary has an important role in facilitating communication between the Company's organs, the relationship between the Company and stakeholders, institutional relations and compliance with the law and Good Corporate Governance.

The duties and responsibilities of the Corporate Secretary are as follows:

1. Managing the Company's secretarial activities including managing the Company's documents;
2. Implementation of monitoring and strengthening activities related to the implementation of the principles of Good Corporate Governance within the Company;
3. Liaison between the Company's Organs;
4. Ensuring the stakeholders engagement with external parties, including government and non-government institutions, other institutions, shareholders and other stakeholders;
5. Supervising corporate branding activities inside and outside the Company's work environment;
6. Coordination related to the implementation of the Company's Corporate Social Responsibility activities;
7. Providing legal advice to the Company, including (i) implementing the preparation, formulation, and completion of the Company's regulations, agreements and cooperation; (ii) inventory of legal documentation; (iii) legal advice and assistance for the benefit of the Company and its employees inside and outside the court;
8. Leading the review process of laws and regulations that affect the Company's business;
9. Ensuring that risk assessment and mitigation have been carried out in the Corporate Secretary and Communication Division;
10. Preparing and supervising the implementation of work plans and budgets for the Corporate Secretary and Communication Division;
11. Improving the competency of HR within the Corporate Secretary and Communication Division.



Job Description of the Implementation 2020

The duties of the corporate secretary that have been carried out in 2020, as follows:

Activity	Description
Management of the Company's Documents	Management of the Company's documents has been conducted, including legal documents, special registers, and corporate correspondence documents.
Implementation of the Board of Directors and the Board of Commissioners Meetings as well as the General Meeting of Shareholders (GMS)	Throughout 2020, have been carried out: • 52 Board of Directors Meetings • 18 Joint Meetings of the Board of Directors and Board of Commissioners • GMS for the Approval of the Company's 2019 Annual Report on June 12, 2020; • GMS for the Approval of Changes of the Company's 2020 Work Plan and Budget on December 21, 2020; • GMS for the Approval of the Company's 2021 Work Plan and Budget on December 21, 2020
Reporting Obligations	• Submission of Monthly Management Reports to the Board of Commissioners • Submission of Quarterly Report on the Company's Work Plan and Budget Realization the to Shareholders • Submission of Quarterly Report of Individual KPI Achievement of the Board of Directors to the Board of Commissioners • Submission of the 2019 Annual Report to Shareholders • Submission of the 2019 Sustainability Report to Shareholders • Submission of the Assessment Report on the Implementation of Good Corporate Governance for 2019 Fiscal Year to Shareholders
Coordination of Activities related to GCG implementation	Throughout 2020, a series of activities related to the implementation of GCG have been carried out, including: • 2019 GCG Assessment conducted by the Financial and Development Supervisory Agency (BPKP) on January 6 to February 21, 2020 • Implementation of webinars related to GCG; • Dissemination of policies and guidelines related to GCG; • Strengthening of the Gratification Control Unit and Whistleblowing System (WBS) Management Team; • Monitoring and completion of follow-up recommendations based on the results of the 2019 GCG assessment.
Ensure the compliance with the laws and provide legal advice to the Company	Throughout 2020, activities related to the provision of legal advice to the Company have been carried out through: • Study/Analysis on the laws and regulations that affect the Company; • Legal opinion on the conditions/issues faced by the Company; • Review of Cooperation Agreements, Memorandums of Understanding, Confidential Agreements and Decrees of the Board of Directors; • Preparation of Deeds and management of the Company's permits.
The Company's image building program and relationships with stakeholders	Throughout 2020, activities related to corporate communication have been carried out including: • The Company's publications through mass media and social media; • Strengthening of relations with the media and stakeholders; • Management of the Company's communication strategy; • Implementation of the Company's activities with stakeholders that support the strengthening of the Company's image and reputation; • Implementation of Stakeholder Survey; • Updating of the Company's Website.
Coordination of Corporate Social Responsibility activities	Throughout 2020, the Corporate Secretary and Communication Division has coordinated with the CEO Office Division for the implementation of targeted CSR activities.



Information Disclosure

In fulfilling the obligation to disclose information to the public, the Corporate Secretary consistently reports to the regulator. Every year, the Company prepares its Annual Report that refers to the criteria for the Annual Report Award (ARA) and regularly participates in these activities.



INTERNAL AUDIT

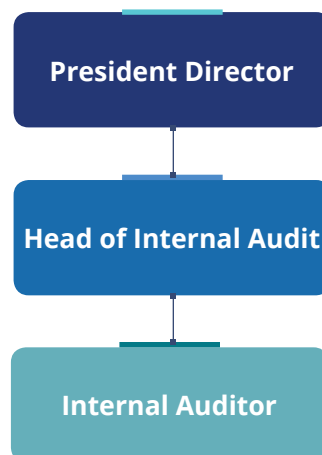
In accordance with its vision and mission, Internal Audit acts as a strategic partner that is professional, independent, objective, responsible and can be act as a trusted advisor for the Board of Directors and the Management in realizing the Company's vision, mission and objectives. Internal Audit improves and protects the value of the organization by providing risk-based assurance and consulting services that are carried out in a systematic, objective and independent manner.

Through risk-based assurance and consulting services, Internal Audit is expected to be able to detect problems and weaknesses early within the work unit and submit related information and recommendations to the Board of Directors and management (early warning system), especially when there is a decline or deviation in performance to achieve the Company's target, particularly the implementation of the current year's Work Plan and Budget.

Position of Internal Audit Unit

The Internal Audit function is led by the Head of the Internal Audit Division who reports directly to the President Director. The Head of the Internal Audit Division is appointed and dismissed by the President Director with the approval of the Board of Commissioners. In carrying out his functional duties and responsibilities, the Head of the Internal Audit Division receives input and direction from the Audit Committee. The auditor who is assigned in the Internal Audit Division is directly responsible to the Head of the Internal Audit Division.

Organization Structure of the Internal Audit is as follows:



Internal Audit is in charge of supervising the implementation of processes and activities of all work units within the Company as well as providing suggestions for improvement in accordance with the plans and programs as well as policies set by the Board of Directors. In supporting independency and objectivity as well as the effective implementation of duties, Internal Audit may communicate directly with the President Director, Board of Commissioners and the Audit Committee to inform various matters relating to the supervisory results and process.



Profile of the Internal Audit Head



DEKI SANTO WIBOWO

Head of Internal Audit



Indonesian citizen



Age : 44 years old



Domicile : Jakarta, DKI Jakarta, Indonesia

Born in Jakarta on December 7, 1976, he joined the Company on December 7, 2015. Appointed as Head of Internal Audit since March 5, 2020 based on the Decree of the Board of Directors SK - 004/DIR/HC/0220 and the Letter of the Board of Commissioners SR-01/PII/DK/0220.

Prior to becoming the Head of Internal Audit, he served as Head of the Organization Development (OD) Division at the Company. In the field of auditing and finance, before joining the Company, he had more than 20 years of experience as both an Internal Auditor and an External Auditor. He pursued a career as an Internal Auditor for 8 years as ICS Compliance Head. Prior to his career as an Internal Auditor, he had a career in several Public Accounting Firms and Public Companies.

He obtained Bachelor of Accounting from the Faculty of Economics, University of Indonesia in 1999 and has obtained Certified Internal Auditor (CIA) from The Institute of Internal Auditors (IIA) in 2014, Certified Public Accountant (CPA) from the Indonesian Institute of Certified Public Accountants in 2011, Enterprise Risk Management Certified Professional (ERMCP) from Enterprise Risk Management Academy (ERMA) in 2013, Certified Enterprise Risk Governance (CERG) from Enterprise Risk Management Academy (ERMA) in 2017, Information Technology Infrastructure Library (ITIL) – Foundation Certificate from Pearson Vue in 2019.

Party Appointing and Dismissing the Head of the Internal Audit Unit

The Head of the Internal Audit Division is appointed and dismissed by the President Director with the approval of the Board of Commissioners.

Number of Employees (Composition) of Internal Audit

As of December 2020, the Internal Audit Unit consisted of 4 (four) personnel with the appropriate qualities and competencies required in their job descriptions. The composition of Internal Audit HR by position at the end of December 2020 is as follows:

No	Position	Amount
1	VP Internal Audit	1
2	SM Internal Audit	1
3	AM Internal Audit	1
4	Internal Audit Staff	1
Total		4



HR and Professional Certification

The Company's Internal Audit consists of 4 (four) Auditors that have sufficient qualifications and competencies in carrying out their functions and duties.

No	Position	Amount	Diploma III/ Diploma IV	Bachelor's Degree	Master's Degree
1	VP Internal Audit	1	-	1	-
2	SM Internal Audit	1	-	-	1
3	AM Internal Audit	1	-	1	-
4	Staff Internal Audit	1		1	-
Total		4	0	3	1

In 2020, the Company's Internal Audit Division personnel attend training activities as follows:

NO	NAME	POSITION	NAME OF TRAINING	DESCRIPTION
1	Deki Santo Wibowo	VP Internal Audit	1. ISO27001 Internal Audit Certification Training 2. The Audit Board (BPK) in the Financial Audit of SOEs 3. IIA National Conference 2020 - Enhancing Communication & Collaboration: Learning from Pandemic	1. TUV Rheinland Indonesia 2. Intrinsics 3. IIA Indonesia
2	Oke Darmawireja	SM Internal Audit	1. ISO27001 Internal Audit Certification Training 2. The Audit Board (BPK) in the Financial Audit of SOEs 3. IIA National Conference 2020 - Enhancing Communication & Collaboration: Learning from Pandemic 4. ERM Fundamental - Risk Officer	1. TUV Rheinland Indonesia 2. Intrinsics 3. IIA Indonesia 4. CRMS Indonesia
3	Ken Auva Maulida	AM Internal Audit	1. ISO27001 Internal Audit Certification Training 2. National Seminar on APIP - SPI - APH Supervision Synergy "Synergy to Guard the Country, Towards Advanced Indonesia" 3. IIA National Conference 2020 - Enhancing Communication & Collaboration: Learning from Pandemic 4. Whistleblower Protection Workshop "Whistleblower and Protection System for Whistleblower"	1. TUV Rheinland Indonesia 2. Ministry of Finance 3. IIA Indonesia 4. Ministry of Finance
4	Faisal Dita Nurulloh	Internal Audit Staff	1. ISO27001 Internal Audit Certification Training 2. Trends of Cloud Computing & Threats of Cyber Crime in the Era of Covid-19 Pandemic 3. Maintain Self-Integrity, Ready to Prevent Corruption	1. TUV Rheinland Indonesia 2. CyberArmy, BSSN & PT PII 3. PT PII



Description of the Implementation of internal audit unit activities within the fiscal year

In the 2020 period, the Internal Audit function has carried out 5 (five) assignments in accordance with the 2020 Internal Audit Activity Plan. The details of the 2020 assignment activities are as follows:

1. Audit on the Process of Guarantee Provision for the Preservation of the Trans Sumatra Road – South Sumatra Section PPP Project
2. Review on the Management of Human Capital Function
3. Audit on the Process of Guarantee Provision for the Komodo Airport PPP Project, Labuan Bajo
4. Review of Corporate Service Function – Procurement
5. Review on the Implementation of Internal Control System of Entity Level

In addition, throughout 2020, the Internal Audit was involved in the following activities:

1. Assistance to the Audit Board of The Republic of Indonesia (BPK) in the implementation of audits/ assignments as follows:
 - Monitoring the settlement of state losses in 2020
 - Collecting data and information on changes in posture and realization of the 2020 State Budget as well as the implementation of the National Economic Recovery program
 - Requests for data related to budget reallocation and refocusing in order to deal with the impact of the Covid-19 pandemic and National Economic Recovery
 - Implementation of the 2020 audit entity data update

- Examination with a Specific Purpose (PDTT) on the implementation of government guarantees on loans for Micro, Small and Medium Enterprises (MSMEs) and corporations in the framework of National Economic Recovery and government guarantees on National Strategic Projects (PSN)
 - Monitoring the follow-up on the Audit Board of The Republic of Indonesia recommendations based on the audit results for the 2020 period
2. Assistance in the audit of the Company's 2020 financial statements by the Public Accounting Firm.
 3. Carrying out monitoring of follow-up activities on internal and external audit recommendations.
 4. Carrying out monitoring of follow-up activities on the Area of Improvement (AOI) results of the 2019 GCG implementation assessment
 5. Performing an active role in supporting the Corporate Secretary team in ensuring the effective implementation of the evaluation and assessment of Good Corporate Governance (GCG) by the Financial and Development Supervisory Agency (BPKP).
 6. Organizing the Governance, Risk, and Compliance Forum Webinar in 2020 with the speakers from CyberArmy and the National Cyber and Crypto Agency (BSSN).
 7. Organizing Webinar on the 2020 Hakordia with the speakers from the Audit Board of the Republic of Indonesia, General Finance Education and Training Center of the Ministry of Finance and the Governance Risk & Compliance Department of PT Pupuk Indonesia (Persero).
 8. Development of the Company's Audit Recommendation Monitoring System.
 9. Updating the Audit Assignment Planning Work Instructions.



INTERNAL CONTROL SYSTEM

The Company's internal control is applied on two aspects, namely operational control and financial control. Internal control over the Company's operations and financial reporting is carried out with reference to COSO (Committee of the Sponsoring Organizations of the Treadway Commission) - Internal Control Integrated Framework. In COSO, it is stated that internal control is a system or process carried out by the Board of Commissioners, Board of Directors, management and employees in a company, to provide adequate guarantees for achieving the objectives of control.

The implementation of the Company's internal control system refers to the Committee of the Sponsoring Organizations of the Treadway Commission - Internal Control Integrated Framework in developing an internal control framework that ensures the adequacy of operational and financial controls, financial reporting, operational effectiveness and efficiency, and compliance with prevailing laws and regulations.

COSO - Internal Control Framework, consists of 5 (five) control components, namely:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

Throughout 2020, the Company has implemented an internal control system that refers to the COSO as follows:

Control Environment

Control Environment is a condition in a company that influences the effectiveness of internal control. The control environment influences the awareness of the importance of control by the people involved in it.

The Management shall create and maintain the control environment that lead to positive and conducive behavior to the implementation of a sound internal control and management system in the work environment, realized through:

1. Enforcement of integrity and ethical values.
2. Commitment to competency.
3. Conducive leadership.
4. Establishing an organizational structure that suits the company/organization needs.

5. Delegation of appropriate authority and responsibilities.
6. The formulation and application of sound policies regarding the development of human resources.
7. The realization of the role of an effective internal control apparatus in a company.

Risk Assessment

Risk assessment is a process for identifying, recognizing, analyzing and assessing risk management related to the Company's business and activities. Risk assessment is carried out to determine the impact of identified risks on the achievement of the Company's goals and objectives as a reference in developing the control activities needed to minimize risk. Risk assessment begins with the establishment of clear and consistent goals and objectives of the Company, identifying efficiently and effectively the risks that may hinder the achievement of these objectives, both from inside and outside the Company and finally analyzing to determine the impact of the risks and controls needed.

Control Activities

Control activities are the third element of internal control. Control activities are policies and procedures which can assist in ensuring the implementation of leaders' directives to reduce the risks that have been identified during the risk assessment process.

Policies are made to direct what should be done and serve as a basis for the preparation of procedures. The procedure is a sequence of actions, carried out by one or several people with certain equipment and time in carrying out certain activities. Control activities are carried out according to the size, complexity, nature of the Company's duties and functions, at least have the following characteristics:

1. Prioritized on the main activities of the Company.
2. Must be linked to the risk assessment process.
3. The control activities chosen are adjusted to the specific nature of the Company or its core business.
4. All activities have policies and procedures established in writing.
5. The established policies and procedures must be implemented.



Control activities must be evaluated regularly to ensure that the activities are still appropriate and functioning as expected, control activities consist of:

1. Review of the Company's performance.
2. Development of human resources.
3. Control over management of information system.
4. Control over physical assets.
5. Determination and review of indicators and performance measures.
6. Segregation of duties.
7. Authorization of transactions and important events.
8. Accurate and timely achievement of transactions and events.
9. Restricted access to resources and their records.
10. Accountability for resources and their records.
11. Good documentation of internal control system as well as important transactions and events.

Information and Communication

Information is data that has been processed and used for decision making in carrying out the duties and functions of the company. Communication is the process of delivering messages or information using certain symbols or signs both directly and indirectly to get feedback.

The information and communication system is a process of presenting reports on operational, financial activities as well as adherence and compliance with the laws and regulations. The Company shall have relevant and reliable information, both financial and non-financial, related to internal and external events. The information must be recorded and communicated to the Company's leaders and others who may need it within the Company in a form that allows the person concerned to carry out internal control and operational responsibilities.

Monitoring

Monitoring is the process of evaluating the quality of the Company's internal control system, including the Internal Audit function at every level and unit in the organizational structure. Monitoring is carried out through continuous monitoring, separate evaluations, and follow-up on audit recommendations and other reviews.

Continuous monitoring is carried out through routine management activities, supervision, comparison, reconciliation, and other actions related to the implementation of duties. Separate evaluation is an assessment of the quality of the performance of the internal control system with a specific scope and frequency based on risk assessment and the effectiveness of ongoing monitoring procedures. Separate evaluations are conducted through self-assessment, review, and testing of the effectiveness of internal control system, and are carried out by considering the scope and frequency of the evaluation, methodology, and resources.

Evaluation of the Implementation of the Internal Control System

The Board of Commissioners and the Board of Directors are committed to ensuring that Good Corporate Governance is implemented as the basis for achieving the objectives to maintain and enhance the value of the Company. One implementation of Good Corporate Governance is to ensure that the internal control system has been implemented adequately. The Board of Directors is responsible for implementing a good internal control system to achieve the Company's objectives.

Evaluation on the Company's internal control system at the entity level (Entity Level Control) is conducted by Internal Audit from November 3, 2020 to December 3, 2020, with the scope of the assessment covering the entire process of Entity Level Control within PT Penjaminan Infrastruktur Indonesia (Persero) during the 2020 period.

The methodology used in evaluating the implementation of entity-level internal control system is as follows:

- Review of documents and data;
- Observation and interview with management and employees;
- Implementation survey with management and employees;

Based on the results of the evaluation, it was concluded that the implementation of the Company's internal control system received a good rating.



Benchmarking

In order to measure and compare performance against similar activities or activities in similar work units in other companies, PT PII has participated in the National Internal Audit Conference organized by The Institute of Internal Auditors Indonesia (IIA Indonesia). In addition, PT PII is also active as a member of the Communication Forum for the Internal Control Unit of State-Owned Enterprises (FKSPI BUMN).

Monitoring of the Follow-up on Findings

The Internal Audit Division monitors and follows up on responses to internal and external audit recommendations through review and verification procedures on the progress of the status of corrective actions carried out by the relevant work units.

Follow-up monitoring aims to objectively assess the extent to which the implementation of the findings recommendations is implemented and check the correctness of the data, both written and physical in the field, on the audit reports that have been submitted by the relevant work units.

Follow-up Reports on Internal and External Audit Recommendations are distributed to the President Director and the Audit Committee regularly at least every 3 (three) months. As of the end of Quarter IV (Q4) 2020, in overall the Company has completed 39 (thirty nine) recommendations (95%) of a total of 41 (forty-one) recommendations from internal audit, which must be completed in 2020. Plus 1 (one) recommendation that was completed earlier than the due date, so there were 40 (forty) recommendations that have been completed out of a total of 62 (sixty two) recommendations that must be completed by 2021. As for the external audit recommendations during 2020 there were no external auditor findings submitted to the Company for follow-up.



PUBLIC ACCOUNTANT

The function of independent supervision on the Company's financial aspects is implemented through External Audit conducted by Public Accounting Firm. Public Accounting Firm Tanudiredja, Wibisana, Rintis & Partners - A member of the PricewaterhouseCoopers network of firms - has audited the Company's financial statements for the last 5 (five) years.

Audit Period of Public Accountant

The external audit appointment is the authority of the shareholders, and is decided in the GMS. The following are Public Accounting Firms that have audited the Company's Financial Statements for the last 5 (five) years:

FISCAL YEAR	NAME OF PUBLIC ACCOUNTING FIRM	NAME OF ACCOUNTANT (Partner in Charge)	AUDIT FEE
2020	Tanudiredja, Wibisana, Rintis & Partners (PwC)	Lucy Luciana Suhenda, S.E., Ak., CPA	IDR860.000.000
2019	Tanudiredja, Wibisana, Rintis & Partners (PwC)	Drs. M. Jusuf Wibisana, M.Ec, CPA	IDR864.000.000
2018	Tanudiredja, Wibisana, Rintis & Partners (PwC)	Drs. M. Jusuf Wibisana, M.Ec, CPA	IDR800.000.000
2017	Tanudiredja, Wibisana, Rintis & Partners (PwC)	Drs. M. Jusuf Wibisana, M.Ec, CPA	IDR674.960.000
2016	Tanudiredja, Wibisana, Rintis & Partners (PwC)	Drs. M. Jusuf Wibisana, M.Ec, CPA	IDR649.000.000

Other Services Provided by Public Accounting Firms

In 2020, in addition to providing audit services on the Company's Financial Statements, Public Accounting Firm Tanudiredja, Wibisana, Rintis & Partners (PwC) also provided compliance audit services in accordance with the regulations and internal control (PSA 62) as well as Assurance Agreement services for Key Performance Indicators of the Company's Board of Directors and Board of Commissioners.

RISK MANAGEMENT

Profile of the Head of Risk Management



Catur Priyoni
Head of Risk Management

Indonesian citizen Age : 48 years old
 Domicile : Jakarta, DKI Jakarta, Indonesia

Joined the Company since February 1, 2019 as Head of Internal Audit and was appointed as Head of Risk Management on June 19, 2019.

Prior to joining the Company, he had served as Head of Internal Audit in several international affiliated joint venture insurance companies as Head of Internal Audit and Compliance Advisor for 8 years.

As educational background, he obtained Bachelor of Accounting from the Faculty of Economics, University of Indonesia in 1997 and has obtained a Practicing Accountant Certificates from CPA Australia and ASEAN CPA in 2019, the Certificate of Audit Committee Practices in 2018, as well as the Risk Management Certificate (Certification in Risk Management Assurance/CRMA) in 2013 from The Institute of Internal Auditors. In addition, he is registered as an Indonesian Chartered Accountant (CA) at the Institute of Indonesia Chartered Accountants (IAI) since 2013.

Risk management is crucial for sustainability of the Company's business activities or PT PII's business activities as a provider of contingent fiscal support for infrastructure projects, and the successful development of infrastructure projects. As the expansion of the Company business beyond the provision of guarantee also to assist infrastructure projects that developed with the Public Private Partnership (PPP) scheme, risk management is essential as an early mitigation effort in preparing and structuring projects as well as the monitoring process throughout the project.

In structuring infrastructure projects with PPP scheme, the preparation of Risk Allocation Guidelines is very important and has a central role. This can be a reference for the Government's Contracting Agencies (GCA) in allocating risk to the right party and capable of managing risk and preparing risk mitigation plans in the provision of infrastructure in accordance with public needs.

Basis of Risk Management Policy

The Company has already established a standard of reference for implementing risk management. The Company's policy on risk management refers to:

- The Company's Operation Manual;
- The Company's Enterprise Risk Management Framework;
- Standard Operating Procedure (SOP) for Risk Management Exercise;
- International Organization for Standardization (ISO)

31000: 2018 Risk Management Guidelines;

- Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2017, Enterprise Risk Management – Integrating with Strategy and Performance.

Risk Management Principles

Risk management principles adopted by the Company can be described as follows:

- Risk Management performs a role in creating and protecting the value of the Company;
- Risk Management is an integral part of all organizational processes, which must be applied in all activities, processes and systems, and considered in every decision making;
- Risk Management is dynamic, repetitive, responsive to changes, and adjusted in line with the achievement of the Company's goals;
- Risk Management is a human-driven process in which the culture is carried out inclusively throughout the organization; and
- Risk Management is a driving force for creating an organization that is able to adapt and continue to be developed in a sustainable manner.



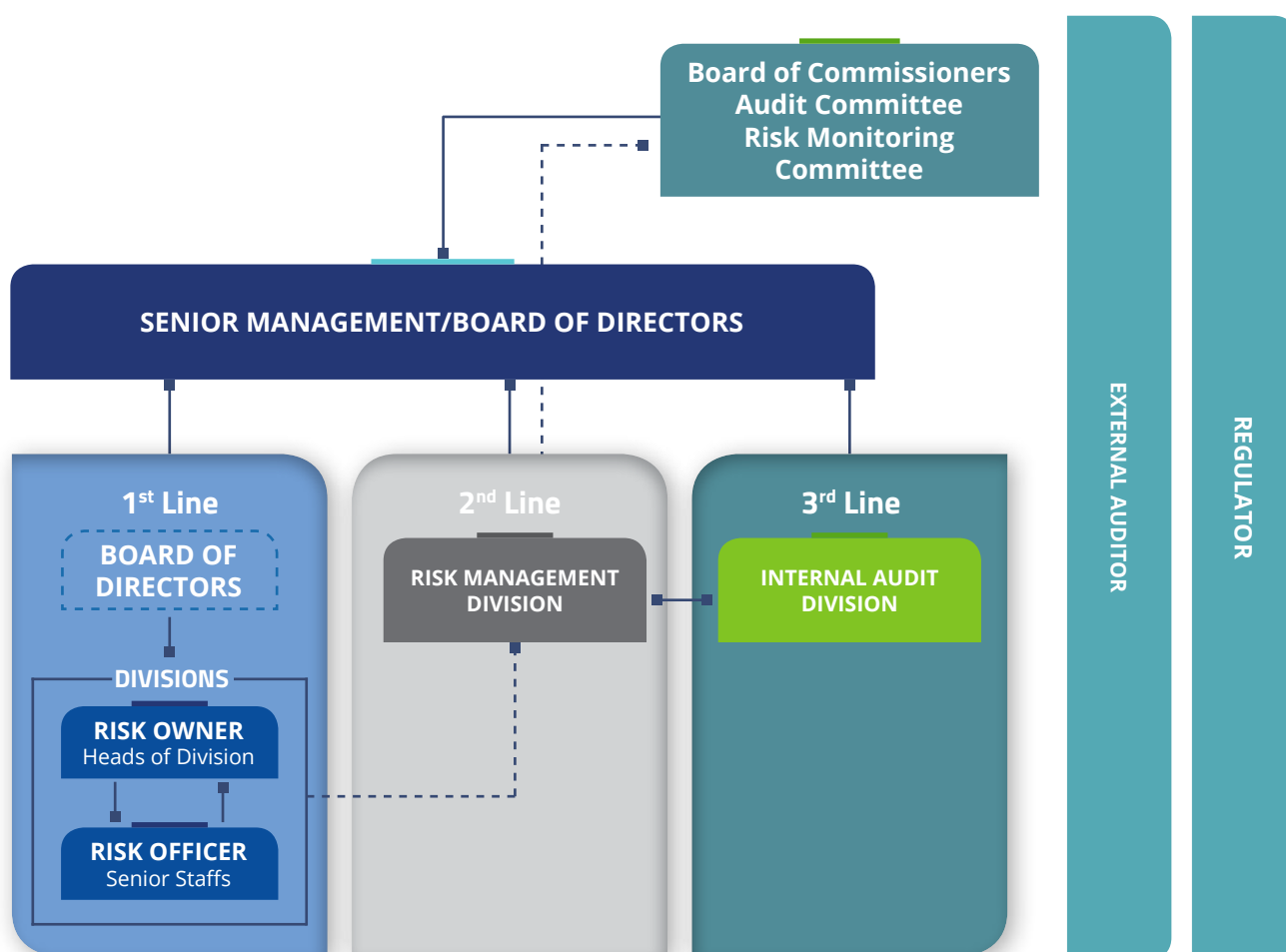
Robust Supervision From The Board Of Commissioners And The Board Of Directors

Regarding the implementation of risk management, in each semester, the Risk Management Division provides Risk Management and Monitoring Report on the development of risk mitigation to the President Director who is in charge of the Risk Management Division. The Company periodically submits Management Report to the Board of Commissioners, which contains risk management implementation report.

The report presents the progress of risk management activities, especially related to the status of mitigation follow-up, to illustrate the commitment of the Company in reducing its risk level. The Board of Commissioners has also established the Risk Monitoring Committee, to

assist the Board of Commissioners in monitoring the implementation of risk management in the Company and provide input on the risk management process. The Risk Management Division periodically conducts meetings and discussions together with the Risk Monitoring Committee to discuss the implementation and work programs related to risk management and follow up on the input submitted.

The Company's Risk Management governance adopts the 3 Lines Model, which involves collaboration and communication of all elements in the Company, including the Board of Commissioners, Board of Directors, Internal Audit, Risk Management function, as well as Risk Owners and Risk Officers in each division as described in the following chart:





Objective And Framework Of ERM Implementation

Objective

The implementation of ERM aims to achieve the following objectives:

- Develop the Company into a strong and resilient company that can deal with risks in its effort to realize its vision and mission by conducting comprehensive evaluation of the risks inherent in all of the Company's business activities;
- Support the management in making risk-based decisions to achieve a sound business growth by taking into consideration of the established risk/return profile.
- Fulfill the principles of Good Corporate Governance by creating prudent strategy and processes; and
- Enhance the Company's reputation in the viewpoints of shareholders.

The Risk Management's mission statement set forth "tone at the top" as a guideline for Risk Management activities throughout the organization. The mission statement serves to communicate the Company's vision, principles and mandate.

The mission of ERM implementation is to understand the key risks faced by organizations and facilitate the Risk Management process by providing appropriate tools and methodologies in managing risks explicitly. This will achieve a consistent approach to managing risk in the organization.

To support the risk management mission statement, ERM must realize risk-conscious organizations through:

1. Establishment of risk-based management system, which manages all major risks through Risk Management practices that are attached and embedded in all business activities and decision making;
2. Risk management at all levels in the organization;
3. Clear accountability and independency in conducting compliance reviews and monitoring all activities (all business process owners); and
4. Adoption of widely accepted international standards.

Framework

The Company's policy on risk management refers to the Risk Management Framework with the key reference, namely ISO 31000:2018. The document defines the Company's Enterprise Risk Management Framework, which includes:

- Establishment of general principles and standards for Risk Management practices to enable a general understanding of Risk Management;
- Risk appetite and tolerance that were approved by the Management in determining the size of the risk level;
- Adopt a risk management framework that defines the Risk Management process applied to the Company's business in general; and
- Accountability and responsibility in implementing Risk Management.

The framework is a structured and consistent approach to direct and control the organization in dealing with risks and changes that affect the organization and is a holistic approach to managing the risks faced by the Company in order to remain within the Company's risk appetite in changing business environments.

Risk Category

The Company categorizes the risks into the following:

- Strategic Risk, includes all risks associated with planning, implementing and monitoring strategies.
- Financial Risk, including all risks related to market risk and liquidity risk.
- Operational Risk, including all risks arising from the implementation of the Company's business functions.



The risk taxonomy (shows a breakdown of possible sources of risk) and risk definitions aims to provide a clear definition of risk that is included in this ERM framework as follows:

1. Strategic Risk Category

Risks arising from inaccurate determination and implementation of the Company's business strategy, inaccuracies in business decisions, or inability to respond to external changes

a. Strategy and Planning

Risks arising from the weak context of PT PII strategy and planning issues that might have an impact on PT PII's strategic values and performance as an organization.

2. Financial Risk Category

In this category, risks are classified as risks arising from the Company's inability achieve its revenue targets, losses incurred from fund investments, and its inability to generate new funding from either creditors or the shareholder.

For the matters related to investment shall refer to the Regulation of the Minister of Finance of the Republic of Indonesia No. 95/PMK.08/2017 concerning the Scope and Procedures for Providing Government Guarantee in the Infrastructure Sector by the Infrastructure Guarantee Business Entity and internal regulations.

a. Market (e.g. interest rate, currency exchange rate)

This point described risks arising from adverse movements of market factors such as interest rate, currency exchange rate and stock prices.

b. Liquidity and Credit

Financial risks related to liquidity and credit issues in connection with the Company's assets and revenues.

3. Operational Risk Category

Risks in this category usually arise from the execution of the Company's business functions. These risks focus on risks arising from people, system or process involved in the Company's operations (including in the provision of guarantee as the Company's core business)

a. General Operations

General operations risks are usually related to the inability of the Company to operate business functions efficiently, leading thus to operational losses from activities other than the provision of guarantee services.

b. Provision of Guarantee

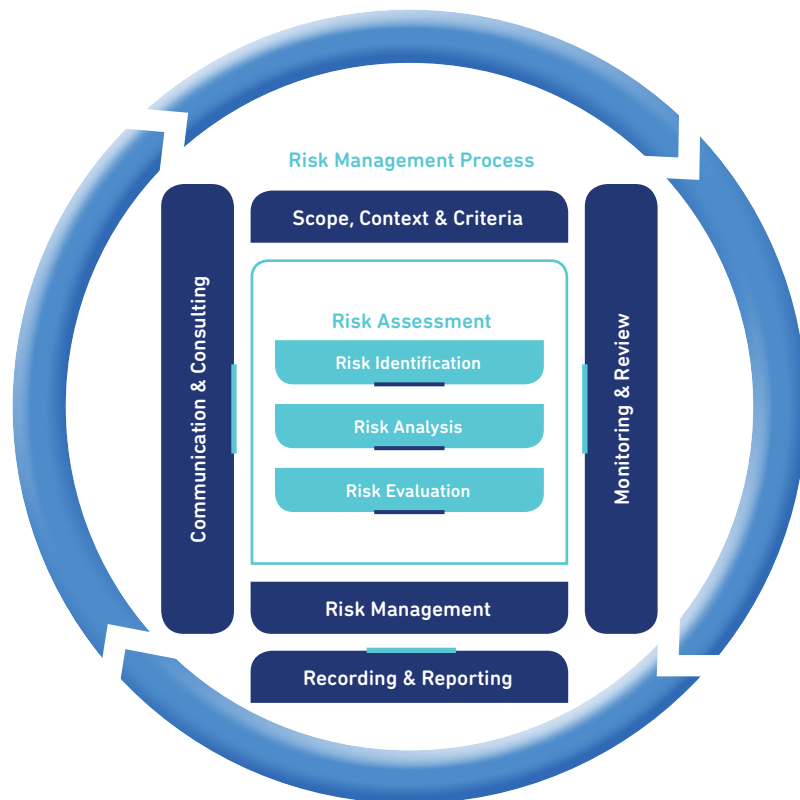
This risk category contains operational risks related to the Company's role as Infrastructure Guarantee Business Entity (BUPI)

c. Legal and Compliance

This risk category is related to the Company's inability as a corporate body to comply with legal or regulation standards that might have an adverse impact on the strategic values or performance of the Company's as an organization.

Risk Management Process At The Company

The Company's Risk Management process is part of management and decision-making and is integrated into organizational structures, operations and processes. The risk management process includes the systematic and continuous implementation of activities and processes of communication and consultation, establishment of context, assessment, treatment, monitoring and review as well as recording and reporting of risk.



The Company has established a series of Risk Management processes by adopting ISO 31000: 2018 as generally explained as follows:

1. Scope, Context and Criteria

The purpose of setting the scope, context and criteria is to adjust the Risk Management process, so that risk assessment and treatment is carried out effectively and is relevant to the Company's organizational and operating environment. In general, the Company's current business processes include:

- PPP guarantee;
- Non-PPP Guarantee;
- Preparation and Transaction Advisory;
- Fund placement management (investment)

In line with business developments and the needs of stakeholders, in the future it is possible that there will be additional mandates and other business processes that need to be assessed for their impact on the Company's strategy, operations and finances.

2. Communication and Consultation

Conducted both internally and externally with stakeholders to be able to manage risk properly in the form of regular meetings, incidental or adhoc meetings, Focus Group Discussions (FGD); and regular discussions between the Risk Management function as well as the Risk Owners and Risk Officers.

3. Risk Assessment

This stage includes identification, analysis and evaluation of risks that are carried out systematically to determine the possibility and impact of an event that hinders the achievement of organizational goals or objectives so that risk management can be carried out appropriately.



4. Risk Treatment

The purpose of risk treatment is to determine appropriate actions that may provide the most optimal benefits for the Company in dealing with identified risks.

5. Risk Monitoring and Review

Risk monitoring is routine monitoring of the performance of the Risk Management process on planning and expectations of the Risk Management process, while risk review is a periodic review of current conditions with a particular focus.

6. Risk Recording and Reporting

The risk management process and its results shall be documented and reported through appropriate mechanisms. Reporting is an integral part of organizational governance that is implemented to improve the quality of communication with stakeholders and support the Board of Directors and the Board of Commissioners in fulfilling their responsibilities.

Determination Of Risk Level

Setting the risk level at a moderate level means that the risk may be accepted with some additional consideration regarding the benefits to be gained. Below is the risk level matrix used in risk evaluation:

Potential Risk	Impact in the Event of Risk Materializing				
	Not Significant	Minor	Moderate	Major	Catastrophic
Very Low	Low	Low	Low	Low	Moderate
Low	Low	Low	Moderate	Moderate	Moderate
Medium	Low	Moderate	Moderate	High	High
High	Moderate	Moderate	High	High	High
Very High	Moderate	High	High	High	High

Guidelines For Risk Treatment

Risk Treatment is an important activity in managing risk that determines the next activity in dealing with risk. The determination of risk management must be carried out in line with the risk appetite which is translated in the risk level matrix. Below are the guidelines for risk treatment of each risk level that can be used as a guide in determining responses to identified risks.

Risk Level	Risk Treatment
Low	- Accept the risk with constant monitoring - At the minimum, detection control could be determined for the risk - Risk management conducted within 6 (six) months, if possible
Moderate	- Reduce the risk level, if possible - Prevention control could be determined for the risk - If the costs of risk management exceed the benefit, accept the risk - Risk management conducted within 3 (three) months, if possible
High	- Reduce the risk level, if possible - If the costs of risk management exceed the benefit, accept the risk - Prevention control could be determined for the risk - Risk management to be conducted as soon as possible - Monthly risk monitoring required



The Company's Top Risks

In running its business, as a corporation, the Company faces several main risks, including:

1. Market Risk

As a financial institution that manages very substantial funds to support its guarantee capacity, the Company is always exposed to Market Risk arising from changes in foreign currency exchange rates and interest rates. However, since in the current period, the Company has not owned financial assets and liabilities denominated in material foreign currencies, changes in exchange rates from foreign currencies to functional currencies shall not have a significant impact on the Company's profit or loss after tax. In terms of investment, the Company's investments mainly consist of deposits and investments with fixed-income and short-term in the available-for-sale and held-to-maturity categories. Changes in the increase or decrease in market interest rates have no significant effect on the Company's interest income. In terms of financial liabilities, the Company has two-step loans with variable interest rates using the SUN Benchmark with a tenor of 20 years. Changes in the increase or decrease in interest rates have no significant effect on the Company's interest expense.

2. Credit Risk and Liquidity Risk

In managing a very substantial investment portfolio, the Company consistently faces the risk of failure in investment return and settling its financial obligations at maturity due to cash flow disturbances and/or funding difficulties. In mitigating Credit Risk, the Company sets a prudent investment policy, including investment mandates for the type of investment, allocation limits, as well as selective criteria for counterparty referring to the applicable regulations and policies.

For Liquidity Risk, the Company has no significant liquidity risk since it has high liquidity in the form of cash and cash equivalents and investments which are managed by monitoring the estimated and actual cash flows, as well as adjusting the maturity date profile of financial assets and financial liabilities. As well as a contingency plan, at a certain limit, the Company will seek support for liquidity assistance to the Ministry of Finance and/or Financial Institutions if needed.

3. Risk of Guarantee Provision

In carrying out its role as Infrastructure Guarantee Business Entity (BUPI), the Company always faces risks, among others related to guarantee claims and recourse, risks related to the guarantee evaluation process and project feasibility assessment as well as risks related to the success and effectiveness of guarantees provision, including compliance with the laws and regulations. In managing and mitigating these risks, the Company developed a framework and methodology for a comprehensive, structured and disciplined assurance process through the Operation Manual for Infrastructure Assurance, which is supported by the capacity of both internal and external resources, technology infrastructure and assurance processes for compliance and risk management aspect carried out by independent work units, in this case the Risk Management and Internal Audit function. In addition, in each guarantee provision process, the teams involved in the guarantee process also carry out effective and constructive communication and collaboration with relevant stakeholders in the guarantee provision process, including by communicating the Risk Mitigation Plan, Key Risk Indicators in the Joint Monitoring Committee. Overall, each guarantee process is carried out with reference to the practice of Good Corporate Governance supported by the supervision of the Board of Directors and the Board of Commissioners (tone from the top), as well as supervision from regulators and independent external auditors.

4. Operational Risk Under Normal Conditions

The risks arising from the implementation of the Company's business functions related to the use of resources, systems and business processes in which the Company operates, including from the activities of providing guarantees as its main business. The impacts of operational risks that commonly occur include delays to the termination of business processes, operational inefficiencies and non-compliance with the applicable laws and regulations. In overcoming these risks, the Company carries out various appropriate mitigation measures, including selecting project priorities or transferring project guarantee implementation resources if necessary, communicating and coordinating with GCA regarding the determination of project targets and timelines, including the commitment to fulfillment/completion of required documentation, and carries out capacity building to synergize and prepare the capacity of GCA in the guarantee process.



5. Operational Risks During the Covid-19 Pandemic

During the pandemic due to the prolonged Covid-19 outbreak, the Company is also exposed to the impact of uncertainty due to deteriorating national and global economic conditions amid limited human mobility and the increasing threat of the spread of the Covid-19 virus. In overcoming these risks, apart from relying on the national economic stimulus and rescue program carried out by the national government, the Company has prepared the policies, procedures and resources needed to carry out the Business Continuity Planning (BCP) scenario including the use of information technology in communication and routine documentation in order to limit physical interaction while maintaining productivity and business continuity. The Company also conducts stress test analysis and calculation of projections to anticipate the worst possibility due to the pandemic. In addition, the Company adopts the implementation of health protocols that refer to the applicable rules and regulations by campaigning for vigilance and healthy living behavior during the pandemic.

Description of The Risk Management System Implemented By The Company

The Company's risk management is carried out in an integrated manner with business strategies and processes. The implementation of proactive and forward-looking risk management is carried out to anticipate, maximizing added value for shareholders, managing capital comprehensively, and ensuring the Company's profitability and business growth are sustainable.

In implementing risk management, the Company applies Enterprise Risk Management approach or also known as ERM, in a holistic and integrated manner which is compiled in the Company's Risk Management Framework as the basis for the implementation of all risk management activities throughout the organization.

In addition to carrying out the role of Risk Management function, the Company's Risk Management Division also helps provide assistance and consultation on the compliance process as part of the implementation of GCG and internal control.



Unlike with the internal audit function, which is placed after the transaction, the compliance review is designed as a risk management tool prior to the transaction. The compliance function is responsible for ensuring the fulfillment of prerequisites related to the procurement of goods and services as well as the guarantee process in the project. The compliance function provides early warning to the management related to the supervisory of the aspect of compliance and conformity with the applicable regulations.

Description of the results of review conducted on the risk management system for the fiscal year

Evaluation on the effectiveness of the implementation of the Company's risk management is carried out through several mechanisms, among others by incorporating the Risk Management aspect in the Corporate Key Performance Indicators (KPI), audits with a risk-based approach, review on implementation and monitoring and reporting to stakeholders regularly. In practice, the Risk Management Division periodically evaluates the effectiveness of the Enterprise Risk Management system by monitoring the movement of risk levels in the Company's risk profile. The monitoring results shall be further reviewed by analyzing the effectiveness of the risk management plan that has been formulated.



and implemented. The results of the report on risk profile shall be submitted to the Board of Directors and Board of Commissioners regularly. The KPIs that have been established by the Management related to Risk Management have a risk reduction target of 10% (ten percent) in 2020.

In 2020, the Company was able to achieve the target for the reduction in the number of risks. Some risks experienced a decrease in terms of risk level due to progress from the status of risk mitigation implementation. Monitoring of risk mitigation activities that have been carried out will continue to ensure that the risk level shall not increase or endanger the continuity of the Company's business.

In order to continuously improve the risk management process, in 2020, the Risk Management Division developed one of the risk management implementation infrastructures, namely the Risk Control Self-Assessment (RCSA) which aimed to evaluate the design and implementation of control in response to identified risks. With this tool, it is expected that each Risk Owner and Risk Officer shall be able to conduct a more effective independent assessment and evaluation of risk and continue to improve risk management in the future. In addition, another tool was also developed, namely Lesson to Learn Report, aimed at documenting the conditions, cause-effect analysis and handling of incidents or disturbances in Divisions or Work Units which harming on the achievement of organizational and business objectives.

The overall development of the existing infrastructure aimed to continuously improve the risk culture at all levels of the Company therefore in addition to protect the Company's value, risk management activities shall also create and provide added value for the organization.

Risk Management Information System

The implementation of information technology in the implementation of Risk Management uses a web-based computer application called i-RISK. This application is used to automate the entire risk management process and display a dashboard for risk analysis and monitoring. Risk Officer and Risk Owner can provide risk input to this application therefore it can facilitate the identification of risks and formulation of risk management plans faced by the Division and the Company.

2020 REVIEW

In 2020, the Risk Management Division has carried out several work programs in order to develop the Company into an organization capable of managing the inherent risks in all business activities to achieve the Company's vision, mission and objectives as well as to support risk-based decision making by the Management.

The Risk Management Division focused its activities in 2020 on developing a Risk Officer Program aimed to continuously strengthen and develop the risk management process integrated at the corporate level by involving various parties in the Company. The resulting output was the Risk Control Self-Assessment (RCSA), an integral part of the Risk Register Lesson to Learn Report and the development of a more comprehensive and optimal Risk Register, which ultimately led to more effective and efficient risk culture. In 2020 the Risk Management Division carried out several risk management activities, including:

1. Updating and improving the Risk Allocation Guidelines, including those related to the narrative adjustments in several PPP project sectors, the addition of structure and risk matrix for dam projects and utility networks (urban facilities), structure improvement and adjustment of the risk matrix of PPP project in the airport sector;
2. Establishing cooperation with the Corporate Secretary Division in the development of digital-based Risk Allocation Guidelines documentation (digitalization) on the Company's website to facilitate relevant stakeholders in obtaining required information concerning business schemes and project risks;
3. Facilitating the identification, handling, monitoring and reporting of the Company's risks continuously by involving the Risk Officer and Risk Owner;
4. Building the Company's reputation as Risk Manager by participating in the 2020 Top GRC Event, which the Company received the 4-Star TOP GRC award, the most Committed GRC Leader of 2020 for the President Director, and the High Performing Corporate Secretary on GRC of 2020;
5. Development of Anti-Bribery Management System Guidelines (SMAP) adopted from ISO 37001:2016 as part of the commitment to implementing Good Corporate Governance;



6. Development of the Guidelines for Risk Appetite Statement
7. Development of the SOP for Risk Management Process following the developments and processes in the updated Risk Management Framework;
8. Preparing the Risk Impact Analysis (RIA) as part of the PPP and Non-PPP Project guarantee process;
9. Ensuring that the guarantee process has complied with the Company's Operation Manual and the applicable internal procedures;
10. Ensuring that the investment fund placement process has complied with the prevailing regulations, namely the Regulation of the Minister of Finance No. 95/PMK.08/2017 and internal procedures;
11. Ensuring that the procurement process for goods and services has followed the prevailing internal provisions and procedures;
12. Providing recommendations on the issuance of policies/procedures from a risk management point of view;
13. Carrying out activities to increase awareness of risk management to employees by organizing a Governance Risk and Compliance (GRC) Forum in collaboration with the Internal Audit Division and Corporate Secretary Division;
14. Organizing a Webinar related to World Anti-Corruption Day (Hakordia) with the theme "Maintaining Integrity, Ready to Prevent Corruption" in collaboration with the Internal Audit Division and the Corporate Secretary Division;
15. Providing ERM Fundamental training to Risk Officers in collaboration with CRMS training providers to build a common understanding and perspective on risk management and related processes as well as continuous improvement of risk culture.

2021 STRATEGIC PLAN

In addition to several routine activities that will be carried out, such as updating the Risk Allocation Guidelines, identifying and monitoring the Company's risks, preparing Risk Impact Analysis, participating in risk management practice competitions at the national and regional level (ASEAN), as well as conducting Risk Management awareness programs continuously, in 2021 the Risk Management Division will carry out several strategic initiatives, including:

1. Development of documents and Implementation of the Anti-Bribery Management System (SMAP) adopted from ISO 37001:2016 as an effort to meet the expectations of stakeholders and business partners as well as part of the commitment to implementing Good Corporate Governance;
2. Developing the assessment program on the level of maturity of the implementation of Risk Management to obtain an overview of the conditions of implementation at the Company and the necessary developments through the preparation of road map for the improvement of ERM maturity in accordance with the Company's short and long term objective;
3. Updating the Risk Management Information System to accommodate the existing developments and Reports in the Risk Management Framework (ERM Framework);
4. Supporting the implementation and development of Information Security Management System (SMKI) based on ISO 27001:2015 in collaboration with the IT Division.



SIGNIFICANT CASES OF THE COMPANY, SUBSIDIARIES AND MEMBERS OF THE BOARD OF COMMISSIONERS AND MEMBERS OF THE BOARD OF DIRECTORS CASES FACED BY THE COMPANY

Cases faced by the Company

During 2020 there have been no Important Cases faced by the Company.

Cases Faced by Subsidiaries

As of December 31, 2020, the Company has not established a subsidiary. Thus, there have been no legal cases involving the Subsidiary.

Cases Faced by the Board of Commissioners and Board of Directors

In 2020, there have been no legal cases involving the incumbent Board of Commissioners.

In 2020, there have been no legal cases involving incumbent Board of Directors.

Administrative Sanctions from Regulator

As of December 31, 2020, there have been no administrative sanctions imposed to the Company by the Regulator.



ACCESS TO THE COMPANY'S DATA AND INFORMATION

The Company continues to encourage timely, accurate and complete disclosure of information regarding the Company to shareholders and stakeholders in accordance with the prevailing laws and regulations. Dissemination of information to all stakeholders is an important part of realizing the principle of information transparency. Therefore, the Company provides the widest possible access to information for stakeholders and investors through the Company's website at <https://ptpii.co.id/>

Access to the Company's Data and Information is presented in the form of:

Information on the Company's website

The Company has presented information on its website, which includes:

- Information on Shareholder;
- Contents of the Code of Conduct
- Information on the GMS consisting of the agenda, summary of the minutes of the GMS, information on the date of the announcement of the GMS and the date on which the summary of the GMS was announced
- Profile of the Board of Commissioners and Board of Directors
- Charters of the Board of Commissioners, Board of Directors, committees and internal audit unit

Press Release

The Company actively publishes important events or activities in the form of press releases available on the Company's website.

Throughout 2020, the Company has published 8 (eight) press releases with the following details:

Date	Title
February 7, 2020	PT PII Provides Guarantee for Komodo Airport Project, Labuan Bajo
March 3, 2020	Ministry of Finance and PT PII Organized Workshop on the Strengthening the Role of Risk Management in Encouraging the Acceleration of Indonesia's Infrastructure Development
March 9, 2020	Encouraging Alternative Financing using PPPs to Build Infrastructure, the Ministry of Finance and PT PII Hold the 2020 Infrastructure Outlook Event
August 3, 2020	PT PII Provides Guarantee for the Preservation of East Trans Sumatra Road Project
August 19, 2020	The Ministry of Finance and PT PII Support GeoDipa in the Development Project of Geothermal Power Plant (PLTP) Dieng Unit 2 and PLTP Patuha Unit 2
September 10, 2020	PT PII Provides Guarantee for Solo – Yogyakarta – NYIA Kulon Progo Toll Road Project
December 16, 2020	The Ministry of Finance and PT PII Support PT PLN in the Distribution Network Development Project for Kalimantan & Maluku-Papua and Sulawesi & Nusa Tenggara
December 16, 2020	PT PII Provides Government Guarantee for Drinking Water Supply PPP Project in Pekanbaru City, Riau



MASS MEDIA

The Company consistently discloses information that needs to be known by the public as a form of transparency for its stakeholders in newspapers with national circulation,



THE COMPANY'S CONTACT

The Company has prepared an open communication line with its stakeholders via email to accommodate various questions related to PT PII by contacting::

HEAD OFFICE

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<https://www.facebook.com/PT%20PII%20-%20Persero>



https://www.instagram.com/pii_persero/



https://twitter.com/PII_Persero



THE COMPANY'S CODE OF CONDUCT

In running its business, the Company requires integrity, commitment to professionalism and excellence that reflects the aspirations of its Employees, Board of Directors, Board of Commissioners, Shareholders, Business Partners, Suppliers, Creditors, Community, and other Stakeholders. Therefore, the Company is committed to implementing Good Corporate Governance ("GCG") practices.

In demonstrating the commitment, the Company has launched programs for implementing GCG practices and also carried out various initiatives. The development of the Company's Code of Ethics is one of the important elements in the framework for implementing GCG practices in PT PII. Guidelines for the Company's Code of Ethics is a set of ethical behavior commitments for PT PII as a company and all members of the Board of Commissioners, Board of Directors and Employees, which are compiled and used as guidelines to influence, establish, regulate and conduct consistent behavior based on the principle of ethical sensibility, ethical reasoning, and ethical conduct as part of the Company's efforts to realize its vision, mission and values.

Contents of Guidelines for the Company's Code of Ethics

The key stipulations in the Code of Ethics Guidelines include:

1. Statement of Commitment of the Board of Directors and Board of Commissioners;
2. Integrity;
3. Compliance with the Laws and Regulations;
4. Conflict of Interest;
5. Professional Ethics at Work;
6. Ethics in Engaging with Stakeholders;
7. Involvement in political activities;
8. Commitment to the Environment, Occupational Health and Safety;
9. Financial reporting;
10. Giving and receiving gifts, entertainment and donations;
11. Commitment to the Protection of the Company's assets;
12. The mechanism for upholding the Company's Code of Ethics, including reporting and sanctions for violations.

Disclosure of the Enforceability of the Code of Ethics

The Company's Code of Ethics is applicable for all of the Company's personnel without exception. The contents of the Company's values are always socialized to all employees.

Every year, all employees and management of the Company create a statement of compliance with the Code of Ethics by signing the Annual Statement of Compliance. Newly recruited employees shall receive guidelines for the Company's Code of Ethics and sign a statement to comply with all the contents of the Company's Code of Ethics.

Enforcement of the Code of Ethics

In overseeing the implementation, the Company applies a strict reward and punishment system in addition to requiring management and employees to sign a statement of compliance with the implementation of the Company's code of ethics.

Sanctions for Violation of the Code of Ethics

The Company respects the right of self-defense of its personnel who are suspected of committing violations and hears their explanations to be considered in determining the form of disciplinary consequences to be imposed.

When the investigation shows that the reported personnel have committed the violations, then sanctions shall be imposed by determining the level of violation, sanctions for violations and the party authorized to impose the sanctions, in accordance with the Company's regulations or applicable regulations.

Number of Violations Against the Company's Code of Conduct and Its Sanctions

In 2020, there have been no violations committed against the Code of Ethics. Hence, no sanctions were imposed.



POLICY ON DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

POLICY ON DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS

Diversity in the composition of the appointed Board of Commissioners is required in terms of age, work experience and educational background.

Name	Age (Years)	Gender	Educational Background
AWAN NURMAWAN NUH	52	Male	He obtained his Bachelor of Economics degree from Gadjah Mada University in 1992 and Master of Business Taxation from the University of Southern California in 1997.
MARIATUL AINI	57	Female	She obtained an Engineer degree in Soil Science from the Bogor Institute of Agriculture in 1987 and a Master of Business Administration from the University of Wisconsin in 1994.
WAHYU UTOMO	56	Male	He earned a Bachelor of Engineering majoring in Civil Engineering in 1987 from the Bandung Institute of Technology and earned a Master of Science in Regional Science in 1999 and a PhD in Regional Science in 2002, both from Cornell University.

DIVERSITY POLICY IN THE COMPOSITION OF THE BOARD OF DIRECTORS

The diversity of the composition of the Board of Directors has made a positive contribution to the implementation of the Company's management and administration functions which support the achievement of the Company's overall performance. In addition, the age diversity of the members of the Board of Directors who are still in their productive age makes the Company's performance more dynamic. The diversity of the composition of the Board of Directors is as follows:

Name	Position	Age (Years)	Gender	Educational Background
MUHAMMAD WAHID SUTOPO	President Director	51	Male	He obtained his Bachelor of Engineering degree majoring in Electrical Engineering from the Bandung Institute of Technology in 1993 and Master of Management from the Indonesian Management Development Institute (IPMI Business School), Jakarta in 2002.
SALUSRA SATRIA	Finance and Project Assessment Executive Director	55	Male	Obtained Bachelor's degree in Economics from the University of Indonesia in 1990, a Master in Finance from Macquarie University, Sydney in 1993.
ANDRE PERMANA	Business Executive Director	44	Male	He earned his Bachelor of Engineering degree majoring in Civil Engineering in 1998 and a Master of Engineering in Project Management in 2003, both from the University of Indonesia, before earning his doctoral degree from Nanyang Technological University, Singapore in 2012.



DISCLOSURE OF CORPORATE CULTURE

The Company is expected to implement the principles that are believed to be good and suitable in conducting the roles and responsibilities. These principles shall be internalized as living culture within the Company's organization. Currently, the Company already instilled its cultural values known as InTIME, namely Integrity, Teamwork, Think Big, Mutual Trust and Excellence.

KEY VALUES: IN TIME

Integrity

1. Work with the highest standard of ethics.
2. Honest with oneself and others in all matters.
3. Uphold the interests of the Company above the interests of individual, groups and/or other parties.
4. Maintain the commitment in conducting duties.
5. Comply with the Company's rules.
6. Take responsibility in all actions.

Teamwork

1. Operate as a team.
2. Contribute skills and knowledge for the benefit of the team.
3. Uphold the interests of the team to achieve the Company's objectives.

Think Big

1. Having broad and up-to-date thinking.
2. Consider various alternatives to improve the results and benefits for the Company and stakeholders.
3. Continuously explore new ideas and innovation for the development of the Company.
4. Open to various developments in the work environment for the best results while continue to adhere to the principles of Good Corporate Governance.

Mutual Trust

1. Uphold business ethics with all components within the Company and the Company's stakeholders.
2. Consistently meet the promised service standards.
3. Trust and respect one another in good faith to earn the trust of colleagues and business partners.

Excellence

1. Commit to be the best in all endeavors.
2. Strive to make continuous improvements.
3. Having in-depth knowledge to support work activities and deliver results that exceed expectations.



ANTI-GRATIFICATION POLICY

The Company upholds trust, transparency and accountability of the Company's management which is free from Corruption, Collusion and Nepotism (KKN) and is referred to as the principles of Good Corporate Governance. The Company is aware that gratification control is an important activity to keep its business processes running in accordance with business ethics which uphold the value of integrity. Gratification control is aimed to develop GCG values, in particular integrity and transparency to all employees to enable them to consistently conducting daily business activities with customers, vendors, partners and all stakeholders based on ethics, mutual trust, and responsibility.

Hence, in order to keep business relationships within the corridor of ethics and GCG principles and to realize a clean, healthy and dignified business management, the Company realized the importance of a firm attitude towards gratification control. In supporting this, the Board of Directors and Board of Commissioners have established Guidelines for Gratification Control through Joint Decree of the Board of Directors and Board of Commissioners No. SK-005/BOD/CSC/1018 and No. KEP-10/KOM/PII/10/2018. These guidelines serve as the Company's reference in implementing gratification control within PT PII.

Purposes And Objectives

The purposes and objectives of the Gratification Policy are as follows:

1. As a guideline for Company's personnel to understand, prevent and control gratification within the Company;
2. As a form of the Company's responsibility in realizing a sound and trusted business, based on a trustworthy, transparent and accountable management in accordance with the principles of Good Corporate Governance;
3. Avoiding conflicts of interest with certain parties which are regulated through formal policies; and
4. Creating a corporate management devoid of all forms of corruption, collusion and nepotism (KKN)

Scope

The scope of the guidelines are matters related to the acceptance and granting of all forms of gratification, classification of acts of gratuity, limitation, and reporting that apply to Company's personnel and all stakeholders.

Basic Principles

As a form of the Company's commitment to implementing the principles of Good Corporate Governance, the guidelines were drafted based on the following principles:

Transparency

The principle of transparency is reflected in the mechanism for reporting the acts of gratuity within the Company. The reporting mechanism is designed to be a medium for the Company's personnel to examine and guarantee the validity of the gratification obtained in connection with their position in the Company.

Accountability

The principle of accountability is implemented as a form of obligation of the Company's personnel who have been given the mandate to carry out their duties and authorities in their positions, not to accept improper gifts in any form related to their position and to report such gifts to the authorized functions that manage reports of gratification which are considered as bribery.

Independence

For recipients of gratuities who report the results of receiving gratuities, the principle of independence is indicated by the attitude of refusing gifts in any form related to their position or reporting the receipt of gratuities that are considered bribes.

Whistleblower Protection

The reporter of gratuity violations can be qualified as whistleblower as referred to Article 15 letter (a) of Law No. 30 of 2002. Therefore, protection of the reporter (whistleblower) is mandatory as well as ensuring that there would be no intimidation and discrimination in the employment aspect of the whistleblower.



Gratification Reporting Media

Gratification reporting may be submitted to the Gratification Control Unit through the following channels:

1. Website of PT Penjaminan Infrastruktur Indonesia (Persero);
2. Letters addressed to: PT Penjaminan Infrastruktur Indonesia (Persero) Capital Place Building, 7th Floor Jl. Jend. Gatot Subroto Kav. 18 Jakarta 12710;
3. E-mail: pelaporan@iigf.co.id.

Socialization Of Gratification Control

The gratification control policy has been socialized to the Board of Commissioners, Board of Directors and all employees through workshops, internal portals, and the Company's website. The purpose of socialization is to provide awareness to all Company personnel on the implementation of Guidelines for Gratification Control.

Gratification Control Report 2020

Throughout 2020, there were 2 (two) reports related to the acceptance of gratuity received by the Gratification Control Unit. However, based on the provisions of 2.3 of the Guidelines for Gratification Control, it was concluded that the two reports were not the types of gratification that should be reported. Nonetheless, it was good that the Gratification Recipients reported and submitted the gratuity received to the Gratification Control Unit. This showed that the Company has established a culture of honest behavior in line with ethical values and laws and regulations. The existing gratification control system is expected to prevent potential acts of corruption and conflicts of interest within the Company.

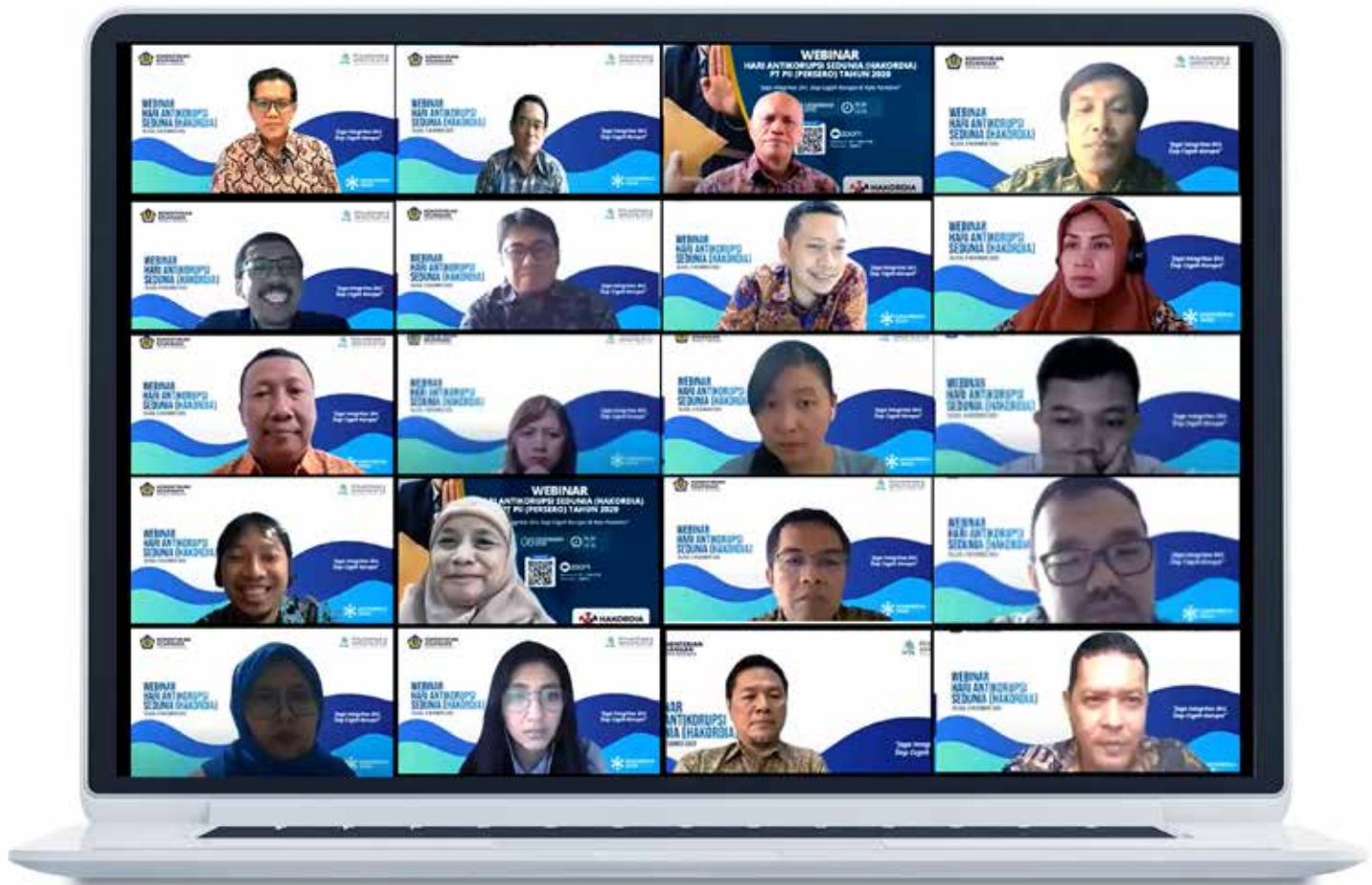
The details of the gratification control report are as follows:

Type of Gratification Report	Number of Reports
Gratuity Receipt Report	2
Gratuity Refusal Report	2
Gratuity Distribution Report	None
Distribution on Gratuity Request Report	None

ANTI-CORRUPTION POLICY

The Company has stipulated the Anti-Corruption policy in the Company's Code of Conduct. In addition, to support the implementation of the Anti-Corruption Policy, the Company has implemented the whistleblowing system as described in the report on the Whistleblowing System Policy in this Annual Report.

In 2020, to socialize the commitment to implementing anti-corruption and in celebrating the World Anti-Corruption Day, the Company conducted a series of activities including a Webinar with the theme “Maintaining Integrity, Ready to Prevent Corruption”. The webinar was attended by all of the Company's employees with speakers from the Audit Board of the Republic of Indonesia and the Ministry of Finance.



Webinar “Maintaining Integrity, Ready to Prevent Corruption” on December 8, 2020



STATE OFFICIALS ASSETS REPORT (LHKPN)

LHKPN Policy

The Company has established the guidelines regarding the state officials assets report (LHKPN), which is regulated through the Decree of the Board of Directors No. SK-024/DIR/COS/HR/0817 concerning the Stipulation of the Management of State Officials Assets Report (LHKPN) Policy of PT Penjaminan Infrastruktur Indonesia (Persero). The policy regulates the Company's employees who are required to report their assets, reporting procedures, administrator work units, and sanctions to be imposed on employees who fail to meet their reporting obligations.

LHKPN Administrator

LHKPN administrator within the Company is under the LHKPN Administrator Unit with Senior Vice President of Corporate Service as the Unit Coordinator assisted by the Institution Administrator and Unit Administrator, namely employees who are appointed based on the assignment letter. The duties of the Coordinator of the LHKPN Administrator Unit are as follows:

1. Coordinating with the Corruption Eradication Commission of the Republic of Indonesia (KPK) related to monitoring and evaluation of the compliance of LHKPN mandatory reporters in reporting and announcing LHKPN.
2. Reminding LHKPN mandatory reporters to comply with the obligation for the mandatory LHKPN data submission.
3. Monitoring the Institution Administrator and Unit Administrator in managing the mandatory data report.
4. Providing assistance or coordinating with the LHKPN mandatory reporters regarding report filling.
5. Proposing disciplinary sanctions for LHKPN mandatory reporters who failed or were late to submit their LHKPN.

LHKPN Mandatory Reporters

LHKPN Mandatory Reporters include Structural Officers within the Company as follows:

1. Members of the Board of Commissioners;
2. Members of the Board of Directors

LHKPN REPORTING IN 2019

Name	Position	Reporting Date*
Awan Nurmawan Nuh	President Commissioner	March 31, 2020
Mariatul Aini	Commissioner	March 4, 2020
Wahyu Utomo	Commissioner	March 29, 2020
Muhammad Wahid Sutopo	President Director	March 18, 2020
Salusra Satria	Finance and Project Assessment Executive Director	April 29, 2020
Andre Permana	Business Executive Director	June 5, 2020**

*Based on the Circular Letter of the Corruption Eradication Commission of the Republic of Indonesia No. 100 of 2020, the deadline for submitting LHKPN for the 2019 reporting year was April 30, 2020.

**Special Reporting for the first time since appointed as Director



DISCLOSURE ABOUT WHISTLEBLOWING SYSTEM

As a series of the Company's policies in eradicating the practice of corruption, bribery and other fraudulent practices, as well as a form of the management's commitment to the implementation of Good Corporate Governance, the Company has compiled and established Guidelines for Whistleblowing System (WBS) based on a Joint Decree of the Board of Directors and Board of Commissioners of PT PII (Persero) on April 26, 2018.

The guidelines contain rules and regulations related to the implementation of WBS within the Company which aims to:

1. As the implementation guidelines in handling violation reporting from Stakeholders to ensure the implementation of an effective resolution mechanism for violation reporting within a sufficient period of time.
2. Encourage all of the Company's personnel and other stakeholders to submit/report about violations and/or deviations from the code of ethics, law, standard operating procedures, management policies and other matters deemed to be detrimental/harmful to the Company.
3. Minimize the possibility of risks that can harm the Company if the internal control mechanism to prevent violations fails to work properly.
4. Increase the confidence of all of the Company's personnel and other stakeholders regarding protection from punishment, reprisal and or improper and unfair treatment to the reporters (Whistleblowers) when they disclose a violation, based on good faith and sufficient evidence.
5. Support the realization of a culture of transparency, accountability and integrity.
6. Improve the effectiveness of Good Corporate Governance, internal control and employee and organizational performance.

Basic Principles Of Reporting

Submission of alleged violations report performed by the whistleblower shall be based on the following principles:

1. Integrity and Professionalism

The Board of Commissioners, Board of Directors and the entire management of the Company shall be committed and fully support the implementation of Company policies regarding the Whistleblowing System; hence there is no opportunity for the Company's personnel to commit violations,

deviations and abuse of authority over a decision/ position.

2. Data Confidentiality and Principles of Presumption of Innocence

The Company shall prepare reporting mechanisms and procedures, from the public and employees, related to violations, deviations and abuse of authority that occur within the Company, to maintain the confidentiality of information, and the alleged perpetrator must be presumed innocent until proven guilty.

3. Justice

The Company shall be responsible and fair to the reporting of violations and deviation received by the Company, involving employees, the Board of Directors, or the Board of Commissioners.

4. Good Faith

Disclosure/reporting should be conducted in good faith and not as a personal complaint against a particular policy of the Company (grievance) or based on bad will/slander.

The Mechanism for Report Submission

The Whistleblower may submit the alleged violation through the reporting channel that has been determined by the Company and managed by the Whistleblowing Management Team as stipulated in the Joint Decree of the Board of Directors and Board of Commissioners of PT PII (Persero). If the Whistleblowers withdraw their Reports, they shall be required to provide reasons related to the cancellation of the reporting. The provision shall not be applicable for anonymous (unidentified) whistleblowers.

Violation Reporting Channel

The Company provides facilities and communication media for violation reporting through:

1. Website at: www.ptpii.co.id;
2. Letters addressed to authorized officials with the following address: PT Penjaminan Infrastruktur Indonesia (Persero) Capital Place Building, 7th Floor Jl. Jendral Gatot Subroto Kav 18, Jakarta 12170, Indonesia;
3. E-mail: pelaporan@PTPII.co.id

Protection for the Whistleblower and the Reported Party

The Company has a clear and impartial commitment to support and protect all Whistleblowers who inform on violations committed within the Company.



The whistleblower shall receive protection including:

1. The identity of the Whistleblower is guaranteed by the Company to be kept confidential.
2. The Company guarantees the protection of the Whistleblower from all forms of threats, intimidation, or improper actions from any party as long as the Whistleblowers maintain the confidentiality of the reported violation to any party.
3. Protection of Whistleblowers also applies to parties conducting investigations and parties providing information related to the complaint/disclosure.

The Company provides protection to the Whistleblowers for the following matters:

1. Unfair dismissal;
2. Demotion or rank;
3. Harassment and/or discrimination and/or pressure;
4. Intimidation in all its forms; and/or
5. Adverse records in the personal file record.

Whistleblowers who do not wish to have their identities published shall be guaranteed in terms of their personal identities, according to the type of violation reported. In the event that the report escalated to the court or the possibility of a legal process requiring the Whistleblowers' testimony, the identity of the Whistleblowers shall be disclosed.

WBS socialization

The Company has conducted socialization to all of its personnel and stakeholders in order to provide an understanding of the WBS, which is managed independently. The socialization was conducted through the workshop activities, internal portal and the Company's website.

Number Of Reports And Follow-Up Action In 2019

Throughout 2019, there were no reports of alleged violations that fall into the category of acts that violate the laws and regulations, related regulations/standards and internal regulations of the Company, which include matters as stipulated in the Company's Guidelines for Whistleblowing System. No follow-up was made since there has been no report on alleged violations submitted.

Description	2020	2019
Number of complaints received in the last fiscal year	None	None
Number of complaints processed in the last fiscal year	None	None
Number of complaints resolved in the last fiscal year	None	None
Number of complaints that have not been processed	None	None



FULFILLMENT OF THE 2020 SUSTAINABILITY REPORT SUBMISSION

The Company has prepared and published 2020 Sustainability Report that contains economic, environmental and social performance including the implementation of CSR programs and activities. The Sustainability Report has been prepared in accordance with the provisions in the Regulation of Financial Services Authority No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Companies, Issuers and Public Companies.

BAD CORPORATE GOVERNANCE PRACTICES

The Company realized that awareness of the negative influence of Bad Corporate Governance practices may interfere with the implementation of Good Corporate Governance. Throughout 2020, the Company has committed not to take any actions and policies related to this practice as shown in the table as follows:

Description	Practice
Reports stating as a company that pollutes the environment	None
Important legal cases currently being faced by company, members of the Board of Directors and/or members of the Board of Commissioners currently serving that are not disclosed in the Annual Report	None
Non-compliance in fulfilling tax obligations	None
Non-conformity of annual reports and financial reports presentation with the prevailing regulations and Financial Accounting Standard	None
Legal cases related to workers and employees	None
No disclosures on operating segments in listed companies	None
Discrepancies between the hardcopy and the softcopy of the Annual Report	None

STATEMENT OF THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE PRINCIPLES

All of the Company's management and employees stated that in carrying out their business activities, the principles of Good Corporate Governance have been implemented and there have been no material violations against the applicable laws and regulations. In addition, the Company continued to implement the principles of Governance in accordance with the prevailing regulations.

The Company's management and employees are committed to continuously improving Good Corporate Governance practices in a transparent, accountable, responsible, and independent manner, paying attention to equality and fairness in order to achieve the Company's business objectives, both in the short and long term.



Ahmad Ghulfron

“

RAKYAT SEHAT,
ekonomi kuat,
sejahtera meningkat

”

Ferry Irawan

“

Penjaminan Solid,
Risiko Terkelola
dengan baik,
EKONOMI MAJU

”

Donny Hamdani

“

Beradaptasi
Menghadapi Pandemi
MENUJU PEMULIHAN

”

Deki Santo Wibowo

“

Bersama-sama
SALING MENJAGA

”

PT PII (Persero)

**#Jaga
Infrastru**

Untuk Indon

PT

PT PII (Persero)

**#Jaga
Infrastru**

Untuk Indon

Mute

Stop Video

Invite

8

Manage Participants

Polls

Sha







CORPORATE SOCIAL RESPONSIBILITY

The Company has a moral duty to develop business activities that provide sustainable benefits to stakeholders and contribute to advancing the economy of the nation and the state, as well as achieving sustainable development goals.



CORPORATE SOCIAL RESPONSIBILITY

IDR3.54

Billion

Realization of
CSR Activities

Corporate Social Responsibility activities to the community and the environment are carried out in the vicinity of infrastructure project locations supported by the Company. The realization of the Company's CSR implementation in 2020 amounted to IDR3.54 billion from the budget of IDR3.3 billion.

The Corporate Social Responsibility activity is a form of the Company's commitment to sustainable development as well as a form of its support for government programs in dealing with the impact of the COVID-19 pandemic. For its performance of social and environmental responsibility implementation, the Company received the 2020 Nusantara Corporate Social Responsibility (CSR) Award 2020 as a company that has the best commitment and contribution to the community and the environment in 4 categories, namely Education Quality Improvement, Community Economic Empowerment, Community Involvement in Handling Waste and Community Economic Recovery. In addition, in 2020 PT PII also received the 2020 TOP CSR Award for the category of TOP CSR and Top Leader on CSR Commitment.



BASIS FOR THE IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY

The implementation of the Company's Corporate Social Responsibility (CSR) program aims provide extensive benefits the community, preserve the environment, and minimize the negative impact of business activities on all stakeholders.

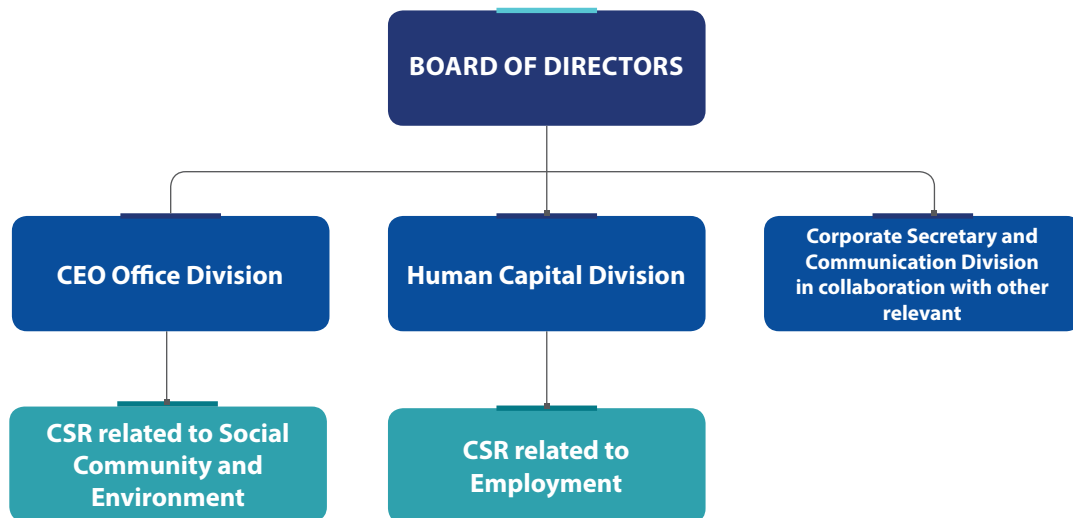
For the Company, CSR is a form of its continuous concern for the environment, respect for human rights, an obligation to provide a comfortable workplace and maintain a good relationship with employees, prioritize occupational health and safety, as well as participate in developing the economy and local community.

In conducting CSR activities, the Company refers to the applicable laws and regulations as well as general policies in Indonesia, namely:

1. Law of Republic of Indonesia No. 40 of 2007 on Limited Liability Companies;
2. Law of the Republic of Indonesia No. 19 of 2003 concerning State-Owned Enterprises;
3. Government Regulation No. 47 of 2012 on Social and Environmental Responsibility of Limited Liability Companies.

CORPORATE SOCIAL RESPONSIBILITY MANAGEMENT STRUCTURE

The implementation and management of the Company's social responsibility activities related to society and the environment are performed by the CEO Office Division, which is under the supervision of the Board of Directors. The CEO Office Division prepares CSR programs in collaboration with third-party partners, namely academics, government agencies, national humanitarian agencies and local social institutions as deemed necessary by considering the efficiency and effectiveness of the program. As for the employment aspect, it is coordinated by the Human Capital Division, while the responsibility to consumers is coordinated by Corporate Secretary and Communication Division in collaboration with other relevant divisions.





CORPORATE SOCIAL RESPONSIBILITY RELATED TO SOCIAL RESPONSIBILITY GOVERNANCE

Commitment to Social Responsibility

The Company is committed to realizing social and environmental responsibilities in an integrated manner in all business activities to achieve sustainable development goals in accordance with the applicable laws and norms and by upholding the principles of good business practice, social justice and environmental justice. As a business entity, the Company has a moral duty to develop business activities that provide sustainable benefits to stakeholders and contribute to the advancement of the national economy as well as the achievement of sustainable development goals. The commitment is also in line with the Company's Vision and Mission of implementing Sustainable Social Responsibility.



This responsibility and mandate is the main spirit that underlies the duties, expectations, and implementation of the Company's social and environmental responsibility. Therefore, the Company always ensures that its operations are environmentally and socially friendly as well as practicing good governance. Awareness of its important role in creating a sustainable future for future generations has become part of the Company's commitment through its consistent consideration of the contribution and impact of business operations. In addition, the Company shall periodically evaluate policies on sustainable processes in its business operations and investment behavior in order to manage risks appropriately in the implementation of sovereign guarantee according to the mandate given.

Method and Scope of Due Diligence on the Social, Economic and Environmental Impact of the Company's Activities

The Company conducts the due diligence process on the social, economic and environmental impacts of its infrastructure guarantee business activities, to provide added value to all stakeholders. In the due diligence, the Company applies the lost and benefit method through the analysis of risks and impacts arising from the Company's operational activities.



Results of the due diligence have been used as the basis for the approach in formulating CSR programs by considering the needs of stakeholders and in line with the Company's business strategy. This formulation includes mapping the potential success of the program and the risk of activity failure. Furthermore, CSR activities are prepared based on the results of due diligence, while considering the positive and negative impacts of each activity.

Key Stakeholders Impacted or Affected by the Impact of the Company's Activities

The Company has conducted stakeholder mapping with relation and linkages to the Company's business processes as well as operational activities. The stakeholder mapping process is an important part in the establishment of Corporate Social Responsibility program to enable the contribution of benefits to be right on target and minimize the negative impacts. Results of the stakeholder mapping process impacted or affected by the impact of the Company's activities are as follows:

THE COMPANY'S KEY STAKEHOLDERS

Stakeholders	Engagement Method
Community and non-governmental organizations (NGOs)	The Company's CSR Programs and Activities
Environment	Environmental preservation program
Employee	- Employee Gathering, - Electronic media/e-mail, - Focus Group Discussion, - Signing of Collective Labor Agreement (PKB)
Regulator	- Compliance with the applicable laws and regulations - The principle of prudence in business operations - Advice in the preparation of related regulations
Media	- Media Gathering - Media Briefing

Important Socio-Economic and Environmental Issues Related to the Impact of the Company Activities

In general, the Company's activities influence and have impacts on economic and social issues. However, it also indirectly has an impact on the support for environmental conservation. Economic and social issues that can be impacted by the Company's business activities include economic movements and improvement of public welfare derived from the long-term benefits of infrastructure guaranteed by the Company.

Meanwhile, environmental risk is an important issue of the negative impact of the development of the infrastructure projects due to the exposure of the natural environment around the construction site to the negative risk of infrastructure development activities. In regards to the generated risks, the Company applies strict risk management and the principle of prudence, as well as conducts CSR program which enables to have a positive impact on economic, social and environmental aspects.

Scope of Corporate Social Responsibility

The scope of the Company's Corporate Social Responsibility is in line with the implementation of Government Regulation No. 47 of 2012 as the implementing regulation of Law No. 40 of 2007 concerning Limited Liability Companies Article 74 which regulates social and environmental responsibility (TJSL). The implementation of the Company's social and environmental responsibility is then specifically regulated in internal policy, namely the Guidelines for the Implementation of Corporate Social Responsibility of PT PII (Persero) with its latest update on October 2020.



The Company's social responsibility or CSR activities are conducted through the implementation of transparent governance and ethical behavior while respecting human rights and taking into account the expectations of stakeholders. For the Company, the CSR program is not just an activity conducted to comply with the regulations, but a corporate responsibility that is in accordance with societal norms of behavior. This behavior is implemented, with responsibility, both internally and externally.

Scheme of the Scope of CSR Activities



The Company's Strategies and Work Programs in Handling Social, Economic and Environmental Issues through the Implementation of CSR

The strategy for implementing CSR program is always aligned with the business strategy performed by the Company. Therefore, the Company strives to integrate CSR activities with a business focus as well as economic, social and environmental issues. The strategy is implemented through the implementation of work programs that are evaluated regularly.

The Company's strategies and work programs in dealing with social, economic and environmental issues are carried out through several approaches, including:

- Enhancing human resource capabilities including the employee's new skill set needed to respond to

social, economic and environmental issues and to support the realization of the Company's vision and mission,

- Formulating policies or standard operating procedures and risk management in the Company's business activities,
- Implementing suitable programs and activities through the four main pillars of CSR activities.

Programs that Exceed the Company's Minimum Responsibilities

In general, the laws and regulations governing the obligation to implement environmental social responsibility have not stated the obligation for certain activities to be implemented. Each company may carry out CSR activities according to the needs of stakeholders



as well as the relevance to its business operations. CSR activities conducted in accordance with the Company's business initiatives and strategies include education, community economic empowerment, social and culture, as well as the environment. Other CSR programs implemented to help communities in the surrounding areas of the infrastructure projects guaranteed by the Company include the development of basic literacy and teacher technology, support for the digitalization of MSMEs and the provision of cloth masks and children's meals packages to the community around the project.

The efforts made by the Company to measure the outputs and outcomes achieved from the implementation of CSR activities include various approaches that involve relevant stakeholders, including correspondence or testimony by participants or beneficiaries of CSR activities, reports from third parties who assist to implement CSR activities, etc.

Financing and Budget of Corporate Social and Environmental Responsibility

The Company has four main pillars of activities that become important targets in CSR activities, namely: education, community economic empowerment, social and culture, and the environment.

Based on the Company's 2020 Work Plan and Budget, which was approved by the GMS on December 17, 2019, the Company's 2020 CSR budget amounted to IDR3 billion. Then based on the direction of the Company's Shareholders as well as an effort to encourage humanitarian activities or donations related to the Covid-19 response, Religious Holiday Allowance (THR) of the Company's Board of Commissioners and Boars of Directors in 2020 of IDR330 million was allocated for CSR program. The policy added to the total budget available for CSR programs in 2020 to IDR3.3 billion.

The realization the Company's CSR budget in 2020 amounted to IDR3.54 billion from the total budget of IDR3.33 billion. The additional use of funds was due to the need for further CSR program implementation to support community economic empowerment during of the Covid-19 pandemic with a total cost of IDR229 million, which was conducted by the Company at the end of 2020.

Cumulatively, the Company has budgeted and realized CSR funds in 2020 with the allocation of fund distribution based on the 6 (six) main pillars of CSR activities, as follows:

BUDGET AND REALIZATION OF CSR FUNDS IN 2020

No	Key Pillars of CSR Activities	Budget of CSR Funds (IDR Million)	Realization of CSR Funds (IDR Million)
1	Education:		
	a. CSR Program for Education in Manado Bitung Toll Road Project Development Area	194.87	194.87
	b. CSR Program for Basic Literacy and Teacher Technology Development in Krian – Legundi – Bunder – Manyar Toll Road Project	192.00	211.20
	c. CSR Program for Education of Reading Literacy Development during Covid-19 pandemic in the surrounding area of South Jakarta Cikampek II Toll Road Project	194.94	211.46
	d. CSR Education Program - Ministry of Finance Voluntary Teaching 5	100.00	100.00
2	Community Economic Empowerment		
	a. CSR Program for the Advanced Stage of Creative Economy Empowerment Related to Mandalika Special Economic Zone (SEZ) Project	196.10	215.71
	b. CSR Program for Farmers Training as a Support for National Food Security in the surrounding area of South Jakarta Cikampek II Toll Road Project	194.00	194.00
	c. CSR Program for Economic Resilience of Family with Disabilities During the COVID-19 Pandemic	199.76	199.76
	d. CSR Program for Community Economic Empowerment Through Digitalization of MSMEs in the Era of COVID-19 Pandemic in South Jakarta	195.00	192.00
	e. CSR Program for Creative Economy Empowerment with the concept of "Urban Farming"	198.00	213.40
	f. CSR Program for Persons with Disabilities to make MSMEs	39.99	39.99
	g. CSR Program for Economic Empowerment, Digitalization of MSMEs	192.00	192.00
	h. Capacity Improvement of MSMEs Website	59.26	59.26

**BUDGET AND REALIZATION OF CSR FUNDS IN 2020**

No	Key Pillars of CSR Activities	Budget of CSR Funds (IDR Million)	Realization of CSR Funds (IDR Million)
3	Social and Culture The Company's CSR Program of Social Service for Underprivileged Communities in Langkat		
	a. CSR Program for the Distribution of Food Packages to the Poor and Orphans affected by the COVID-19 Pandemic.	36.50	36.50
	b. CSR Program for the Ministry of Finance's SMV Synergy in the Communication and Social Action Activities of COVID-19	25.00	24.81
	c. CSR Program for Food Aid Social Donation During the COVID-19 Pandemic in Pasuruan	150.00	150.00
	d. CSR Program for Food Aid Social Donation for People in Need during the COVID-19 Pandemic	102.08	102.08
	e. Operational Assistance for Orphanage in Celebrating the Company's Anniversary	169.49	169.49
4	Health		
	a. CSR Program for Humanitarian Assistance in Preventing the Spread of COVID-19 Pandemic	60.10	60.10
	b. CSR Program for the Company's Responds to the COVID-19 Pandemic	138.50	138.50
	c. CSR Program for COVID-19 Pandemic Response at Zainoel Abidin Hospital	70.00	70.00
	d. The Ministry of Finance's SMV Synergy CSR Program Responds to the Corona Virus/COVID-19 Pandemic	59.00	59.00
	e. CSR Program for Medical Equipment Assistance in Response to the COVID-19 Pandemic	150.00	150.00
	f. CSR Program for the Distribution of Cloth Masks and Children Meals during the COVID-19 Pandemic	133.50	133.50
5	Environment		
	a. Environmental CSR Program	71.50	59.29
	b. Additional Souvenirs for the Ministry of Finance's Voluntary Teaching 5 Activity in 2020	55.83	77.00
Total		3,329.59	3,539.45

CORPORATE SOCIAL RESPONSIBILITY IN THE IMPLEMENTATION OF HUMAN RIGHTS (HAM)



COMMITMENT AND POLICY

Respect and protection of Human Rights are an inseparable part of the Company's daily operations and in interactions with stakeholders, both in the work environment with the Company's employees, suppliers and consumers, to the interactions with the surrounding communities of the Company's areas of operations.

One form of the Company's commitment to protecting human rights is by guaranteeing the rights of employees to freedom of association and assembly. In supporting these activities, the Company provides the supporting tools/facilities. This is as a form of the Company's commitment and compliance with Article 28 of the 1945 Constitution, Law No. 13 of 2003 concerning Manpower and Presidential Decree No. 83 of 1998 concerning Ratification of ILO Convention No. 87 of 1948 concerning Freedom of Association and Protection of the Right to Establish the Organization.



Company's Formulation on the Scope of Core Subject of the Company's Social Responsibility to Human Rights

The Company's policies, formulations and plans for operational activities consistently respect Human Rights. In line with ISO 26000, for the Company, Human Rights are inherent, inalienable, universal, indivisible and interdependent. Implementation of the human rights aspect means that the Company always prioritizes the principle of not violating the rights of stakeholders in accordance with the applicable rules and regulations.

Human Right Issues Related to or Relevant with the Company's Business

In dealing with issues under the scope of the Company's social responsibility related to human rights, the Company consistently upholds the basics of human rights and respects culture, customs and values. The Company implements Anti-Discrimination & Human Rights Protections Policy in the Work Environment to enable the employee in having diversity of ethnicity, race, religion, gender, and physical condition. The Company believes that the diversity of human resources is one of the foundations that shall foster the Company's sustainability. The Company also adheres to the principles of humanity and respects human rights in managing the human resources, including:

1. Gender equality and employment opportunities
2. Determination of fair remuneration
3. No underage workers
4. No forced labor practice

CSR Planning Related to Human Rights

The Company always ensures no human rights violations occurred and is committed to complying with various provisions related to human rights, both those that apply to employees and the surrounding community of the Company's areas of operations. Planning and efforts to reduce the impact of human rights through CSR program with the scope of the Company's influence related to human rights, include the following:

1. Efforts to reduce the impact of human rights on employees, namely:
 - a. Freedom of Association and Assembly
 - b. Facilities for disabled employees
 - c. Leave Facilities and Allowance
 - d. Equality in the Recruitment Process
 - e. Health facilities and employee social security.
2. Efforts to reduce the impact of human rights on the community and business partners, namely:
 - a. Communication media facilities, in the form of call center, corporate website and social media
 - b. Means for complaints of alleged violations in the form of Whistleblowing System
 - c. Enhancement of knowledge about human rights for security personnel through literacy and debriefing activities as well as human rights training for security personnel.

Risks to the Company and Stakeholders Related to Human Rights Violation

Regarding human rights, the Company pays special attention to the potential human rights violations as an impact of its business. In anticipating this matter, the Company undertakes various efforts needed, including implementing policies to fulfill the rights of employees and business partners.



Mechanism and Procedure of the Implementation of Human Rights on Stakeholders

The Company has established the medium for complaints as well as the mechanism for complaint resolution, including complaints related to human rights issues, namely through the Whistleblowing System. The Company is committed to immediately following up all complaints and paying attention to the priority urgency of each case. Further explanation regarding the whistleblowing system can be found in the Whistleblowing System Policy section in this Annual Report in the Corporate Governance Chapter.

The Company's commitment to the human rights aspect in the corporate environment is one form of the implementation of Good Corporate Governance. The implementation of these mechanisms and procedures, either directly or indirectly, will have an impact on the establishment of the Company's compliance culture to prevent the risk of human rights violations.

Implementation of Human Rights CSR Initiatives

Human rights protection for the surrounding communities of the Company's guaranteed infrastructure projects is realized through several approaches which are integrated with the Company's CSR Planning. The approach includes 4 (four) main pillars of CSR activities, namely education, community economic empowerment, social and culture, and the environment. The Company ensures that the approach, interaction, communication, and involvement of the surrounding communities of the Company's areas of project development and operations are carried out without intimidation, full of respect, with an understanding of local culture as well as the rights of indigenous peoples and based on the principle of mutual benefit.

Achievements and Awards for the Company's CSR Initiatives Related to Human Rights

So far, the Company's assessment of its achievements in human rights can be seen from the absence of cases of human rights violations occurring in the the Company's areas of operations. Furthermore, the Company has received appreciation from stakeholders in Corporate Social Responsibility sector. The appreciation was the award from The Nusantara CSR Awards 2020 for the category of Education Quality Improvement and Community Economic Empowerment, which are the main pillars of PT PII's CSR activities.

The achievement of CSR and appreciation from stakeholders can be used as the driving force for the Company to sustainably improve and to strengthen a better implementation of social responsibility practices in the future.



CORPORATE SOCIAL RESPONSIBILITY RELATED TO FAIR OPERATING PRACTICES



The Company's CSR Program for Responding to the COVID-19 Pandemic in the Surrounding Areas of PT PII Head Office

COMMITMENT AND POLICY

The Company is always committed to implementing the principles of Good Corporate Governance in carrying out operational activities, interacting with business partners, as well as with external stakeholders, and also in creating clean, fair business practices and avoiding all forms of fraud. This commitment is in line with the focus of business players for social responsibility related to fair operations as one of the core subjects in ISO 26000.



In realizing the implementation of fair operating practices of business activities, the Company also implements various internal policies aimed at ensuring the realization of fair operations, including the fulfillment of employment policies. In addition, the Company's commitment and policy in implementing CSR related to fair business operations are contained in various policy formulations. Fair operating practices involve ethical behavior in the Company's relationships with other companies, including relations with government agencies, as well as business partners.

Formulation on the Scope of Core Subject of the Company's Social Responsibility to Fair Operating Practices

The Company ensures that its operational activities comply with all regulations related to fair competition in the Code of Ethics. The policy prohibits the Company's personnel from discussing or entering into agreements with competitors or other partners or conducting behavior in any way that may violate competition rules. All of the Company's personnel are required to comply with the applicable laws and regulations as well as Company policies related to business competition.

The formulation on the scope of social responsibility related to fair operations, as generally regulated in the Company's code of ethics and behavior, includes:

1. Integrity
2. Compliance with the prevailing laws, regulations and norms.
3. Conflict of Interest
4. Professional ethics at work
5. Ethics in dealing with stakeholders
6. Involvement in political activities
7. Financial reporting
8. Giving and receiving of gifts, meals, entertainment and donations
9. Commitment to protecting the Company's assets

CSR Planning Related to Fair Operations

Efforts to promote social responsibility related to fair operations are conducted by emphasizing efforts to prevent conflicts of interest and the implementation of anti-corruption, which is realized through the implementation of gratification control policy, Whistleblowing System (WBS), Code of Conduct and other related policies.

CSR Initiatives Related to Fair Operations

As one of the efforts to prevent corruption, the Company has established policies related to conflicts of interest, Guidelines for Gratification Control and Anti-Bribery Management System Guidelines (SMAP), which is still under development stages, as the Company's commitment to support anti-corruption practices. These policies, among others, regulate the Company's principles in supporting anti-corruption practices, anti-corruption commitments, responsible parties and programs to prevent corruption practices, prohibition of gratification and political donations, provisions regarding sanctions for violations of regulations, documentation and reporting.

Periodically, the Company conducts socialization on the prohibition of receiving or giving gratuities via email to all employees, and also through training and anti-fraud campaigns, as well as providing the Company's whistleblowing system channel as the means of reporting for both internal employees and external parties as further described in the report concerning the Whistleblowing System Policy in this Annual Report.

Implementation of Whistleblowing System (WBS)

In 2020, the Company has established a Whistleblowing Management Team through a Joint Decree of the Company's Board of Directors and the Board of Commissioners. The team consists of representatives of the organs of the Board of Commissioners and Board of Directors, which established as one of the manifestations of the strengthening of WBS implementation in the Company. In 2020, there have been no complaints received via WBS, both from employees and other stakeholders regarding unfair practices with material impact.

Relations with Business Partners and Other Organizations

With regard to business partners, the Company strives at all times to prevent practices of corruption, collusion, and nepotism as well as negative perception in dealing with business partners. In relation to other organizations, throughout 2020 the Company did not have any form of improper collaboration/partnership with other parties.



In terms of fair competition, the Company continues to carry out innovations and efficiency measures in order to drive performance growth. In addition, the Company also conducts business activities in a manner that is consistent with prevailing laws and regulations as well as promotes employee awareness concerning the importance of compliance with the applicable laws and fair competition. Furthermore, the Company always pays attention to the social context in which the Company operates and does not utilize social conditions to achieve unfair profits.

Anti-Corruption Initiatives

The Company's anti-corruption initiatives are contained in various internal policies. In addition, the Company also continues to optimize existing effective programs to support the implementation of the Anti-Bribery and Corruption Policy as well as conflicts of interest within the Company.

Other Activities and Achievements in Fair Operating Practices

In terms of political participation, the Company implements internal policies that prohibit the involvement of the Company and its employees in political activities, including providing funds for political purposes. The Company applies this policy to maintain the independence and professionalism of the Company and its employees.

The Company always strives to carry out the procurement of goods and services by observing and implementing fair operating principles through the implementation of policies related to the procurement of goods and services. The Company also committed to carrying out the process of procuring goods and services in accordance with the basic principles regulated in the Company's Goods and Services Guidelines, namely efficient, effective, competitive, transparent, fair and reasonable, accountable, independent, prudent and independent. The implementation of the procurement of goods and services based on these basic mechanisms, policies and principles is expected to create a fair operation for partners of the Company.

Besides the external audit process, procurement also involves other divisions such as the Risk Management Division to strengthen governance and become the object of audit by the Internal Audit Division.

Achievements and Awards for the Company's CSR Initiatives Related to Fair Operations

The implementation of social responsibility related to fair operating practices that are consistently implemented by the Company covers various things. In the Company's business activities, the initiatives for fair operating practices are seen in the Company's policies related to the implementation of WBS, anti-corruption, independence in the political process, procurement of goods and services, socially responsible behavior and relationships with other companies or institutions as well as respecting intellectual property rights or copyright.

In 2020, CSR achievement in the field of fair operations could be seen from the absence of complaints from stakeholders and dispute issues related to unfair business behavior or practices. The Company has not yet received any CSR award in the specific field of fair operations. However, the Company has received an award in the field of Governance, Risk and Compliance as the Winner of the 2020 Top GRC #4stars in the 2020 Top Governance, Risk and Compliance (GRC) Awards.

CORPORATE SOCIAL RESPONSIBILITY RELATED TO THE ENVIRONMENT AND SOCIAL



The Company's CSR Program for Urban Farming Creative Economy Empowerment in the area around the West Semarang SPAM Project location

COMMITMENT AND POLICY RELATED TO THE ENVIRONMENT AND SOCIAL

In line with the Company's vision of sustainable infrastructure development, the environment and society are aspects that received great attention from the Company, since the environment and social aspects are the main factors in supporting its business continuity. Therefore, the Company continues to support the efforts to preserve nature and balance natural ecosystems to maintain the Company's business continuity and sustainability. In addition, the Company also strives in performing commitment which focuses on the environmental sector following the principle of sustainability. The commitment is realized through environmentally sound policies and initiatives.



The Company is committed to being involved in maintaining environmental sustainability and ecosystem balance, either directly or indirectly. Therefore, the Company consistently ensures that each of its business activities can have a positive impact on the environment and social community.

In terms of the provision of guarantee, the Company implements several policies, include:

1. The feasibility of environmental and social aspects as one of the considerations in providing guarantees to ensure that the party in charge of the Project can manage the social and environmental risks for every guaranteed project.
2. Preparation of the Environmental and Social Management Framework as a guideline to ensure that the projects to be guaranteed have an environmental and social risk management plan so that the negative impacts of the project can be managed appropriately. The Environmental and Social Management Framework is prepared based on applicable regulations in Indonesia and existing best practices and is reviewed regularly. Therefore, reviews of compliance with environmental regulations have been carried out periodically to ensure that business processes have complied with applicable regulations.

As a form of commitment of the Company's concern for the environment, the Company also conducts assessment on the compliance with environmental and social principles of projects which will be guaranteed. The assessment is undertaken based on the environmental protection and conservation policy determined in the Principles of Environmental and Social Protection, namely:

- Environmental and Social Assessment
- Labor and Working Conditions
- Resource Efficiency and Pollution Prevention
- Community Health and Safety
- Land Acquisition and Forced Displacement
- Biodiversity Protection
- Cultural Heritage
- Traditional Society

The objective of the Environmental and Social Policy is to ensure that the Government's Contracting Agencies (GCA) and the Project Company comply with all regulations and laws of the Republic of Indonesia related to environmental and social protection, as well as occupational safety and health. Therefore, it can be ensured that all of the projects guaranteed by the

Company are developed and operated in compliance with the requirements of the regulations concerning sustainable environmental protection and management.

Significant Environmental Impacts and Risks Directly or Indirectly Related to the Company

The Company is committed to continuing to encourage the positive impact of its operations on the environment. Although the Company's operational activities are not in direct contact with the environment, the Company realizes that investment for guarantees are given to infrastructure projects which are directly related to the environment.

As a form of corporate responsibility, the Company implements efforts to encourage the positive benefits of the project as well as manages its negative impacts on the environment in accordance with the Company's capabilities and scope of operations.

Efforts made in the Company's internal environment include: implementing the Green Office concept in the Company's office environment with electricity saving programs, paperless work system, water use saving, the use of fuel-efficient operational vehicles (Low Cost Green cars), reduction of plastic waste, and use of fuels with high octane rating. As for the negative impact of infrastructure development guaranteed by PT PII, the Company's attention remains to mitigate the risks that arise together with related parties who act as GCA and BUP of the project.

In addition, the Company is also committed to implementing health protocols and encouraging healthy living for employees to remain productive during the COVID-19 pandemic. The efforts made by the Company are to provide education about the importance of healthy living, provide support for employees to exercise to maintain fitness, implement medical waste management (e.g. masks) specifically, and carry out routine office hygiene management in ensuring office sanitation is maintained.

On the other hand, in terms of guarantee process, environmental and social aspect is one of the aspects analyzed at the project feasibility assessment stage. This aspect is monitored and evaluated for its impacts and risks during the guarantee period. This is in accordance with the Environmental and Social Management framework, in which the Principles of Environmental and Social Protection become the reference in conducting environmental and social risk assessments



to be guaranteed. The Principles of Environmental and Social Assessment used as criteria are as follows:

- Project screening and categorization
- Environmental and social assessment
- Environmental management and monitoring plan
- Capacity of GCA
- Stakeholder Engagement
- Grievance Mechanism
- Reporting

In the risk assessment process, the Company shall conduct environmental impact analysis and provide input to GCA to develop a realistic and proper Risk Mitigation Plan to be implemented. One of the risks guaranteed by the Company is project land acquisition whereas the management of project social issues is the key to success in land acquisition. Therefore, strengthening risk identification at the project preparation stage and risk mitigation plan is one of the keys to success in project implementation. In addition, the Company monitors the issues/constraints faced by the guaranteed project including environmental and social issues in coordination with GCA and BUP.

The Company's role in handling environmental and social issues is conducted at the project level at the Joint Monitoring Committee forum, which is established to assist project stakeholders in formulating solutions towards project issues or constraints, including environmental and social issues. One of the mechanisms in environmental and social risk management is to conduct risk monitoring using RMR tools and Key Risk Indicators (KRI).

Activity Target

The Company targets that all of its business activities shall be able to encourage business sustainability, among others, through the implementation of energy use efficiency and activities that support environmentally friendly aspects. The Company is committed to have every of its infrastructure guarantee business complied with the applicable provisions to avoid business activities that endanger the environment.

The Company also targets energy saving and emission reduction activities. This effort is a tangible form of contribution in environmental management surrounding the head office to support the environmentally friendly office management. In its implementation, the Company's management and employees strive to implement various savings programs such as paper saving, electricity saving, and water saving through education and implementation of work systems that support energy efficiency. The program can provide tangible benefits such as reducing operational costs, increasing efficiency, and also improving the Company's image.

In business investment, the Company analyzes the fulfillment of the principles of Resource Efficiency and Pollution Prevention for projects to be guaranteed, namely by looking at the commitments and efforts of the GCA to:

- Preventing pollution and managing impacts arising from the project;
- Ensuring that the project complies with existing standards and best practices;
- Promoting sustainable use of resources.

Coverage of the Company's Sphere of Influence towards Stakeholders Related to Environmental Issues

Coverage of the Company's sphere of influence and support for environmental preservation is reflected in each of the Company's business activities, both operational activities at the Head Office and in the surrounding areas of the Company's guaranteed projects.

The formulation of social responsibility is conducted by considering the criteria that have been determined by the Company and the involvement of stakeholders that determine the success of the project. This is conducted so that programs designed for sustainable social responsibility in supporting the management of the project's environmental and social impacts also consider the advice and interests of stakeholders.

Regarding environmental and social issues related to the Company's business, up to now it is still at the guaranteed project level in which GCA already has a system to manage these issues. Some of the important issues related to the project include:

- Rejection of the community or institution whose assets are affected by the infrastructure project, therefore creating negative perception of the project;



- Objections to the value of compensation or indemnification for assets affected by the project even though the compensation assessment has been performed according to regulation by an independent appraisal; and
- Disturbance in the comfort of public facilities or social facilities due to being affected by the project, particularly during construction.
- Involvement of local communities in infrastructure projects as an effort to create employment and business opportunities for stakeholders in the surrounding of the project site.

Grievance Mechanism of Environmental Issues and Emergency Condition Handling of Environmental Safety and Conflict

The Company's business provides guarantees facilities and is not directly involved in managing environmental and social issues at the project level. However, the Company is involved in the Joint Monitoring Committee as a coordination forum among stakeholders to discuss project constraints or issues, one of which is environmental and social aspects. This forum shall discuss and agree on the resolution of project issues or constraints in accordance with the mutually agreed timeline.

In addition, the Company has established a grievance mechanism for stakeholders on the Company's website, namely <https://ptpii.co.id/id/pengaduan>. Complaints about the Company's operations can be submitted through the website. Complaints related to environmental and social aspect shall be forwarded to the Environmental and Social Division and processed according to the applicable procedures.

The management of emergencies for environmental safety and environmental conflicts at the project level is the responsibility of the Project Company (BUP) in accordance with the scope of responsibilities in the mutually agreed project agreement. The Company itself has complaint management mechanism as one of the means for submitting complaints towards projects guaranteed by the Company. The tools used by GCA and BUP in managing the aspect of environmental safety and environmental conflict are the study of Environmental Impact Analysis (AMDAL), Land Acquisition Planning Document (DPPT), and Risk Mitigation Plan which includes the management and monitoring plan of impact.

The Company constantly manages all complaints submitted and is equipped with a system to have each complaint monitored and immediately escalated to the relevant unit for immediate handling and resolution. During 2020, the Company has not received any complaints related to environmental and social issues on guaranteed projects.

CSR Activities and Initiatives Related to Environmental Programs

The Company implements the green office concept in its office building as a program in the environmental sector, including:

1. Paper Reduction Program by Maximizing the Use of E-Mail and Soft Copy
The Company continues to reduce paper usage by maximizing the use of E-Mail and Soft Copy for every form of communications among work units within the Company. The paper reduction program is expected to eventually result in a culture of paperless office at the Company.
2. Use of Used Paper or Double-Sided Printing
This program is expected to minimize the use of paper for document printing. Printing using paper is only done when it is considered final, while for draft documents, printing is done using double-sided printing.
3. Conserving Water and Electricity
The Company encourages the conservation of electricity by socializing and proposing to turn off lights and electricity when not in use. Likewise, with the use of water is expected to not be wasteful in its use.
4. Reduce the use of plastic waste
The Company continuously educates employees on the implementation of an eco-friendly lifestyle, one of which is by encouraging the use of bottles (tumblers) to minimize the use of packaged drinking bottles. In addition, the Company also implements the Eco Green Program in the form of distributing lunch boxes and tumbler packages for students in 6 schools around the project site area, which is guaranteed by the Company. The purpose of this program is to reduce and prevent environmental pollution as well as educate students to instill good habits of loving the environment and provide education about maintaining cleanliness in the school environment.



5. To raise awareness of caring and loving cleanliness
The Company provides training on the importance of proper waste disposal in several places located close to development projects guaranteed by the Company. In addition, the Company also plants tree seedlings that function to absorb carbon emissions as an effort to mitigate climate change, which is currently a crucial issue.

Achievement of Quantitative Impact of CSR Activities

The Company believes that the implementation of various environmental CSR activities has a positive impact on nature conservation. However, the Company is aware of its limitations in measuring the positive impact generated by these CSR activities.

The Company has not yet conducted a comparative calculation of the negative impact on operational activities against the positive impact on the implementation of CSR activities carried out by the Company. For future improvement and enhancement, the Company is committed to taking measurements to provide input for the formulation of CSR activities that are right on target. Some of the achievements of CSR implementation which have positive impact on the environment include:

1. Use of environmentally friendly and recyclable materials and energy. The implementation of Green Office concept involves all employees and management of the Company is believed to be able to save paper, water, and energy consumption. The decrease in energy use also indirectly supports the reduction of greenhouse gases (GHG), which can generate climate change, in addition to increasing cost efficiency for the Company.
2. The Company's waste treatment system
Waste management is carried out in an integrated manner by the building management. Therefore, the Company has no specific waste management system.
3. Grievance mechanism for environmental issues
In ensuring the proper handling of all reports of violations from external and internal parties of the Company, including environmental issues, the Company has established the facility for complaint in its website, namely <https://ptpii.co.id/id/pengaduan>.

Complaints on environmental issues related to the Company's business activities can be submitted through the channel on the website. Complaints related to environmental and social aspect shall be forwarded to the Environmental and Social Division and processed in accordance with the applicable procedures.

During 2020, the Company has not received any complaints or reports of violations related to the environment.

4. Consideration of environmental aspect in providing Guarantee

In guarantee business activities, the Company ensures that the project to be guaranteed has complied with the principles of Resource Efficiency and Pollution Prevention. Consideration of environmental aspect on the principle of resource efficiency and pollution prevention, namely the commitment to:

- Prevent pollution and manage impacts arising from the project;
- Ensure project compliance with the existing standards and best practices;
- Promote sustainable use of resources.

Environmental Certification

As of 2020, the Company has not received any certifications related to the environment, since its main business is in the form of a sovereign guarantee, which has no direct relation with the environmental aspect. However, the Company ensured the process of assessing the feasibility of an infrastructure project to obtain a guarantee shall be conducted by parties who have certification in the environmental sector.



CORPORATE SOCIAL RESPONSIBILITY RELATED TO LABOR PRACTICES AND OCCUPATIONAL HEALTH & SAFETY



The Company's CSR Program for Personal Protective Equipment (PPE) Assistance for Health Officers in Central Java area

COMMITMENT AND POLICY

Human resources are the main asset for the Company. Therefore, the Company always strives to fulfill the rights of employees in accordance with the laws and regulations, which in this case is the Law of the Republic of Indonesia No. 13 of 2003 concerning Manpower. In addition to the manpower/employment aspect, the Company is also committed to maintaining the Occupational Health and Safety (OHS) aspect for employees as stipulated in the Law of the Republic of Indonesia No. 1 of 1970 concerning Occupational Health and Safety and the Regulation of the Minister of Manpower No. 5 of 1996 concerning Occupational Health and Safety Management System. These provisions become the basis for the Company's policies in establishing industrial relations with employees.



The Company has set policies related to Employment, Occupational Health and Safety (OHS) practices to increase the productivity and quality of life of its employees. In addition, the Company always pays attention to competency by providing education and training to improve the quality and professionalism of each employee. In supporting employee performance, the Company is also responsible for occupational health and safety, as well as the welfare of each of its employees. This is fulfilled through various OHS programs and employment social security policies.

All manpower policies conducted by the Company are designed to ensure compliance with applicable laws, including the efforts to minimize violations of human rights in work relations. Furthermore, the Company places OHS as an important element in its operational activities to promote higher employee productivity and to improve the quality of life, both for employees and all stakeholders.

Scope and Formulation of Social Responsibility Related to Employment

The scope and formulation of Corporate Social Responsibility activities related to employment, occupational health and safety include: gender equality in employment opportunities, equality in education and training programs, use of local workers, remuneration, promotion, freedom of association and retirement training. In addition, the Company provides health facilities and occupational safety programs including BPJS Employment, health care assistance, blood donation, general medical check-up, glasses fees, and reimbursement of childbirth costs.

The scope of Corporate Social Responsibility related to employment may change and develop in accordance with regulatory changes. PT PII as a company with Good Corporate Governance is committed to ensuring the fulfillment and compliance with regulations based on the development of provisions related to employment.

Target/Activity Plan

The Company shall provide a safe and comfortable work place/atmosphere, both in terms of physical as well as skills for each employee to support the realization of professional work culture and high work ethic. This is also a form of corporate responsibility towards employees. Hence, the Company has set targets for the Company's CSR activities related to employment practices, including implementing employee assessment policies based on individual competency, prioritizing gender equality and employment opportunities aspect, increasing employee engagement in reducing employee turnover rates, providing good remuneration, and implementing mechanism for complaints on employment issues in accordance with the applicable provisions and regulations.

Meanwhile, in terms of occupational health and safety, the Company ensures the implementation of activities by prioritizing the health and safety of its employees. During the COVID 19 pandemic, the Company implemented strict health protocol standards to ensure the safety and health of its employees. In limiting the spread of COVID-19 and to maintain the continuity of its operations, PT PII has issued several policies including:

- Decree of the Board of Directors concerning the Transfer of Operational Activities of PT PII (Persero) as an Effort to Prevent the Spread of Corona Virus Disease 2019 (COVID-19)
- Mechanism for Monitoring Employee Health Condition
- Protocol for Going Back to Work in the Office
- Disseminate the importance of implementing health protocols through 3M (Wearing masks, washing hands and maintaining distance) in everyday life
- The Company's Doctor facility to be contacted for health consultations at any time

In addition, the Company provides facilities that can support work from home activities to encourage employees to implement health protocols and additional health facilities.



Implementation of CSR Activities Related to Employment, Occupational Health and Safety

In 2020, the Company has organized CSR programs and activities related to employment, occupational health and safety, including:

1. Equal Opportunity in Employee Competency Development

The employee competency development program within the Company is performed with a focus on opportunities that are open to all employees.

The strengthening of HR competencies is carried out through training and education activities that are transforming and developing competency, both directly and indirectly related to business and operational strategies. Training for competency change aims to prepare employee competencies to be able to respond to a change. Meanwhile, training for competency development aims to prepare employees with certain competencies to support the business portfolio of the Company.

Throughout 2020, a number of training activities were held and attended by employees, with the following details:

Description	Number of Training	Participants (person)	Average Hours of Training
Inhouse Training	7	326	47
Public Training	265	467	2
Knowledge Sharing	8	517	65

2. Gender and Employment Opportunity Equality

HR management in the Company, from recruitment to retirement programs, always prioritizes aspects of gender and employment opportunity equality. The manifestation of applying the equal opportunity aspect is evident in the Company's recruitment process which provides the opportunity for the best candidates to join and build a career based on the principle of equality without distinguishing aspects of gender, ethnicity, race, and religion, which are in line with the provisions that apply both internally as well as external regulations. In addition, the Company also implements the equal opportunity aspect in terms of wages, welfare, workforce social security, work environment condition, education and training, and other issues related to employment. Differences only occur if there are differences in the performance of employee competencies or work experience.

As of the end of 2020, the Company's total employees amounted to 130 employees, consisting of 71 are male employees and 59 female employees. The demographics of employees based on gender indicate that the Company has implemented a recruitment system that upheld the principle of equality and employment opportunities without differentiating between male and female.

EMPLOYEE RECRUITMENT AND DEMOGRAPHICS BY GENDER

Employee	Recruitment		Demographics	
	2020	2019	2020	2019
Male	5	14	71	73
Female	4	7	59	59
Total	9	21	130	132



3. Occupational Health and Safety

In terms of occupational health and safety, the Company is committed to managing issues of occupational health and safety (OHS) with a focus on achieving zero accident rates. The implementation of the Occupational Health and Safety Management System in the Company refers to the Regulation of the Minister of Manpower No. 5 of 1996 concerning Occupational Health and Safety Management System, as subsequently refined by Government Regulation No. 50 of 2012 concerning Occupational Health and Safety Management System (SMK3). SMK3 regulates the risk control of work activities, including the prevention of work accidents and occupational diseases.

The Company has also established and implemented Standard Operating Procedure (SOP) for Emergency Response which is used as the guidelines in increasing protections for the Company's personnel during emergency response situations at the Company's premises. The SOP also explains the

process for reporting an emergency, evacuation process, as well as types of emergencies. The types of emergencies covered by the SOP include conditions of earthquake, riots or civil disturbances, fires, ventilation failures, building evacuation, and other types of emergencies.

4. Employee Turnover Rate

The Company has formulated and implemented several policy initiatives in terms of HR management, particularly those related to the provision of competitive remuneration and benefits in order to maintain a stable annual employee turnover rate.

In 2020, the number of the Company's employees was recorded at 130 people, declined by 2% from 2019 of 132 people. The employee turnover rate during 2020 was recorded at 8.5%, an increase compared to 2019 of 6.8%. The composition of employee turnover in 2019 is presented in the following table:

EMPLOYEE TURNOVER RATE

Description	2020	2019
Retired	3	-
Passed Away	1	-
Resigned	6	11
Dismissed	-	-
Number of Employees	130	132
Turnover Percentage	8.5%	8.3%

5. Work Accident Rate

The Company believes that sufficient implementation of SMK3 and awareness on the importance of SMK3 shall support the realization of a safe and comfortable working environment, which could reduce and prevent accidents at work. During 2020, there were no incidents of work accidents

NUMBER OF INCIDENTS OF WORK ACCIDENT

Description	2020	2019
Incidents of Work Accidents		
Light	None	None
Medium	None	None
Severe	None	None
Total	None	None



6. Remuneration and Improvement of Employee Welfare

The Company understands that compensation and benefits provided to employees affect the productivity performance and turnover rates of employees. Therefore, the Company always pays attention to the welfare of employees by striving to facilitate the needs of employees in the hope that mutual need is established, which shall lead to the attachment between employees and the Company which synergizes to achieve the same objectives. In providing remuneration to each employee, the Company applies the principle of equality, namely no difference in gender, ethnicity or other background, but based on level of position, performance, years of service, and results of individual performance assessments. The Company has determined remuneration standards and ensured that the remuneration system implemented is in accordance with the laws and regulations, such as Provincial Minimum Wage (UMP) level determined by the Government based on the areas of operations of each area.

In addition to providing decent remuneration, the Company also pays attention to employee welfare by providing several facilities, such as health insurance, vehicle allowance, holiday and year-end allowance, overtime allowance, clothing allowance, etc. The remuneration and facilities provided to employees are adjusted to the level of position, years of service, etc.

COMPONENTS OF EMPLOYEE WELFARE

Description	Permanent Employee	Temporary Employee
Basic Wage	Available	Available
Non-Fixed Allowance:		
a. Transport allowance	Available	Available
b. Overtime	Available	Available
Insentif Tahunan		
a. Annual work incentives	Available	Available
b. Leave Allowance	Available	Available
c. Religious Holiday allowance	Available	Available
Employee Benefits		
a. Health Insurance	Available	Available
b. BPJS Kesehatan	Available	Available
c. BPJS Ketenagakerjaan	Available	Available
d. Pension fund	Available	Available
e. Health Insurance	Available	Available

Impact of Activity

The occupational health and safety management, which is consistently conducted within the Company has created a positive impact on work accident rates. Throughout 2020, there have been no employees who had work accidents or contracted severe illnesses at work. However, during the COVID-19 pandemic, the Company has collected data on 4 (four) employees who were positively infected with the coronavirus from the family cluster. As for the status of the exposed employees, as of the end of 2020, they have been declared cured 100%.

In addition, the implementation of the Company's CSR activities related to employment and OHS in overall was



relatively effective in improving employee work ethic and productivity per employee with the number of employees in 2020, which reached 130 employees.

Complaint Mechanism for Employment Issues

The Company provides access for employees for filing complaints, dissatisfaction, or objections related to the implementation of duties or employment affairs, through a mechanism which the Company established in terms of complaints on employment issues. The mechanism implemented by the Company is as follows:

1. Each employee's complaint and claim related to employment shall first be resolved by deliberation to reach consensus with the direct supervisor.
2. If the settlement failed to reach satisfactory results, then the employee may forward the complaint and claim to a higher superior.
3. In the event that an agreement is not reached between the Company and the workers' organization, the settlement shall be conducted in accordance with the provisions of the prevailing laws and regulations.

Throughout 2020, the Company has not received any reports of complaints on employment issues.



CORPORATE SOCIAL RESPONSIBILITY RELATED TO CONSUMER ISSUES



The Company's CSR Program for Creative Economy and Entrepreneurship Training for the surrounding communities of the Mandalika Lombok SEZ Development Project location

Commitment and Policy

The Company is committed to always maintaining its reputation, one of which is the commitment to provide the best service and maintain customer satisfaction. The best service quality is the key to increasing and maintaining customer confidence and the Company's business continuity. The Company puts customer satisfaction as a measure in assessing the quality of service to its consumers. This is based on the belief that consumers are one of the stakeholders having a central role in ensuring business continuity, which makes them as the Company's key partners in developing businesses in the future.

The Company has the policy to ensure that this is performed through various operating standards and procedures related to consumers to ensure compliance with customer service standards, which is done solely to give the best to all of its customers.



Issues and Risks Related to Consumers of the Company's Business Activities

Issues and risks related to consumers of the Company's operational activities are related to several matters including the provision of access to information concerning infrastructure guarantee, which includes providing technical assistance, planning and preparing infrastructure projects, Government contingency obligations, and management of infrastructure sector

Coverage of the Company's Sphere of Influence Related to Consumer Issues

In order to optimize the coverage of the Company's sphere of influence related to consumer issues, the Company targets to carry out consumer-oriented activities, including a program to increase the capacity of stakeholders through capacity building activities, providing a grievance mechanism and complaint handling, as well as providing comprehensive information related to the Company's business activities.

Activity Implementation and Its Impact

As an Infrastructure Guarantee Business Entity (BUPI), the Company's consumers or clients are the Government Institutions (Ministries/Institutions, Local Governments) assigned as the Government's Contracting Agencies (GCA) of infrastructure projects developed under the Public Private Partnership (PPP) scheme.

Throughout 2020, the Company has regularly conducted capacity building programs in the form of visits, training and outreach to all key stakeholders through the IIGF Institute, a unit established to provide educational services to stakeholders to encourage dissemination of knowledge related to infrastructure development, particularly related to the PPP scheme. The impact of these activities is a comprehensive capacity building of stakeholders regarding the PPP scheme and guarantees provided by the Company.

No	Activity	Topics	Participating Institution	Date of Activity
1	PPP Socialization	Increase the Awareness regarding PPP	Inspectorate of General Affairs, Ministry of National Development Planning/Bappenas of the Republic of Indonesia	February 12, 2020
2	Discussion on the Planning for Jatigede SPAM	Review of Outline Business Case (OBC) study	West Java Provincial Government, PDAM Tirta Gemah Ripah, PDAM Indramayu, PDAM Majalengka	February 13, 2020
3	Regional Socialization - Surabaya	Increasing awareness as well as Identifying interests related to PPPs	Provincial Government of East Java, West Kalimantan, Central Kalimantan, South Kalimantan, East Kalimantan, North Kalimantan, Bali, NTB, NTT, South Sulawesi, Central Sulawesi, Southeast Sulawesi, West Sulawesi, North Sulawesi, Gorontalo, Maluku, North Maluku, West Papua and Papua	March 2, 2020
4	Regional Socialization - Bandung	Increasing awareness and Identifying Interests related to PPP	Provincial Government of Central Java, West Java, Banten, Special Capital Region of Jakarta, Aceh, Bengkulu, Jambi, Lampung, Riau, Riau Islands, Bangka Belitung, West Sumatra, South Sumatra and North Sumatra.	March 9, 2020
5	PPP Socialization	Increase the Awareness regarding PPP	Directorate General of State Assets (DJKN) Aceh Regional Office	July 14, 2020
6	PPP Socialization	Increase the Awareness regarding PPP	Directorate General of State Assets (DJKN) Central Java and Special Region of Yogyakarta Regional Office	July 15, 2020
7	PPP Socialization	Increase the Awareness regarding PPP	Directorate General of State Assets (DJKN) East Java Regional Office	July 16, 2020



No	Activity	Topics	Participating Institution	Date of Activity
8	Directorate General of State Assets (DJKN) Socialization	Exploration of material related to the stages of preparation and transactions in the PPP scheme	Directorate General of State Assets (DJKN) Aceh, Central Java & Special Region of Yogyakarta, and East Java Regional Office	August 18-19, 2020
9	PPP Socialization	Increase the Awareness regarding PPP	PT Sarana Multigriya Infrastruktur (Persero)	September 2-3, 2020 September 8-9, 2020
10	PPP Socialization	Increase the Awareness regarding PPP	Capacity Building with Media Partners	December 22, 2020

Practices Related to Responsibility to Product

As a state-owned entity that has the main business activity in the form of government guarantee, the Company's business partners are fellow business entities and the Company's consumers are the Government (Ministries/Institutions). Practices related to product responsibilities implemented by the Company include:

1. Product Information and Means of Communication
In accordance with the amendments to the Company's Articles of Association based on the Shareholders Resolution of the Limited Liability Company (Persero) PT Penjaminan Infrastruktur Indonesia No. 14 dated November 19, 2020, the Company's types and business activities are as follows:

- a. Provide guarantee for the Government's financial obligations in the PPP cooperation agreement in infrastructure projects, which are capable to realize the accountability of the Government's contingency obligations as well as to improve credit worthiness of PPP projects in infrastructure sector.
- b. To provide guarantee for the Government's financial obligations in infrastructure projects.
- c. To provide guarantee for default risk of the State-Owned Enterprises ("SOEs") based on the assignments and/or the provisions set by the Minister of Finance arising from:
 - i. The implementation of loan agreements with financial institutions; and
 - ii. Issuance of debt securities/bonds and/or other financial instruments.
- d. To provide guarantee for default risk of the Regional-Owned Enterprises ("ROEs") and/or Regional Government based on the assignments and/or the provisions set by the Minister of Finance arising from:

- i. The implementation of loan agreements with financial institutions; and
- ii. Issuance of debt securities/bonds.
- e. To provide guarantee for other financial risks of the State-Owned Enterprises ("SOEs"), Regional-Owned Enterprises ("ROEs"), and/or business entities based on the assignments and/or the provisions set by the Minister of Finance arising from obtaining financing or financial risk mitigation facilities other than loan and debt securities/bonds.
- f. To provide guarantee to other business entities in accordance with the assignments and/or provisions set by the Minister of Finance.
- g. To provide consulting services, providing information, planning facilities, preparation, and feasibility assessment, on project or program and other matters related to risk mitigation/ risk monitoring and/or activities related to risk allocation and project financing structure.
- h. Cooperation with other parties, including international financial institutions/organizations in the implementation of guarantee provision as referred to in number 1, 2, 3, 4, 5, 6, and 7.
- i. Joint ventures or equity participation in other legal entities that have similar purpose and objectives with the Company's.
- j. Other activities to achieve the purpose and objectives of the Company in accordance with prevailing law and regulation.



As of the end of 2020, the Company has carried out guarantees for 25 (twenty five) PPP scheme infrastructure projects and 5 (five) Non-PPP scheme infrastructure projects consisting of various sectors, including 14 projects the road sector, 4 projects in the telecommunications and informatics sector, 4 projects in the drinking water sector, 2 projects in the transportation sector, 5 projects in the electricity sector, and 1 project in tourism with a total investment value of more than IDR315 trillion. The Company's guarantees are not only provided for projects with high commercial value but also projects with marginal feasibility but with great socio-economic benefits for the community. In terms of preparation, the Company has been assigned to provide project preparation and transaction advisory for 6 (six) projects covering the road, transportation and health sectors.

Information facilities and media for communication with consumers have been provided through several channels, including

- a. Annual Report
 - b. The Company's website and contact address are as follows
 - Website: <https://www.ptpii.co.id>
 - Phone : 021-5795-0550
 - Facsimile : 021-5795-0040
 - E-mail : info@iigf.co.id
 - c. Corporate social media
 - d. Print media in the form of national newspapers, Company profile and brochures.
2. Number of Consumer Complaints
- In 2020, there have been no complaints from consumers regarding all business activities conducted by the Company.



CORPORATE SOCIAL RESPONSIBILITY RELATED TO COMMUNITY SOCIAL DEVELOPMENT



The Company's CSR Program for Farmers Training in the surrounding area of South Jakarta Cikampek II Toll Road Project site

Commitment and Policy

In line with the Company's vision "To become the main driver SOE in accelerating a sustainable infrastructure development for improving the quality of life of the Indonesian people", the Company is committed to being able to empower and improve the quality of life of the community on an ongoing basis. Following the commitment, the Company pays great attention to the development of programs that have positive impact on the community in various CSR activities which aim to improve the standard of living and welfare of the community as well as economic independence.



Issues and Risks Related to Socioeconomic Relevant to the Company's Business Activities

As a State-Owned Enterprise, the Company has identified risks faced in Corporate Social Responsibility activities related to social community development. Issues and socio-economic risks of the Company's business activities that are relevant include the risk of misuse of assistance, the risk of error in providing assistance and the risk of invalidity in aid proposals. Therefore, the Company conducted a survey in assessing the feasibility of each social activity proposal, which was carried out among others by monitoring the object of assistance and the appropriateness of the amount of assistance to be provided, as well as monitoring activities both prior to, at the time of delivery, and after providing assistance in the CSR activities.

Scope and Formulation of Social Responsibility Related to Social and Community Development

As the Company's policies and commitments in improving the quality of life, welfare and economic independence of the community, the Company has formulated the scope of social responsibility related

to social and community development, which includes 6 (six) main focuses, namely education, community economic empowerment, public health, religion, social and environment.

In ensuring the activity runs well in accordance with the needs and expectations of stakeholders, the Company conducts due diligence and internal evaluation through its CSR Work Unit, which is under the CEO Office Division. Throughout the implementation of CSR activities in the Social and Community Development Sector, the Company always complies with the relevant provisions and regulations, which resulted in no complaints or violations received by the Company.

Target/Activity Plan

Based on the 6 (six) main focuses which are the targets of the implementation of social and community development responsibilities, the Company has determined the appropriate activity plans. In conducting the planned activities, in 2020 the Company has allocated funds for a number of CSR activities of IDR3.3 billion.

CSR ACTIVITY PLAN FOR SOCIAL AND COMMUNITY DEVELOPMENT IN 2020

No	Main Focus	Budget for CSR Funds (IDR Million)
1	Education	717.52
2	Community Economic Empowerment	1,114.11
3	Public health	611.10
4	Religious Activity	377.55
5	Social	582.86
6	Environment	136.29
Total		3,539.45

Implementation of Social and Community Development Activities

Throughout 2020, the Company has implemented CSR programs and activities related to social and community with investment value amounted to IDR3,539,449,250. The information regarding CSR programs and activities which have been conducted is as follows:

1. Education Sector

Implementation of social and community development CSR activities in the education sector with the realization of funds amounted to IDR717,529,750. The Company's CSR activities in 2020 include:

- Development of Basic Literacy and Teacher Technology
- Education Assistance for Manado Bitung Toll Road Project Development Area
- Development of Reading Literacy in the era of COVID-19 in the Gresik Regency area
- Development of Reading Literacy in the COVID-19 era in the area around the South Japek II project
- The Ministry of Finance Voluntary Teaching 5 Education Program through a webinar with the theme Education



2. Community Economic Empowerment Sector
Implementation of social and community development CSR activities related to community economic empowerment with the realization of funds amounted to IDR1,114,112,500. The Company's CSR activities in 2020 include:
 - a. Farmer Training & Farm Demo Making
 - b. Community Economic Empowerment through Digitalization of MSMEs During COVID-19 Era
 - c. Economic Empowerment and Independence of Persons with Disabilities as Food Security in Central Java, East Java and Yogyakarta.
 - d. Farmer Training as Support for National Food Security
 - e. Urban Farming Creative Economy Empowerment in West Semarang SPAM Project Area
 - f. Economic Empowerment Capital Assistance for Small and Medium Enterprises with Disabilities
 - g. MSME Continuation Program for Digitalization of MSMEs Website Upgrades in West Kuningan
3. Health Sector
Implementation of social and community development CSR activities related to the health sector with the realization of funds amounted to IDR611,100,000. The Company's CSR activities in 2020 include:
 - a. Donation for distribution of cloth masks and children food during the pandemic
 - b. Medical Equipment Ventilator Assistance as COVID-19 Pandemic Response for East Java Province
 - c. Medical Equipment Ventilator Assistance as COVID-19 Pandemic Response for Central Java Province
 - d. Donation for Orphans
4. Religious Activity
Implementation of social and community development CSR activities related to the health sector with the realization of funds amounted to IDR377,551,000. The Company's CSR activities in 2020 include:
 - a. Religious Donations for the Construction of Mosques in Tulang Bawang District, Lampung and South Tangerang
 - b. Religious Donations for Mosque Construction in South Tangerang
 - c. Donation for orphans
5. Assistance for Victims of Natural Disasters
Implementation of social and community development CSR activities in the form of assistance for victims of natural disasters with the realization of funds amounted to IDR582,866,000. The Company's CSR activities in 2020 include:
 - a. Distribution of basic food packages in Pasuruan and Surabaya City, East Java
 - b. Distribution of basic food packages in Kudus Regency, Central Java
 - c. Distribution of basic food packages in Sukabumi City, West Java
6. Nature Conservation (Environment)
Implementation of CSR program activities related to nature conservation (environment) with the realization of funds amounted to IDR136,290,000. As for the Company's CSR activities in 2020 include:
 - a. Go Green Distribution of Tumblers/lunch boxes for elementary students
 - b. Additional Souvenirs for the Ministry of Finance's Voluntary Teaching 5 Activity in 2020 Tumblers and lunch boxes

Impact of Activity

CSR activities for social and community development directly have a positive impact on the communities receiving the benefits, both in the short and long term. The assistance delivered by the Company through CSR activities shall at least ease the burden on the people who are economically affected during the COVID-19 pandemic.



**PT PENJAMINAN INFRASTRUKTUR INDONESIA
(PERSERO)**

LAPORAN KEUANGAN/*FINANCIAL STATEMENTS*

31 DESEMBER/*DECEMBER* 2020

FINANCIAL REPORT



**PT PENJAMINAN INFRASTRUKTUR INDONESIA
(PERSERO)**

LAPORAN KEUANGAN/*FINANCIAL STATEMENTS*

31 DESEMBER/*DECEMBER* 2020

**PT PENJAMINAN INFRASTRUKTUR INDONESIA
(PERSERO)**

**SURAT PERNYATAAN DIREKSI
TENTANG
TANGGUNG JAWAB ATAS LAPORAN KEUANGAN PADA
TANGGAL 31 DESEMBER 2020 SERTA UNTUK TAHUN
YANG BERAKHIR 31 DESEMBER 2020**

Kami, yang bertanda tangan di bawah ini:

1. Nama : M. Wahid Sutopo
Alamat Kantor : Capital Place Office Tower,
Lantai 7 dan 8, Jl. Jenderal Gatot
Subroto Kav. 18, Jakarta 12710
Alamat Rumah : Jalan Taman Wijaya Kusuma I
No. 2-A, RT 009, RW 002,
Cilandak Barat, Kecamatan
Cilandak, Jakarta Selatan
Nomor Telepon : 021- 5795 0550
Jabatan : Direktur Utama
2. Nama : Salusra Satria
Alamat Kantor : Capital Place Office Tower,
Lantai 7 dan 8, Jl. Jenderal Gatot
Subroto Kav. 18, Jakarta 12710
Alamat Rumah : Jl. Bacang II No. 11 RT
005 RW 001 Kebayoran
Baru Jakarta
Nomor Telepon : 021- 5795 0550
Jabatan : Direktur Eksekutif Keuangan dan
Penilaian Proyek

menyatakan bahwa:

1. kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Penjaminan Infrastruktur Indonesia (Persero);
2. laporan keuangan PT Penjaminan Infrastruktur Indonesia (Persero) telah disusun dan disajikan sesuai dengan standar akuntansi keuangan di Indonesia;
3. a. semua informasi dalam laporan keuangan PT Penjaminan Infrastruktur Indonesia (Persero) telah dimuat secara lengkap dan benar;
- b. laporan keuangan PT Penjaminan Infrastruktur Indonesia (Persero) tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;
4. kami bertanggung jawab atas sistem pengendalian internal PT Penjaminan Infrastruktur Indonesia (Persero).

Demikian pernyataan ini dibuat dengan sebenarnya.

**PT PENJAMINAN INFRASTRUKTUR INDONESIA
(PERSERO)**

**DIRECTORS' STATEMENT
REGARDING
THE RESPONSIBILITY FOR THE FINANCIAL
STATEMENTS AS AT 31 DECEMBER 2020 AND FOR
THE YEAR ENDED 31 DECEMBER 2020**

We, the undersigned:

1. Name : M. Wahid Sutopo
Office address : Capital Place Office Tower,
7th & 8th Floor Jl. Jenderal Gatot
Subroto Kav. 18, Jakarta 12710
Residential address : Jalan Taman Wijaya Kusuma I No.
2-A, RT 009, RW 002, Cilandak
Barat, Kecamatan Cilandak,
Jakarta Selatan
Telephone : 021- 5795 0550
Title : President Director
2. Name : Salusra Satria
Office address : Capital Place Office Tower,
7th & 8th Floor Jl. Jenderal Gatot
Subroto Kav. 18, Jakarta 12710
Residential address : Jl. Bacang II No. 11 RT
005 RW 001 Kebayoran
Baru Jakarta
Telephone : 021- 5795 0550
Title : Executive Director of Finance and
Project Valuation

declare that:

1. we are responsible for the preparation and presentation of the financial statements of PT Penjaminan Infrastruktur Indonesia (Persero);
2. the financial statements of the PT Penjaminan Infrastruktur Indonesia (Persero) have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. all information has been fully and correctly disclosed in the financial statements of PT Penjaminan Infrastruktur Indonesia (Persero);
- b. the financial statements of the PT Penjaminan Infrastruktur Indonesia (Persero) do not contain any incorrect information or material fact, nor do they omit information or material fact;
4. we are responsible for the internal control system of PT Penjaminan Infrastruktur Indonesia (Persero).

Thus this statement is made truthfully.

Jakarta, 26 Februari/February 2021

Atas nama dan mewakili Dewan Direksi/For and on behalf of the Board of Directors


M. Wahid Sutopo
Direktur Utama/
President Director


Salusra Satria
Direktur Eksekutif Keuangan dan Penilaian Proyek/
Executive Director of Finance and Project Valuation



**LAPORAN AUDITOR INDEPENDEN
KEPADA PARA PEMEGANG SAHAM**

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF**

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Kami telah mengaudit laporan keuangan PT Penjaminan Infrastruktur Indonesia (Persero) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2020, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan ini sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan ini berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan bebas dari kesalahan penyajian material.

We have audited the accompanying financial statements of PT Penjaminan Infrastruktur Indonesia (Persero), which comprise the statement of financial position as of 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Kantor Akuntan Publik Tanudiredja, Wibisana, Rintis & Rekan

WTC 3, Jl. Jend. Sudirman Kav. 29-31, Jakarta 12920 – Indonesia

T: +62 21 50992901 / 31192901, F: +62 21 52905555 / 52905050, www.pwc.com/id



Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Penjaminan Infrastruktur Indonesia (Persero) tanggal 31 Desember 2020, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Penjaminan Infrastruktur Indonesia (Persero) as of 31 December 2020, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

JAKARTA

26 Februari/February 2021

Lucy Luciana Suhenda, S.E., Ak., CPA

Surat Ijin Praktek Akuntan Publik/License of Public Accountant No. AP.0229

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 1 - Schedule

**LAPORAN POSISI KEUANGAN
31 DESEMBER 2020**

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020**

(Expressed in thousand of Rupiah, unless otherwise stated)

	<u>2020</u>	<u>Catatan/ Notes</u>	<u>2019</u>	
ASET				ASSETS
Kas dan setara kas	4,883,892,973	5	26,809,275	Cash and cash equivalents
Investasi	8,380,506,137	6	10,881,161,304	Investments
Piutang usaha	155,189,490	7	113,188,744	Account receivables
Piutang lainnya	12,757,238		12,580,889	Other receivables
Biaya dibayar dimuka dan uang muka	1,147,465		1,570,106	Prepaid expenses and advances
Aset tetap	10,606,021	8	14,499,093	Fixed assets
Aset hak guna	50,292,522	9	-	Right-of-use assets
Aset takberwujud	2,044,984	10	1,824,262	Intangible assets
Beban tangguhan	19,163,920	11	26,696,986	Deferred expenses
Pajak dibayar dimuka	3,869,629	13a	4,209,864	Prepaid income tax
Aset pajak tangguhan	22,617,765	13d	23,330,447	Deferred tax asset
Uang jaminan yang dapat dikembalikan	5,369,039		5,369,039	Refundable deposits
JUMLAH ASET	<u>13,547,457,183</u>		<u>11,111,240,009</u>	TOTAL ASSETS
LIABILITAS				LIABILITIES
Utang usaha	3,089,412	12	3,772,094	Account payables
Utang pajak	3,258,038	13b	2,439,268	Taxes payable
Biaya yang masih harus dibayar, penyisihan dan utang lain-lain	39,569,542	14	37,990,850	Accrued expenses, provisions and other payables
Pendapatan tangguhan	15,661,694	15	10,967,630	Unearned income
Liabilitas sewa pembiayaan	51,094,380	16	-	Finance lease liabilities
Pinjaman penerusan	55,126,686	17	55,126,686	Two-step loans
Liabilitas imbalan kerja	36,225,253	18	29,160,538	Employee benefits obligation
JUMLAH LIABILITAS	<u>204,025,005</u>		<u>139,457,066</u>	TOTAL LIABILITIES
EKUITAS				EQUITY
Modal saham - modal dasar, 20.000.000 lembar - ditempatkan dan disetor penuh 9.570.000 lembar, dengan nilai nominal Rp 1.000.000 (nilai penuh) per lembar saham	9,570,000,000	19	8,000,000,000	Share capital - authorised, 20,000,000 shares - issued and paid 9,570,000 shares, with par value of Rp 1,000,000 (full amount) per share
Laba belum direalisasi atas kepemilikan aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	298,992,727		6,403,866	Unrealised gain from financial assets at fair value through other comprehensive income
(Kerugian)/keuntungan aktuarial, setelah pajak	(460,829)		212,119	(Loss)/gain from actuarial, net of tax
Saldo laba				Retained earnings
Ditentukan penggunaannya - cadangan wajib	166,471,338	21	140,000,338	Appropriated - statutory reserve
Belum ditentukan penggunaannya	3,308,428,942		2,825,166,620	Unappropriated
JUMLAH EKUITAS	<u>13,343,432,178</u>		<u>10,971,782,943</u>	TOTAL EQUITY
JUMLAH LIABILITAS DAN EKUITAS	<u>13,547,457,183</u>		<u>11,111,240,009</u>	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes form an integral part of these financial statements.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 2 - Schedule

**LAPORAN LABA RUGI DAN
PENGHASILAN KOMPREHENSIF LAIN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2020**

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
31 DECEMBER 2020**

(Expressed in thousand of Rupiah, unless otherwise stated)

	<u>2020</u>	<u>Catatan/ Notes</u>	<u>2019^{*)}</u>	
Pendapatan				Revenues
Pendapatan penjaminan	121,456,111	22	104,040,390	Revenue from guarantee
Pendapatan penyiapan proyek dan pendampingan transaksi	21,922,064	22	28,126,795	Revenue from project preparation and transaction advisory
Pendapatan pengelolaan dana	<u>854,732,756</u>	22	<u>875,867,391</u>	Income from investments
Jumlah pendapatan	<u>998,110,931</u>		<u>1,008,034,576</u>	Total revenues
Beban usaha				Operating expenses
Beban pajak final	(158,254,071)	13c	(162,190,954)	Final tax expense
Administrasi dan umum	(87,025,041)	23	(96,106,172)	General and administrative
Penjaminan	(68,411,174)	23	(81,315,373)	Guarantee
Penyiapan proyek dan pendampingan transaksi	(29,706,050)	23	(28,319,024)	Project preparation and transaction advisory
Pengembangan usaha	(25,401,168)	23	(33,604,875)	Business development
Penyusutan	(7,650,016)	8	(8,467,317)	Depreciation
Beban bunga (termasuk beban bunga sewa pembiayaan)	(5,963,714)		(4,616,860)	Interest expense (including finance lease interest)
Amortisasi	(756,105)	10	(414,309)	Amortisation
Penghasilan keuangan, kotor	5,863,465		1,128,496	Finance income, gross
Keuntungan/(kerugian) kurs, bersih	7,459		(67,041)	Foreign exchange gain/(loss), net
Lain-lain	<u>609,048</u>		<u>344,421</u>	Others
Jumlah beban usaha	<u>(376,687,367)</u>		<u>(413,629,008)</u>	Total operating expenses
Laba sebelum pajak penghasilan	621,423,564		594,405,568	Profit before income tax
Beban pajak penghasilan	<u>(863,242)</u>	13c	<u>(64,986,055)</u>	Income tax expenses
Laba tahun berjalan	620,560,322		529,419,513	Profit for the year
Penghasilan komprehensif lain tahun berjalan:				Other comprehensive income for the year:
Pos-pos yang akan direklasifikasi ke laba rugi:				Items that will be reclassified subsequently to profit and loss:
Keuntungan aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain tahun berjalan	<u>292,588,861</u>		<u>117,779,282</u>	Gain from financial assets at fair value through other comprehensive income for the year
	<u>292,588,861</u>		<u>117,779,282</u>	
Pos-pos yang tidak akan direklasifikasi ke laba rugi:				Items that will not be reclassified subsequently to profit and loss:
Pengukuran kembali atas liabilitas imbalan pasca-kerja	(823,508)		(840,705)	Remeasurement from post-employment benefits obligation
Pajak penghasilan terkait	164,702	13d	210,176	Related income tax
Dampak perubahan tarif pajak	<u>(14,142)</u>		<u>-</u>	Impact on changes in tax rates
	<u>(672,948)</u>		<u>(630,529)</u>	
Penghasilan komprehensif lain tahun berjalan, setelah pajak	<u>291,915,913</u>		<u>117,148,753</u>	Other comprehensive income/ for the year, net of tax
Jumlah penghasilan komprehensif tahun berjalan	<u>912,476,235</u>		<u>646,568,266</u>	Total comprehensive income for the year

*) Reklasifikasi (lihat Catatan 28)

*) Reclassification (refer to Note 28)

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes form an integral part of these financial statements.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 3 - Schedule

**LAPORAN PERUBAHAN EKUITAS
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2020**

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31 DECEMBER 2020**

(Expressed in thousand of Rupiah, unless otherwise stated)

	Catatan/ Notes	Modal saham/ Share capital	Laba/(rugi) belum direalisasi atas kepemilikan aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain/ Unrealised gain/ (loss) from financial assets at fair value through other comprehensive income	(Kerugian)/ keuntungan aktuarial, setelah pajak/ Actuarial (Loss)/gain, net of tax	Saldo laba/Retained earnings		Jumlah/ Total	
					Ditentukan penggunaannya - cadangan wajib/ Appropriated - statutory reserve	Belum ditentukan penggunaannya/ Unappropriated		
Saldo 1 Januari 2019		<u>8,000,000,000</u>	<u>(111,375,416)</u>	<u>842,648</u>	<u>116,446,338</u>	<u>2,474,757,107</u>	<u>10,480,670,677</u>	Balance at 1 January 2019
Pencadangan saldo laba	21	-	-	-	23,554,000	(23,554,000)	-	Appropriation of retained earnings
Penghasilan komprehensif tahun berjalan:								Comprehensive income for the year:
- Laba tahun berjalan		-	-	-	-	529,419,513	529,419,513	Profit for the year -
- Dividen	20	-	-	-	-	(155,456,000)	(155,456,000)	Dividend -
- Penghasilan komprehensif lain:								Other comprehensive income:
- Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain		-	117,779,282	-	-	-	117,779,282	Financial assets at fair value through other comprehensive income
- Pengukuran kembali atas liabilitas imbalan pasca-kerja, setelah pajak		-	-	(630,529)	-	-	(630,529)	Remeasurement of post-employment benefit liabilities, net of tax
Saldo 31 Desember 2019		<u>8,000,000,000</u>	<u>6,403,866</u>	<u>212,119</u>	<u>140,000,338</u>	<u>2,825,166,620</u>	<u>10,971,782,943</u>	Balance at 31 December 2019
Penambahan modal	19	1,570,000,000	-	-	-	-	1,570,000,000	Additional capital
Pencadangan saldo laba	21	-	-	-	26,471,000	(26,471,000)	-	Appropriation of retained earnings
Penghasilan komprehensif tahun berjalan:								Comprehensive income for the year:
- Laba tahun berjalan		-	-	-	-	620,560,322	620,560,322	Profit for the year -
- Dividen	20	-	-	-	-	(110,827,000)	(110,827,000)	Dividend -
- Penghasilan komprehensif lain:								Other comprehensive income:
- Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain		-	292,588,861	-	-	-	292,588,861	Financial assets at fair value through other comprehensive income
- Pengukuran kembali atas liabilitas imbalan pasca-kerja, setelah pajak		-	-	(672,948)	-	-	(672,948)	Remeasurement of post-employment benefit liabilities, net of tax
Saldo 31 Desember 2020		<u>9,570,000,000</u>	<u>298,992,727</u>	<u>(460,829)</u>	<u>166,471,338</u>	<u>3,308,428,942</u>	<u>13,343,432,178</u>	Balance at 31 December 2020

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes form an integral part of these financial statements.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 4 - Schedule

**LAPORAN ARUS KAS
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2020**

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
31 DECEMBER 2020**

(Expressed in thousand of Rupiah, unless otherwise stated)

	<u>Catatan/ Notes</u>	<u>2020</u>	<u>2019</u>	
Arus kas dari aktivitas operasi				Cash flows from operating activities
Laba sebelum pajak penghasilan		621,423,564	594,405,568	Profit before income tax
Ditambah unsur yang tidak mempengaruhi arus kas:				Add items not affecting cash flows:
- Beban penyusutan	8	7,650,016	8,467,317	Depreciation -
- Beban amortisasi	10	756,105	414,309	Amortisation -
- Beban penyesuaian imbalan kerja	18	6,907,531	9,193,213	Provision for employee benefits obligation -
- Beban amortisasi aset hak guna	9	6,286,565	-	Right-of-use assets amortisation -
- Beban bunga sewa pembiayaan		1,817,885	-	Finance lease interest expense -
- Penyisihan beban tangguhan	11	-	10,726,388	Provision of deferred expenses -
Arus kas operasi sebelum perubahan dalam aset dan liabilitas operasi		<u>644,841,666</u>	<u>623,206,795</u>	Operating cash flows before changes in operating assets and liabilities
Perubahan dalam aset dan liabilitas operasi:				Changes in operating assets and liabilities
(Kenaikan)/penurunan aset operasi:				(Increase)/decrease in operating assets:
- Piutang usaha		(42,000,746)	(33,202,569)	Account receivables -
- Piutang lainnya		(176,349)	(3,602,671)	Other receivables -
- Biaya dibayar dimuka dan uang muka		422,641	877,842	Prepaid expenses and advances -
- Beban tangguhan		7,533,066	5,936,670	Deferred expenses -
- Pajak dibayar dimuka		340,235	(3,842,287)	Prepaid tax -
(Penurunan)/kenaikan liabilitas operasi:				(Decrease)/increase in operating liabilities:
- Utang usaha		(682,682)	(3,709,250)	Account payables -
- Utang pajak		818,770	(2,377,181)	Taxes payable -
- Biaya masih harus dibayar, penyesuaian dan utang lain-lain		1,578,692	(4,921,891)	Accrued expenses, provisions and other payables -
- Pembayaran manfaat imbalan kerja	18	(666,324)	(2,271,242)	Payment of employee benefit -
- Pendapatan tangguhan		<u>4,694,064</u>	<u>2,457,880</u>	Unearned income -
		<u>(28,138,633)</u>	<u>(44,654,699)</u>	
Arus kas bersih diperoleh dari aktivitas operasi		<u>616,703,033</u>	<u>578,552,096</u>	Net cash flow provided from operating activities
Arus kas dari aktivitas investasi				Cash flows from investing activities
Penempatan investasi		2,793,244,028	(2,090,208,354)	Placement for investments
Pembelian aset tetap dan aset takberwujud	8,10	(4,733,771)	(5,234,643)	Acquisition of fixed assets and intangible assets
Penempatan uang jaminan yang dapat dikembalikan		-	(23,000)	Refundable deposit
Arus kas bersih diperoleh dari (digunakan untuk) aktivitas investasi		<u>2,788,510,257</u>	<u>(2,095,465,997)</u>	Net cash flow provided from/ (used in) investing activities
Arus kas dari aktivitas pendanaan				Cash flows from financing activities
Penerimaan modal saham	19	1,570,000,000	-	Share capital received
Pembayaran dividen	20	(110,827,000)	(155,456,000)	Dividend payment
Pembayaran sewa	27	(7,302,592)	-	Payment for lease
Arus kas bersih diperoleh dari (digunakan untuk) aktivitas pendanaan		<u>1,451,870,408</u>	<u>(155,456,000)</u>	Net cash flow provided from/ (used in) financing activities
Kenaikan/(penurunan) bersih kas dan setara kas		4,857,083,698	(1,672,369,901)	Net increase/(decrease) in cash and cash equivalents
Kas dan setara kas awal tahun		<u>26,809,275</u>	<u>1,699,179,176</u>	Cash and cash equivalents at beginning of year
Kas dan setara kas akhir tahun		<u>4,883,892,973</u>	<u>26,809,275</u>	Cash and cash equivalents at end of year

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes form an integral part of these financial statements.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 5/1 - Schedule

CATATAN ATAS LAPORAN KEUANGAN 31 DESEMBER 2020

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

1. UMUM

PT Penjaminan Infrastruktur Indonesia (Persero) ("Perusahaan") didirikan berdasarkan Akta Notaris Lolani Kurniati Irdham-Idroes, S.H., LLM No. 29 tanggal 30 Desember 2009. Anggaran Dasar Perusahaan telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-04444.AH.01.01.Tahun 2010 tanggal 27 Januari 2010.

Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan dan terakhir dengan Akta Notaris Irma Devita Purnamasari, S.H., M.Kn. No. 14 tanggal 19 November 2020 yang memuat mengenai perubahan maksud dan tujuan Perusahaan serta perubahan modal dasar Perusahaan. Selanjutnya, Perubahan ini telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0077464.AH.01.02.TAHUN 2020 pada tanggal 19 November 2020.

Sesuai dengan penyesuaian Pasal 3 Anggaran Dasar, maksud dan tujuan Perusahaan adalah untuk:

- a) Memberikan penjaminan Pemerintah (sovereign guarantees) di bidang infrastruktur;
- b) Memberikan penjaminan Pemerintah (sovereign guarantees) dalam pembiayaan di bidang lainnya selain infrastruktur berdasarkan penugasan Pemerintah; dan
- c) Melaksanakan kegiatan yang berhubungan dengan implementasi penjaminan pemerintah serta kegiatan lain yang berhubungan dengan pelaksanaan pembangunan proyek yang mendukung perekonomian nasional baik pusat dan daerah.

Dalam mencapai tujuan tersebut, Perusahaan dapat melakukan, antara lain:

- a) Memberikan penjaminan kewajiban finansial Pemerintah dalam skema perjanjian Kerjasama Pemerintah dan Badan Usaha ("KPBU") dalam proyek infrastruktur.
- b) Memberikan penjaminan terhadap kewajiban finansial Pemerintah di bidang infrastruktur.
- c) Memberikan penjaminan atas risiko gagal bayar Badan Usaha Milik Negara ("BUMN") berdasarkan penugasan dan/atau ketentuan Menteri Keuangan yang timbul dari pelaksanaan perjanjian pinjaman dengan lembaga keuangan, dan penerbitan surat utang/obligasi.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2020

(Expressed in thousand of Rupiah, unless otherwise stated)

1. GENERAL

PT Penjaminan Infrastruktur Indonesia (Persero) (the "Company") was established based on Notarial Deed of Lolani Kurniati Irdham-Idroes, S.H., LLM No. 29 dated 30 December 2009. The Articles of Association were approved by the Minister of Law and Human Rights of the Republic of Indonesia in his decree No. AHU-04444.AH.01.01.Tahun 2010, dated 27 January 2010.

The Company's Articles of Association have been amended several times, the latest amendment was in accordance with Notarial Deed of Irma Devita Purnamasari, S.H., M.Kn. No. 14 dated 19 November 2020 concerning change of the purposes and objective of the Company and change of the Company's authorised share capital. Subsequently, The amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia through his decree No. AHU-0077464.AH.01.02.TAHUN 2020 dated 19 November 2020.

In accordance with adjustment of Article 3 of the Articles of Association, the Company's objective is to:

- a) To provide sovereign guarantees in infrastructure sectors;
- b) To provide sovereign guarantee for financing in other than infrastructure sectors based on the assignment from the Government; and
- c) To conduct activities related to the implementation of sovereign guarantees and other activities related to the implementation of project development that support the national economy both centralised and regional.

In achieving its objective, the Company may do, among others:

- a) To provide guarantee for the Government's financial obligations in the Public Private Partnersip ("PPP") cooperation agreement in infrastructure projects.
- b) To provide guarantee for the Government's financial obligations in the infrastructure sector.
- c) To provide guarantees for default risk of the State-Owned Enterprises ("SOEs") based on the assignment and/or the provision set by the Minister of Finance arising from the implementation of loan agreements with financial institutions, and issuance of debt securities/bonds.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 5/2 - Schedule

CATATAN ATAS LAPORAN KEUANGAN 31 DESEMBER 2020

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

1. UMUM (lanjutan)

Dalam mencapai tujuan tersebut, Perusahaan dapat melakukan, antara lain: (lanjutan)

- d) Memberikan penjaminan atas risiko gagal bayar Badan Usaha Milik Daerah ("BUMD") dan/atau pemerintah daerah berdasarkan penugasan dan/atau ketentuan Menteri Keuangan yang timbul dari pelaksanaan perjanjian pinjaman dengan lembaga keuangan, dan penerbitan surat utang/obligasi.
- e) Memberikan penjaminan atas risiko finansial lainnya kepada BUMN, BUMD dan/atau Badan Usaha berdasarkan penugasan dan/atau ketentuan Menteri Keuangan, yang timbul sebagai akibat perolehan pembiayaan atau fasilitas mitigasi risiko finansial selain pinjaman dan surat utang/obligasi.
- f) Memberikan penjaminan kepada pelaku usaha lainnya sesuai dengan penugasan dan/atau ketentuan yang ditetapkan Menteri Keuangan.
- g) Memberikan jasa konsultasi, penyediaan informasi, fasilitas perencanaan, penyiapan, dan penilaian kelayakan, atas proyek atau program serta hal lain terkait mitigasi risiko/pemantauan risiko dan/atau kegiatan yang berhubungan dengan alokasi risiko dan struktur pembiayaan proyek.
- h) Kerja sama dengan pihak lain termasuk lembaga keuangan internasional dalam rangka pelaksanaan pemberian pinjaman.
- i) Usaha patungan atau penyertaan modal pada badan hukum lain yang mempunyai maksud dan tujuan yang sejenis dengan maksud dan tujuan Perusahaan.
- j) Kegiatan lainnya untuk mencapai maksud dan tujuan Perusahaan.

Perusahaan merupakan Badan Usaha Penjaminan Infrastruktur ("BUPI") yang beroperasi sebagai suatu entitas "single window" dalam melakukan proses, penilaian (*appraisal*) dan penyusunan struktur (*structuring*) untuk penjaminan yang diberikan Pemerintah Indonesia pada proyek infrastruktur yang diajukan oleh Penanggung Jawab Proyek Kerjasama ("PJPK"). Penjaminan yang diberikan oleh Perusahaan memiliki dukungan pemenuhan kelayakan dan kapasitas oleh, bila diperlukan, Pemerintah Republik Indonesia, lembaga keuangan multilateral atau kombinasinya – untuk mewujudkan fleksibilitas operasional yang lebih baik dalam penyediaan penjaminan infrastruktur.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2020

(Expressed in thousand of Rupiah, unless otherwise stated)

1. GENERAL (continued)

In achieving its objective, the Company may do, among others: (continued)

- d) To provide guarantees for default risk of the Regional Owned Enterprises based on the assignment and/or the provision set by the Minister of Finance arising from the implementation of loan agreements with financial institutions, and issuance of debt securities/bonds.*
- e) To provide guarantee for other financial risks to SOEs, Regional Owned Enterprises and/or Enterprises based on the assignment and/or provision set by the Minister of Finance arising from obtaining financing or financial risk mitigation facilities other than loan and debt securities/bonds.*
- f) To provide guarantee to other business entities in accordance with the assignments and/or provisions set by the Minister of Finance.*
- g) To provide consulting services, providing informations, planning facilities, preparation, and feasibility assessment, on project or program and other matters related to risk mitigation/risk monitoring and/or activities related to risk allocation and project financing structure.*
- h) Cooperation with other parties, including international financial institutions in implementation of guarantee provision.*
- i) Joint ventures or equity participation in other legal entities that have similar goals and objectives with the Company's.*
- j) Other activities to achieve the goals and objectives of the Company*

The Company is BUPI that operates as a "single window" entity for the processing, appraisal and structuring of all guarantees provided by the Government of Indonesia for infrastructure projects proposed by the Government's Contracting Agencies ("GCA"). Guarantees provided by the Company have eligibility and capacity supports by, as necessary, the Government of Indonesia ("GOI"), a multilateral financing agency or a combination thereof – for greater operational flexibility in providing guarantees for infrastructure projects.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 5/3 - Schedule

**CATATAN ATAS LAPORAN KEUANGAN
31 DESEMBER 2020**

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2020**

(Expressed in thousand of Rupiah, unless otherwise stated)

1. UMUM (lanjutan)

Perusahaan berdomisili di Indonesia, berkedudukan di Capital Place Office Tower, Lantai 7 dan 8, Jl. Gatot Subroto Kav.18, Jakarta. Perusahaan mulai beroperasi secara komersial pada tahun 2010.

Pada tanggal 31 Desember 2020 dan 2019, susunan Dewan Komisaris dan Direksi Perusahaan adalah sebagai berikut:

	2020
Komisaris Utama	Awan Nurmawan Nuh ¹⁾
Komisaris	Wahyu Utomo ¹⁾ Mariatul Aini
Direktur Utama	Muhammad Wahid Sutopo
Direktur	Salusra Satria Andre Permana ²⁾

- 1) Berdasarkan Keputusan Menteri Keuangan (KMK) No. 205/KMK/06/2020, Pemegang Saham mengangkat Awan Nurmawan Nuh sebagai Komisaris Utama dan Wahyu Utomo sebagai anggota Komisaris sejak tanggal 20 April 2020.
- 2) Berdasarkan KMK No.127/KMK.06/2020, Andre Permana diangkat sebagai anggota Direksi sejak tanggal 23 Maret 2020.

Pada tanggal 31 Desember 2020, Perusahaan memiliki 130 pegawai (2019: 132 pegawai) (tidak diaudit).

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN

Laporan keuangan Perusahaan diselesaikan dan diotorisasi untuk terbit oleh Direksi pada tanggal 26 Februari 2021.

Berikut ini adalah ikhtisar kebijakan akuntansi penting yang diterapkan dalam penyusunan laporan keuangan.

a. Dasar penyusunan laporan keuangan

Laporan keuangan PT Penjaminan Infrastruktur Indonesia (Persero) disusun berdasarkan Standar Akuntansi Keuangan di Indonesia.

1. GENERAL (continued)

The Company is domiciled in Indonesia, its office is located at Capital Place Office Tower, 7th and 8th Floor, Jl. Gatot Subroto Kav.18, Jakarta. The Company started its commercial operations in 2010.

As at 31 December 2020 and 2019, the members of the Company's Board of Commissioners and Board of Directors were as follows:

	2019	
	Ayu Sukorini	President Commissioner
	Mariatul Aini	Commissioners
	M. Rahman Ritza	
	Muhammad Wahid Sutopo	President Director
	Salusra Satria	Directors
	-	

- 1) Based on KMK No. 205/KMK/06/2020, Shareholders appointed Awan Nurmawan Nuh as President Commissioner and Wahyu Utomo as Commissioners started on 20 April 2020.
- 2) Based on KMK No. 127/KMK.06/2020, Andre Permana was appointed as Director started on 23 March 2020.

As at 31 December 2020, the Company has 130 employees (2019: 132 employees) (unaudited).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company were completed and authorised for issuance by the Board of Directors on 26 February 2021.

Presented below are the principal accounting policies adopted in preparing the Company's financial statements.

a. Basis of preparation of the financial statements

The financial statements of PT Penjaminan Infrastruktur Indonesia (Persero) have been prepared in accordance with Indonesian Financial Accounting Standards.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 5/4 - Schedule

**CATATAN ATAS LAPORAN KEUANGAN
31 DESEMBER 2020**

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2020**

(Expressed in thousand of Rupiah, unless otherwise stated)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

a. Dasar penyusunan laporan keuangan (lanjutan)

Dasar penyusunan laporan keuangan, kecuali untuk laporan arus kas, adalah dasar akrual. Laporan keuangan tersebut disusun berdasarkan konsep harga perolehan, kecuali beberapa akun tertentu disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

Laporan arus kas disusun dengan menggunakan metode tidak langsung dan arus kas dikelompokkan atas dasar kegiatan operasi, investasi dan pendanaan. Untuk tujuan laporan arus kas, kas dan setara kas meliputi kas, kas di bank, deposito yang sewaktu-waktu bisa dicairkan dan investasi jangka pendek dengan jangka waktu jatuh tempo tiga bulan atau kurang sepanjang tidak digunakan sebagai jaminan atau dibatasi penggunaannya.

Seluruh angka dalam laporan keuangan ini, kecuali dinyatakan khusus, dibulatkan menjadi dan disajikan dalam ribuan Rupiah yang terdekat. Seluruh angka dalam mata uang selain Rupiah dinyatakan dalam jumlah penuh.

Penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia mengharuskan penggunaan estimasi dan asumsi. Hal tersebut juga mengharuskan manajemen untuk membuat pertimbangan dalam proses penerapan kebijakan akuntansi Perusahaan. Area yang kompleks atau memerlukan tingkat pertimbangan yang lebih tinggi atau area di mana asumsi dan estimasi dapat berdampak signifikan terhadap laporan keuangan diungkapkan di Catatan 4.

Perubahan pada pernyataan standar akuntansi keuangan dan interpretasi pernyataan standar akuntansi keuangan

Kecuali dinyatakan di bawah ini, kebijakan akuntansi telah diterapkan secara konsisten dengan laporan keuangan pada tanggal 31 Desember 2019, yang telah sesuai dengan Standar Akuntansi Keuangan di Indonesia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of preparation of the financial statements (continued)

The financial statements, except for the statement of cash flows, are prepared under the accrual basis. The financial statements are prepared under the historical cost convention, as modified for certain accounts which are measured on the basis described in the related accounting policies.

The cash flows statement is prepared based on the indirect method by classifying cash flows on the basis of operating, investing and financing activities. For the purpose of the cash flows, cash and cash equivalents include cash on hand, cash in banks, deposits held at call with banks and short-term investments with original maturities of three months or less, as long as they are not being pledged as collateral for borrowings or restricted.

Figures in the financial statements are rounded to and stated in thousands of Rupiah, unless otherwise stated. Amounts in currencies other than Rupiah are stated in full amount.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Changes to the statements of financial accounting standards and interpretations of financial accounting standards

Except as disclosed below, the accounting policies applied are consistent with those of the financial statements as at 31 December 2019, which conform to the Indonesian Financial Accounting Standards.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

Lampiran - 5/5 - Schedule

CATATAN ATAS LAPORAN KEUANGAN 31 DESEMBER 2020

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

a. Dasar penyusunan laporan keuangan (lanjutan)

Perubahan pada pernyataan standar akuntansi keuangan dan interpretasi pernyataan standar akuntansi keuangan (lanjutan)

Berikut ini adalah penerapan dari Pedoman Standar Akuntansi Keuangan ("PSAK") dan Interpretasi Standar Akuntansi Keuangan ("ISAK") baru dan revisi yang relevan yang berlaku efektif sejak tanggal 1 Januari 2020:

- PSAK 71: "Instrumen Keuangan";
- PSAK 72: "Pendapatan dari Kontrak dengan Pelanggan";
- PSAK 73: "Sewa";
- Amandemen PSAK 25 "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan";
- Amandemen PSAK 71 "Instrumen Keuangan: tentang Fitur Percepatan Pelunasan dengan Kompensasi Negatif";
- Amandemen PSAK 73 "Sewa" tentang konsesi sewa terkait COVID-19;
- Penyesuaian tahunan 2019 terhadap PSAK 1 "Penyajian Laporan Keuangan";
- Amandemen PSAK 1 "Penyajian laporan keuangan" dan PSAK 25 "Kebijakan akuntansi, perubahan estimasi akuntansi, dan kesalahan"; dan
- Amandemen Kerangka Konseptual Pelaporan Keuangan.

Kecuali untuk perubahan yang dijelaskan di bawah ini, implementasi dari standar-standar tersebut tidak menghasilkan perubahan substansial terhadap kebijakan akuntansi Perusahaan dan tidak memiliki dampak yang material terhadap laporan keuangan di tahun berjalan atau tahun sebelumnya.

Pengaruh kebijakan akuntansi baru PSAK 71

PSAK 71 menggantikan PSAK 55 "Instrumen Keuangan: Pengakuan dan Pengukuran" dan memperkenalkan pengaturan baru untuk klasifikasi dan pengukuran instrumen keuangan berdasarkan penilaian atas model bisnis dan arus kas kontraktual, pengakuan dan pengukuran cadangan kerugian penurunan nilai instrumen keuangan dengan menggunakan model kerugian kredit ekspektasian, yang menggantikan model kerugian kredit yang terjadi serta memberikan pendekatan yang lebih sederhana untuk akuntansi lindung nilai.

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(Expressed in thousand of Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of preparation of the financial statements (continued)

Changes to the statements of financial accounting standards and interpretations of financial accounting standards (continued)

The following are relevant adaptations of new and amended Standards ("SFAS") and Interpretation of Financial Accounting Standards ("ISFAS") which were effective since 1 January 2020:

- SFAS 71: "Financial Instruments";
- SFAS 72: "Revenue from Contracts with Customers";
- SFAS 73: "Leases";
- Amendment to SFAS 25 "Accounting Policies, Changes in Accounting Estimates and Errors";
- Amendment to SFAS 71 "Financial Instruments: Prepayment Features with Negative Compensation";
- Amendment to SFAS 73 "Leases" related to COVID-19 rent concessions;
- Annual improvements 2019 to SFAS 1 "Presentation of Financial Statements";
- Amendment to SFAS 1 "Presentation of financial statement" and SFAS 25 "Accounting policies, changes in accounting and errors"; and
- Amendment to Conceptual Framework for Financial Reporting.

Except for the changes as explained below, the implementation of the above standards did not result in substantial changes to the Company's accounting policies and had no material impact to the financial statements for current year or prior financial years.

Impact of new accounting policies SFAS 71

SFAS 71 replaces SFAS 55 "Financial Instruments: Recognition and Measurement" and introduces new requirements for classification and measurement for financial instruments based on business model and contractual cashflow assessment, recognition and measurement for allowance for impairment losses for financial instruments using the expected credit loss model, which replaced the incurred credit loss model and also provides simplified approach to hedge accounting.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

a. Dasar penyusunan laporan keuangan (lanjutan)

Perubahan pada pernyataan standar akuntansi keuangan dan interpretasi pernyataan standar akuntansi keuangan (lanjutan)

Pengaruh kebijakan akuntansi baru PSAK 71 (lanjutan)

Sesuai dengan persyaratan transisi pada PSAK 71, Perusahaan memilih penerapan secara retrospektif modifikasian dengan dampak kumulatif pada awal penerapan diakui pada tanggal 1 Januari 2020 dan tidak menyajikan kembali informasi komparatif. Tidak terdapat penyesuaian pada saldo awal laba pada tanggal 1 Januari 2020 yang berasal dari perubahan cadangan kerugian penurunan nilai instrumen keuangan.

Berdasarkan penilaian terhadap model bisnis dan arus kas kontraktual, pengaturan baru atas PSAK 71 untuk klasifikasi dan pengukuran instrumen keuangan tidak berdampak terhadap jumlah tercatat aset dan liabilitas keuangan pada tanggal 1 Januari 2020.

Pengaruh kebijakan akuntansi baru PSAK 72

PSAK 72 mensyaratkan Perusahaan menganalisa pengakuan pendapatan menggunakan lima langkah berdasarkan kontrak dimana pengakuan pendapatan terjadi ketika kewajiban pelaksanaan telah dipenuhi dengan menyerahkan barang atau jasa yang dijanjikan ke pelanggan (ketika pelanggan telah memiliki kendali atas barang atau jasa tersebut).

Berdasarkan hasil evaluasi Perusahaan, prinsip dasar dari standar baru ini, terkait pengukuran dan waktu pengakuan pendapatan, telah sesuai dengan model dan praktik bisnis Perusahaan. Oleh karena itu, penerapan PSAK 72 tidak berdampak material terhadap laporan keuangan Perusahaan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of preparation of the financial statements (continued)

Changes to the statements of financial accounting standards and interpretations of financial accounting standards (continued)

Impact of new accounting policies SFAS 71 (continued)

In accordance with the transition requirements in SFAS 71, the Company elected to apply modified retrospective approach with the cumulative effect of initial implementation recognised at 1 January 2020 and not to restate the comparative information. There is no adjustment in the beginning retained earnings as of 1 January 2020 which resulted from changes in allowance for losses for financial instruments.

Based on business model assessments and contractual cashflow, there is no change to the carrying amount of financial assets and liabilities as of 1 January 2020 due to the adoption of new classification under SFAS 71.

Impact of new accounting policies SFAS 72

PSAK 72 requires the Company to analyse revenue recognition using five steps based on contracts where revenue is recognised when performance obligation is satisfied by transferring the promised goods or services to a customer (which is when the customer obtains control of the goods or services).

Based on the Company's assessment, the underlying principles of the new standard, relating to the measurement of revenue and the timing of recognition, are closely aligned with the Company's current business model and practices. As a result, the adoption of SFAS 72 did not have a material impact on the Company's financial statements.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

a. Dasar penyusunan laporan keuangan (lanjutan)

Perubahan pada pernyataan standar akuntansi keuangan dan interpretasi pernyataan standar akuntansi keuangan (lanjutan)

Pengaruh kebijakan akuntansi baru PSAK 73

Sehubungan dengan penerapan PSAK 73, Perusahaan sebagai pihak penyewa mengakui aset hak-guna dan liabilitas sewa terkait dengan sewa yang sebelumnya diklasifikasikan sebagai sewa operasi berdasarkan PSAK 30 "Sewa", kecuali atas sewa jangka pendek atau sewa dengan aset yang bernilai rendah. Liabilitas sewa diukur pada nilai kini dari sisa pembayaran sewa, yang diskontokan dengan menggunakan suku bunga pinjaman inkremental pada tanggal 1 Januari 2020. Dalam menentukan suku bunga pinjaman inkremental, Perusahaan mempertimbangkan faktor-faktor utama berikut: risiko kredit korporasi Perusahaan, jangka waktu sewa, jangka waktu pembayaran sewa, waktu dimana sewa dimasukkan, dan mata uang dimana pembayaran sewa ditentukan.

Sesuai dengan persyaratan transisi pada PSAK 73 "Sewa", Perusahaan dapat memilih penerapan secara retrospektif modifikasian dimana aset hak-guna diukur pada jumlah yang sama dengan liabilitas sewa dan disesuaikan dengan jumlah pembayaran dimuka. Dalam menerapkan PSAK 73 untuk pertama kalinya, Perusahaan menerapkan cara praktis yang diizinkan oleh standar dengan cara menerapkan tingkat diskonto tunggal untuk portofolio sewa dengan karakteristik yang cukup serupa serta tidak membuat penyesuaian transisi untuk sewa yang aset dasarnya bernilai rendah dan sewa jangka pendek.

Dalam laporan posisi keuangan pada tanggal 1 Januari 2020, Perusahaan tidak memiliki aset hak-guna dan liabilitas sewa sehingga tidak terdapat dampak kumulatif terhadap saldo awal laba ditahan pada tanggal 1 Januari 2020 dan Perusahaan tidak menyajikan kembali informasi komparatif.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of preparation of the financial statements (continued)

Changes to the statements of financial accounting standards and interpretations of financial accounting standards (continued)

Impact of new accounting policies SFAS 73

In relation to the implementation of SFAS 73, the Company as lessee recognised right-of-use assets and leases liabilities related to leases which were previously classified as operation leases based on SFAS 30 "Leases", except for short-term leases or leases with low value assets. Lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of 1 January 2020. In determining incremental borrowing rate, the Company consider the following main factors: the Company's corporate credit risk, the lease term, the lease payment term, the time at which the lease is entered into, and the currency in which the lease payments are denominated.

In accordance with the transition requirements in SFAS 73 "Leases", the Company could elected to apply modified retrospective approach of which the right-of-use assets were measured at the amount equal to the lease liabilities and adjusted by the amount of any prepaid. In applying SFAS 73 for the first time, the Company used these practical expedient permitted by the standard in which use of a single discount rate to a portfolio of leases with reasonably similar characteristics and did not make transition adjustment for leases with low value underlying assets and short-term leases.

In the statements of financial position as of 1 January 2020, the Company did not have right-of-use assets and leases liabilities so that it would not impact the cumulative effect of the beginning retained earnings at 1 January 2020 and the Company will not restate the comparative information.

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Lampiran - 5/8 - Schedule

CATATAN ATAS LAPORAN KEUANGAN 31 DESEMBER 2020

(Dinyatakan dalam ribuan Rupiah, kecuali dinyatakan lain)

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

b. Penjabaran mata uang asing

a. Mata uang fungsional dan penyajian

Pos-pos yang disertakan dalam laporan keuangan Perusahaan diukur menggunakan mata uang yang sesuai dengan lingkungan ekonomi utama dimana Perusahaan beroperasi ("mata uang fungsional").

Laporan keuangan disajikan dalam Rupiah ("Rp") yang merupakan mata uang fungsional dan penyajian Perusahaan.

b. Transaksi dan saldo

Transaksi dalam mata uang asing dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs yang berlaku pada tanggal transaksi. Pada tanggal pelaporan, aset dan liabilitas moneter dalam mata uang asing dijabarkan dalam mata uang Rupiah dengan menggunakan kurs penutup. Kurs yang digunakan sebagai acuan adalah kurs yang dikeluarkan oleh Bank Indonesia. Keuntungan dan kerugian dari selisih kurs yang timbul dari transaksi dalam mata uang asing dan penjabaran aset dan liabilitas moneter dalam mata uang asing, diakui pada laporan laba rugi.

c. Kas dan setara kas

Kas dan setara kas meliputi kas, kas di bank, deposito yang sewaktu-waktu bisa dicairkan dan investasi jangka pendek dengan jangka waktu jatuh tempo tiga bulan atau kurang, sepanjang tidak digunakan sebagai jaminan atau dibatasi penggunaannya.

d. Aset dan liabilitas keuangan

Aset keuangan

Mulai tanggal 1 Januari 2020, Perusahaan melakukan penerapan PSAK 71, yang mensyaratkan pengaturan instrumen keuangan terkait klasifikasi dan pengukuran, penurunan nilai atas instrumen aset keuangan dan akuntansi lindung nilai. Perusahaan mengklasifikasikan aset keuangannya dalam kategori: (i) aset keuangan yang diukur pada nilai wajar melalui laba rugi (ii) aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain, (iii) aset keuangan yang diukur dengan biaya diamortisasi. Klasifikasi dan pengukuran aset keuangan harus didasarkan pada bisnis model dan arus kas kontraktual - apakah semata dari pembayaran pokok dan bunga. Manajemen menentukan klasifikasi aset keuangan tersebut pada pengakuan awal dan tidak bisa melakukan perubahan setelah penerapan awal tersebut.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2020

(Expressed in thousand of Rupiah, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Foreign currency translation

a. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency").

The financial statements are presented in Rupiah ("Rp"), which is the functional and presentation currency of the Company.

b. Transactions and balances

Transactions denominated in foreign currency are converted into Rupiah using the exchange rates prevailing at the dates of the transactions. At the reporting date, foreign currency monetary assets and liabilities are translated using the closing exchange rate prevailing at that date. Exchange rate used as benchmark is the rate which is issued by Bank Indonesia. Foreign exchange gains and losses arising from transactions in foreign currencies and from the translation of foreign currency monetary assets and liabilities are recognised in the profit or loss.

c. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash in banks, deposits held at call with banks and short-term investments with original maturities of three months or less, as long as they are not being pledged as collateral for borrowings or restricted.

d. Financial assets and liabilities

Financial assets

From 1 January 2020, the Company has applied PSAK 71, which set the requirements in classification and measurement, impairment in value of financial assets and hedging accounting. The Company classifies its financial assets in the following categories: (i) financial assets at fair value through profit or loss (ii) financial assets at fair value through other comprehensive income, (iii) financial assets at amortised cost. Classification and measurement of financial assets are based on business model and contractual cash flows - whether from solely payment of principal and interest. Management determines the classification of its financial assets at initial recognition and cannot change the classification already made at initial application.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

- (i) Aset keuangan diukur pada nilai wajar melalui laba rugi

Aset keuangan diukur pada nilai wajar melalui laba rugi adalah aset keuangan yang dimiliki untuk diperdagangkan, jika diperoleh atau dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Perusahaan tidak memiliki aset keuangan diukur pada nilai wajar melalui laporan laba rugi.

- (ii) Aset keuangan yang diukur dengan biaya diamortisasi

Aset keuangan yang diukur dengan biaya diamortisasi pada awalnya diakui sebesar nilai wajarnya ditambah dengan biaya-biaya transaksi dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Aset keuangan yang diukur dengan biaya diamortisasi Perusahaan terdiri dari kas dan setara kas, investasi dalam deposito berjangka, piutang usaha, uang jaminan yang dapat dikembalikan serta investasi Perusahaan pada obligasi tertentu.

- (iii) Aset keuangan diukur pada nilai wajar melalui penghasilan komprehensif lain

Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain adalah aset keuangan non-derivatif yang ditentukan pada kategori ini atau tidak diklasifikasikan pada kategori yang lain. Setelah pengukuran awal, aset keuangan ini diukur pada nilai wajar dan keuntungan atau kerugiannya diakui dalam laporan perubahan ekuitas hingga dihentikan pengakuannya. Investasi Perusahaan pada obligasi tertentu diklasifikasikan dalam kategori ini.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Financial assets (continued)

- (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading, which is acquired principally for the purpose of selling or repurchasing it in the short-term. The Company has no financial assets at fair value through profit or loss.

- (ii) Financial assets at amortised cost

Financial assets at amortised cost are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. The Company's financial assets at amortised cost comprise of cash and cash equivalents, investment in time deposits, account receivables, refundable deposits and the Company's investment in certain bonds.

- (iii) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are non-derivative financial assets that are either designated in this category or not classified in any other categories. After initial measurement, this financial assets are measured at fair value with unrealised gains or losses recognised in stockholders' equity until the financial assets are derecognised. The Company's investments in certain bonds are classified in this category.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

- (iv) Penilaian pembayaran pokok dan bunga semata ("SPPI")

Untuk tujuan penilaian ini, 'pokok' didefinisikan sebagai nilai wajar dari aset keuangan pada pengakuan awal. 'Bunga' didefinisikan sebagai imbalan untuk nilai waktu atas uang dan untuk risiko kredit yang terkait dengan jumlah pokok yang terutang selama periode waktu tertentu dan untuk risiko dan biaya pinjaman dasar lainnya (misalnya risiko likuiditas dan biaya administrasi), serta margin keuntungan.

Dalam menilai apakah arus kas kontraktual adalah SPPI, Perusahaan mempertimbangkan ketentuan kontraktual instrumen tersebut. Hal ini termasuk menilai apakah aset keuangan mengandung ketentuan kontraktual yang dapat mengubah waktu atau jumlah arus kas kontraktual sehingga tidak memenuhi kondisi ini. Dalam melakukan penilaian, Perusahaan mempertimbangkan:

- Kejadian kontinjensi yang akan mengubah jumlah dan waktu arus kas;
- Fitur *leverage*;
- Persyaratan pelunasan dipercepat dan perpanjangan fasilitas;
- Ketentuan yang membatasi klaim Perusahaan atas arus kas dari aset tertentu (seperti pinjaman *non-recourse*); dan
- Fitur yang memodifikasi imbalan dari nilai waktu atas uang (seperti penetapan ulang suku bunga berkala).

- (v) Penilaian model bisnis

Model bisnis mengacu pada bagaimana aset keuangan dikelola bersama untuk menghasilkan arus kas untuk Perusahaan. Arus kas mungkin dihasilkan dengan menerima arus kas kontraktual, menjual aset keuangan atau keduanya. Model bisnis ditentukan pada tingkat agregasi di mana kelompok aset dikelola bersama untuk mencapai tujuan tertentu dan tidak bergantung pada niat manajemen pada instrumen individual.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Financial assets (continued)

- (iv) Solely payments of principal and interest ("SPPI") assessment

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

- (v) Business model assessment

Business model refers to how financial assets are managed together to generate cash flows for the Company. This may be collecting contractual cash flows, selling financial assets or both. Business models are determined at a level of aggregation where groups of assets are managed together to achieve a particular objective and do not depend on management's intentions for individual instruments.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

(v) Penilaian model bisnis (lanjutan)

Penentuan model bisnis dilakukan dengan mempertimbangkan semua bukti relevan yang tersedia pada tanggal penilaian. Ini termasuk, tetapi tidak terbatas pada:

- Bagaimana kinerja bisnis dan aset keuangan yang ada di dalam unit bisnis itu dievaluasi dan dilaporkan kepada manajemen. Tingkat pemisahan yang diidentifikasi untuk klasifikasi PSAK 71 harus konsisten dengan bagaimana portfolio aset dipisahkan dan dilaporkan kepada manajemen;
- Risiko yang mempengaruhi kinerja unit bisnis dan aset keuangan yang dimiliki dalam unit bisnis itu dan khususnya bagaimana risiko itu dikelola; dan
- Bagaimana manajer unit bisnis dikompensasi (berdasarkan pada nilai wajar dari aset yang dikelola atau pada arus kas kontraktual yang dikumpulkan).

Perusahaan dapat mereklasifikasi seluruh aset keuangan yang terpengaruh jika dan hanya jika, model bisnis untuk pengelolaan aset keuangan berubah.

Penentuan model bisnis dilakukan berdasarkan skenario yang diperkirakan akan terjadi oleh Perusahaan dan tidak dalam kondisi sangat tertekan atau 'kondisi terburuk'. Jika aset dijual dalam kondisi yang tidak diharapkan oleh Perusahaan untuk berlaku ketika aset diakui, klasifikasi aset keuangan yang ada dalam portofolio tidak disajikan secara tidak akurat, tetapi kondisi tersebut harus dipertimbangkan untuk aset yang diperoleh di masa mendatang.

Perubahan pada model bisnis atau pengenalan model bisnis baru ditentukan melalui proses persetujuan unit bisnis baru.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Financial assets (continued)

(v) Business model assessment (continued)

Business model determinations are made considering all relevant evidence that is available at the date of the assessment. This includes, but not limited to:

- How the performance of the business and the financial assets held within that business unit are evaluated and reported to management. The level of segregation identified for SFAS 71 classification should be consistent with how asset portfolios are segregated and reported to senior management;
- The risks that affect the performance of the business unit and the financial assets held within that business unit and in particular the way those risks are managed; and
- How managers of the business unit are compensated (based on the fair value of the assets managed or on the contractual cash flows collected).

The Company can reclassify all of its financial assets when and only, its business model for managing those financial assets changes.

Business model determinations are made on the basis of scenarios that the Company reasonably expect to occur and not under highly stressed or 'worst case' conditions. Where assets are disposed of under conditions that the Company did not reasonably expect to prevail when the assets were recognised, the classification of existing financial assets in the portfolio are not rendered inaccurate but the conditions in question should be considered for any assets acquired going forward.

Changes to business models or the introduction of new business models are determined through the new business unit approval process.

PT PENJAMINAN INFRASTRUKTUR INDONESIA (PERSERO)

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

(vi) Penurunan nilai aset keuangan

Pada setiap periode pelaporan, Perusahaan menilai apakah risiko kredit dari instrumen keuangan telah meningkat secara signifikan sejak pengakuan awal. Ketika melakukan penilaian, Perusahaan menggunakan perubahan atas risiko gagal bayar yang terjadi sepanjang perkiraan usia instrumen keuangan daripada perubahan atas jumlah kerugian kredit ekspektasian. Dalam melakukan penilaian, Perusahaan membandingkan antara risiko gagal bayar yang terjadi atas instrumen keuangan pada saat periode pelaporan dengan risiko gagal bayar yang terjadi atas instrumen keuangan pada saat pengakuan awal dan mempertimbangkan kewajaran serta ketersediaan informasi, yang tersedia tanpa biaya atau usaha pada saat tanggal pelaporan terkait dengan kejadian masa lalu, kondisi terkini dan perkiraan atas kondisi ekonomi di masa depan, yang mengindikasikan kenaikan risiko kredit sejak pengakuan awal.

Staging Criteria

Aset keuangan harus dialokasikan ke salah satu dari tiga tahap penurunan nilai (tahap 1, tahap 2, tahap 3) dengan menentukan apakah terjadi peningkatan risiko kredit yang signifikan atas instrumen keuangan sejak pengakuan awal atau apakah fasilitas tersebut gagal bayar pada setiap tanggal pelaporan.

Tahap 1: mencakup instrumen keuangan yang tidak memiliki peningkatan signifikan atas risiko kredit sejak pengakuan awal atau memiliki risiko kredit rendah pada tanggal pelaporan. Untuk aset ini, ECL 12 bulan akan dihitung.

Tahap 2: mencakup instrumen keuangan yang mengalami peningkatan signifikan atas risiko kredit sejak pengakuan awal (kecuali jika memiliki risiko kredit rendah pada tanggal pelaporan), namun tidak memiliki bukti penurunan nilai yang obyektif. Untuk aset ini, ECL *lifetime* dihitung. ECL *lifetime* adalah kerugian kredit yang diharapkan yang dihasilkan dari semua kejadian default yang mungkin terjadi selama perkiraan umur dari instrumen keuangan.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Financial assets (continued)

(vi) Impairment of financial asset

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Company use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, that is indicative of significant increases in credit risk since initial recognition.

Staging Criteria

Financial assets have to be allocated to one of the three impairment stages (stage 1, stage 2, stage 3) by determining whether significant increase in credit risk has occurred on financial instrument since initial recognition or whether the facility is defaulted on the reporting date.

Stage 1: includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL are recognised.

Stage 2: includes financial instruments that have had significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but do not have objective evidence of impairment. For these assets, lifetime ECL are recognised. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

Staging Criteria (lanjutan)

Tahap 3: mencakup instrumen keuangan yang memiliki bukti obyektif penurunan nilai pada tanggal pelaporan. Tahap ini berisi debitor yang telah *impaired* (gagal bayar). Faktor utama dalam menentukan apakah instrumen keuangan memerlukan ECL 12 bulan (tahap 1) atau ECL *lifetime* (tahap 2) disebut dengan kriteria Peningkatan Signifikan dalam Risiko Kredit (SICR). SICR memerlukan pengkajian apakah telah terjadi peningkatan risiko kredit yang signifikan pada setiap tanggal pelaporan.

Liabilitas keuangan

Perusahaan mengklasifikasikan liabilitas keuangan dalam kategori (i) liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi dan (ii) liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi.

Pada tanggal pelaporan, Perusahaan tidak memiliki liabilitas keuangan yang diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi. Oleh karena itu, kebijakan akuntansi yang berkaitan dengan klasifikasi liabilitas keuangan ini tidak diungkapkan.

Liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi

Liabilitas keuangan yang tidak diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi dikategorikan dan diukur dengan biaya perolehan diamortisasi.

Pada saat pengakuan awal, liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi diakui pada nilai wajarnya dikurangi biaya transaksi (jika ada) dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Utang usaha, biaya yang masih harus dibayar, penyisihan dan utang lain-lain, dan pinjaman penerusan diklasifikasikan dalam kategori ini.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Financial assets (continued)

Staging Criteria (continued)

Stage 3: includes financial instruments that have objective evidence of impairment at the reporting date. This stage has obligors that already are impaired (defaulted). The key factor in determining whether a financial instrument attracts 12-months (stage 1) or lifetime ECL (stage 2) is called by the criteria of Significant Increase in Credit Risk (SICR). SICR criteria involves assessment of whether there has been a significant increase in credit risk at each reporting date.

Financial liabilities

The Company classifies its financial liabilities in the category of (i) financial liabilities at fair value through profit or loss and (ii) financial liabilities measured at amortised cost.

At the reporting date, there are no financial liabilities classified as financial liabilities at fair value through profit or loss. Therefore, the accounting policies related to this classification are not disclosed.

Financial liabilities measured at amortised cost

Financial liabilities that are not classified as at fair value through profit or loss fall into this category and are measured at amortised cost.

Financial liabilities measured at amortised cost are initially recognised at fair value minus transaction costs (if any) and subsequently measured at amortised cost using the effective interest rate method. Account payables, accrued expenses, provisions and other payables, and two-step loans are classified in this category.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Pemberhentian pengakuan atas liabilitas keuangan

Liabilitas keuangan dihentikan pengakuannya jika liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluarsa.

Jika suatu liabilitas keuangan yang ada digantikan dengan liabilitas yang lain pada keadaan yang secara substansial berbeda, atau berdasarkan suatu liabilitas yang ada yang secara substansial telah diubah, maka pertukaran atau modifikasi tersebut diperlakukan sebagai penghentian pengakuan liabilitas awal dan pengakuan liabilitas baru, dan perbedaan nilai tercatat masing-masing diakui dalam laporan laba rugi.

Penentuan nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur (*orderly transaction*) antara pelaku pasar (*market participants*) pada tanggal pengukuran di pasar utama atau, jika tidak terdapat pasar utama, di pasar yang paling menguntungkan dimana Perusahaan memiliki akses pada tanggal tersebut. Nilai wajar liabilitas mencerminkan risiko wanprestasinya.

Jika tersedia, Perusahaan mengukur nilai wajar instrumen keuangan dengan menggunakan harga kuotasi di pasar aktif untuk instrumen tersebut.

Instrumen keuangan dianggap memiliki kuotasi di pasar aktif jika harga kuotasi tersedia sewaktu-waktu dan dapat diperoleh secara rutin dari bursa, pedagang efek (*dealer*), perantara efek (*broker*), kelompok industri, badan pengawas (*pricing service* atau *regulatory agency*) dan harga tersebut mencerminkan transaksi pasar yang aktual dan rutin dalam suatu transaksi yang wajar. Jika kriteria di atas tidak terpenuhi, maka pasar aktif dinyatakan tidak tersedia. Indikasi-indikasi dari pasar tidak aktif adalah terdapat selisih yang besar antara harga penawaran dan permintaan atau kenaikan signifikan dalam selisih harga penawaran dan permintaan dan hanya terdapat beberapa transaksi terkini.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

Where an existing financial liability is replaced by another liability with substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in the statements of profit or loss.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of a financial instrument using the quoted price in an active market for that instrument.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Penentuan nilai wajar (lanjutan)

Bukti terbaik atas nilai wajar instrumen keuangan pada saat pengakuan awal adalah harga transaksi, yaitu nilai wajar dari pembayaran yang diberikan atau diterima. Jika Perusahaan menetapkan bahwa nilai wajar pada pengakuan awal berbeda dengan harga transaksi dan nilai wajar tidak dapat dibuktikan dengan harga kuotasian di pasar aktif untuk aset atau liabilitas yang sejenis atau berdasarkan teknik penilaian yang hanya menggunakan data dari pasar yang dapat diobservasi, maka nilai wajar instrumen keuangan pada saat pengakuan awal disesuaikan untuk menanggulangi perbedaan antara nilai wajar pada saat pengakuan awal dan harga transaksi. Setelah pengakuan awal, perbedaan tersebut diamortisasi dan diakui dalam laba rugi sepanjang umur dari instrumen tersebut.

Untuk instrumen keuangan yang tidak mempunyai harga pasar, estimasi atas nilai wajar ditetapkan dengan mengacu pada nilai wajar instrumen lain yang substansinya sama atau dihitung berdasarkan arus kas yang diharapkan terhadap aset bersih efek-efek tersebut.

Nilai wajar untuk semua instrumen keuangan lainnya ditentukan dengan menggunakan teknik penilaian. Dengan teknik ini, nilai wajar merupakan suatu estimasi yang dihasilkan dari data yang dapat diobservasi dari instrumen keuangan yang sama, menggunakan model-model untuk mendapatkan estimasi nilai kini dari arus kas masa depan yang diharapkan atau teknik penilaian lainnya menggunakan input (sebagai contoh *LIBOR yield curve*, nilai tukar mata uang asing, volatilitas dan *counterparty spreads*) yang tersedia pada tanggal laporan posisi keuangan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Determination of fair value (continued)

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is amortised and recognised in profit or loss on over the life of the instrument.

For financial instruments with no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which substantially have the same characteristic or calculated based on the expected cash flows of the underlying net asset base of the marketable securities.

*For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, *LIBOR yield curve*, foreign exchange rates, volatilities and counterparty spreads) existing at the dates of the statement of financial position.*

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Saling hapus

Aset keuangan dan liabilitas keuangan disalinghapuskan dan jumlah netonya dilaporkan pada laporan posisi keuangan ketika terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan adanya niat untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan. Hak saling hapus tidak kontingen atas peristiwa dimasa depan dan dapat dipaksakan secara hukum dalam situasi bisnis yang normal dan dalam peristiwa gagal bayar atau peristiwa kepailitan atau kebangkrutan Perusahaan atau pihak lawan.

Reklasifikasi aset keuangan

Perusahaan diperkenankan untuk melakukan reklasifikasi atas aset keuangan yang dimiliki jika Perusahaan mengubah model bisnis untuk pengelolaan aset keuangan sedangkan reklasifikasi untuk liabilitas keuangan tidak diperkenankan.

Perubahan model bisnis sifatnya harus berdampak secara signifikan terhadap kegiatan operasional Perusahaan seperti memperoleh, melepaskan, atau mengakhiri suatu lini bisnis.

Yang bukan merupakan perubahan model bisnis adalah:

- perubahan intensi berkaitan dengan aset keuangan tertentu (bahkan dalam situasi perubahan signifikan dalam kondisi pasar);
- hilangnya sementara pasar tertentu untuk aset keuangan; dan
- pengalihan aset keuangan antara bagian dari Perusahaan dengan model bisnis berbeda.

Perusahaan menerapkan reklasifikasi secara prospektif dari tanggal reklasifikasi. Perusahaan tidak menyajikan kembali keuntungan, kerugian (termasuk keuntungan atau kerugian penurunan nilai), atau bunga yang diakui sebelumnya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default in solvency or bankruptcy of the Company or the counterparty.

Reclassification of financial assets

The Company is permitted to reclassify its financial assets if the Company change its business model for managing financial assets while reclassification for financial liabilities is not permitted.

The Company will reclassify financial assets affected by changes in business models. Changes in the Company's business model objectives must have an impact before the reclassification date.

The followings are not a change in business model:

- *changes in intention relating to certain financial assets (even in situations significant changes in market conditions);*
- *temporary loss of certain markets for financial assets; and*
- *transfer of financial assets between parts of the Company with different business models.*

The Company apply a prospective reclassification of the date of the reclassification. The Company does not restate profits, losses (including impairment profit or loss), or interest recognised earlier.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

Kontrak jaminan keuangan dan tagihan komitmen lainnya

Kontrak jaminan keuangan yang dimiliki Perusahaan baik penjaminan KPBU maupun penjaminan kewajiban pembayaran BUMN (Non-KPBU) adalah dalam bentuk perjanjian penjaminan, yang mengharuskan Perusahaan untuk melakukan pembayaran atas kewajiban finansial sesuai dengan ketentuan dalam Perjanjian Kerja Sama (untuk KPBU) maupun Perjanjian Pinjaman (untuk Non-KPBU), yang tidak dapat dipenuhi oleh Penanggung Jawab Proyek Kerjasama ("PJPK") kepada Badan Usaha (untuk KPBU) atau yang tidak dapat dipenuhi oleh BUMN Terjamin kepada pemberi pinjaman (untuk Non-KPBU).

Pendapatan premi dari kontrak jaminan keuangan yang diperoleh (*recurring fee*), diamortisasi selama jangka waktu penjaminan dengan menggunakan metode garis lurus.

Kerugian kredit ekspektasian nilai atas kontrak jaminan keuangan yang memiliki risiko kredit dihitung berdasarkan analisa spesifik untuk masing-masing risiko dalam perjanjian penjaminan. Kerugian kredit ekspektasian atas jaminan keuangan diakui pada liabilitas lain-lain.

Perusahaan memiliki perjanjian regres dengan PJPK terkait dengan penjaminan KPBU, yang akan memberikan hak tagih kepada PJPK atas pembayaran yang dilakukan oleh Perusahaan kepada Badan Usaha ("BU") akibat tidak dapat dipenuhinya kewajiban finansial PJPK kepada BU.

Perusahaan juga memiliki perjanjian regres dengan BUMN Terjamin terkait dengan penjaminan atas gagal bayar dari BUMN yang melakukan pinjaman dan/atau penerbitan obligasi untuk membiayai penyediaan infrastruktur, yang akan memberikan hak tagih kepada BUMN atas pembayaran yang dilakukan oleh Perusahaan kepada pemberi pinjaman akibat tidak dapat dipenuhinya kewajiban pembayaran BUMN kepada pemberi pinjaman.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

Financial guarantee contracts and other commitment receivables

Financial guarantee contracts that the Company has both PPP guarantees and guarantees for SOEs payment obligation (Non-PPP) is in form of guarantee agreements, which requires the Company to make payments to the Investors when Government's Contracting Agencies ("GCA") is unable to fulfill its financial obligation in accordance with the terms in a Cooperation Agreements (for PPP) or requires the Company to make payments to the lenders when guaranteed SOEs is unable to fulfill its financial obligation, in accordance with the terms in a Loan Agreements (for Non-PPP).

The guarantee fee income earned from financial guarantee contracts (recurring fee), is amortised over the period of guarantee using the straight line method.

Expected credit loss on financial guarantee contracts with credit risk are assessed based on each specific risk under the guarantee agreement. Expected credit loss on financial guarantees is recognised as other liabilities.

The Company has recourse agreement with GCA related to PPP's guarantee, which will give the Company the rights to claim or recourse back to GCA for any payment that have been made by the Company to the Investors, due to inability of GCA in fulfilling its financial obligations to the Investors.

The Company also has recourse agreement with guaranteed SOEs related to guarantees of SOEs' loan and/or bond issuance payment defaults in financing infrastructure developments, which will give the Company the rights to claim or recourse back to SOEs for any payment that have been made by the Company to the lenders, due to inability of SOEs in fulfilling its financial obligations to the lenders.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

e. Investasi

Investasi terdiri dari deposito berjangka, obligasi korporasi yang diperdagangkan di pasar uang dan di bursa efek serta Obligasi Pemerintah dan reksa dana.

Obligasi Pemerintah adalah surat hutang yang diterbitkan oleh Pemerintah Republik Indonesia yang dibeli dari pasar.

Perusahaan telah mengklasifikasikan investasi pada sukuk sebagai diukur pada nilai biaya perolehan diamortisasi sesuai dengan PSAK No. 110 "Akuntansi Sukuk".

Investasi pada sukuk yang diukur pada biaya perolehan disajikan sebesar biaya perolehan (termasuk biaya transaksi) yang disesuaikan dengan premi atau diskonto yang belum diamortisasi. Premi dan diskonto diamortisasi selama periode jatuh tempo dengan menggunakan metode garis lurus.

f. Aset tetap

Aset tetap diakui sebesar harga perolehan, dikurangi dengan akumulasi penyusutannya. Penyusutan aset tetap dihitung dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomis aset tetap, sebagai berikut:

Tahun/Years		
Prasarana kantor	4	Leasehold improvement
Peralatan komputer	4	Computer equipments
Peralatan kantor, perabotan dan perlengkapan	4	Office equipments, furnitures and fixtures

Nilai sisa aset dan masa manfaat aset tetap ditelaah, dan disesuaikan bila perlu, pada setiap akhir periode pelaporan.

Biaya-biaya setelah perolehan awal diakui sebagai bagian dari nilai tercatat aset atau sebagai aset yang terpisah hanya apabila kemungkinan besar Perusahaan akan mendapatkan manfaat ekonomis di masa depan berkenaan dengan aset tersebut dan biaya perolehan aset dapat diukur dengan handal. Jumlah tercatat komponen yang diganti tidak lagi diakui. Biaya perbaikan dan pemeliharaan dibebankan ke dalam laporan laba rugi selama periode dimana biaya-biaya tersebut terjadi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Investments

Investments consist of time deposits, corporate bonds traded in the money market and at the stock exchange and Government Bonds and mutual funds.

Government bonds represent bonds issued by the Government of the Republic of Indonesia purchased from the market.

The Company has classified all investment in sukuk as amortised cost in accordance with SFAS No. 110 "Accounting for Sukuk".

Investment in sukuk measured at amortised cost are stated at acquisition cost (including transaction costs), adjusted by unamortised premium or discount. Premium and discount are amortised over the period until maturity based on straight line method.

f. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives, as follows:

Tahun/Years		
Prasarana kantor	4	Leasehold improvement
Peralatan komputer	4	Computer equipments
Peralatan kantor, perabotan dan perlengkapan	4	Office equipments, furnitures and fixtures

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

f. Aset tetap (lanjutan)

Nilai tercatat aset segera diturunkan sebesar jumlah yang dapat dipulihkan jika nilai tercatat aset lebih besar dari estimasi jumlah yang dapat dipulihkan.

Jika aset tetap yang sudah tidak dipergunakan lagi atau dijual, maka nilai tercatat dan akumulasi penyusutan yang berhubungan dengan aset tersebut dikeluarkan dari laporan keuangan, dan keuntungan atau kerugian yang terjadi diakui dalam laporan laba rugi.

g. Aset takberwujud

Biaya yang terkait dengan pemeliharaan program piranti lunak komputer diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang dapat secara langsung diatribusikan kepada desain dan pengujian produk piranti lunak yang dapat diidentifikasi dan unik yang dikendalikan oleh Perusahaan diakui sebagai aset takberwujud.

Biaya yang dapat diatribusikan secara langsung dikapitalisasi sebagai bagian produk piranti lunak.

Pengeluaran pengembangan yang lain yang tidak memenuhi kriteria ini diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang sebelumnya diakui sebagai beban tidak dapat diakui sebagai aset pada periode berikutnya.

Aset takberwujud diakui sebesar harga perolehan, dikurangi dengan akumulasi amortisasinya. Amortisasi aset takberwujud dihitung dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomis selama 4 tahun.

h. Perpajakan

Beban pajak terdiri dari pajak kini dan pajak tangguhan. Pajak diakui dalam laporan laba rugi, kecuali jika pajak tersebut terkait dengan transaksi atau kejadian yang diakui di penghasilan komprehensif lain atau langsung diakui di ekuitas. Dalam hal ini, pajak tersebut masing-masing diakui dalam penghasilan komprehensif lain atau ekuitas. Beban pajak kini dihitung berdasarkan peraturan perpajakan yang berlaku pada tanggal pelaporan keuangan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Fixed assets (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When fixed assets are retired or otherwise disposed of, their carrying values and the related accumulated depreciation are eliminated from the financial statements, and the resulting gains and losses on the disposal of fixed assets are recognised in the profit or loss.

g. Intangible assets

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets.

Directly attributable costs are capitalised as part of the software product.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intangible assets are stated at cost less accumulated amortisation. Amortisation is computed using the straight-line method over the estimated useful lives of 4 years.

h. Taxation

Tax expense comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity. The current income tax is calculated using tax rates that have been enacted at the reporting date.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

h. Perpajakan (lanjutan)

Pajak penghasilan tangguhan diakui dengan menggunakan metode liabilitas, untuk semua perbedaan temporer antara dasar pengenaan pajak aset dan liabilitas dengan nilai tercatatnya dalam laporan keuangan. Pajak penghasilan tangguhan ditentukan dengan menggunakan tarif pajak yang telah diberlakukan atau secara substantif telah berlaku pada akhir periode pelaporan dan diharapkan berlaku pada saat aset pajak penghasilan tangguhan direalisasi atau liabilitas pajak penghasilan tangguhan diselesaikan.

Aset pajak penghasilan tangguhan diakui apabila besar kemungkinan bahwa jumlah penghasilan kena pajak di masa yang akan datang akan memadai untuk dikompensasi dengan perbedaan temporer yang dapat dimanfaatkan.

Manajemen secara periodik mengevaluasi posisi yang dilaporkan di Surat Pemberitahuan Tahunan ("SPT") sehubungan dengan situasi di mana aturan pajak yang berlaku membutuhkan interpretasi. Jika perlu, manajemen menentukan provisi berdasarkan jumlah yang diharapkan akan dibayar kepada otoritas pajak.

i. Liabilitas imbalan kerja

Imbalan kerja jangka pendek

Imbalan kerja jangka pendek diakui pada saat terutang kepada karyawan.

Imbalan pensiun

Perusahaan diharuskan menyediakan imbalan pensiun minimum yang diatur dalam UU No. 13/2003, yang merupakan kewajiban imbalan pasti. Jika imbalan pensiun sesuai dengan UU No. 13/2003 lebih besar dari program pensiun yang ada, selisih tersebut diakui sebagai bagian dari liabilitas imbalan pensiun.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Taxation (continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted as at reporting period and is expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations. Where appropriate, it established provisions based on the amounts expected to be paid to the tax authorities.

i. Employee benefits obligation

Short-term employee benefits

Short-term employee benefits are recognised when they are accrued to the employees.

Pension benefits

The Company is required to provide a minimum pension benefit as stipulated in Law No. 13/2003, which represents an underlying defined benefit obligation. If the pension benefits based on Law No. 13/2003 are higher, the difference is recorded as part of the overall pension benefits obligation.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

i. Liabilitas imbalan kerja

Imbalan pensiun (lanjutan)

Liabilitas imbalan pensiun tersebut merupakan nilai kini liabilitas pasti pada tanggal pelaporan dikurangi dengan nilai wajar aset program yang berasal dari program pensiun yang ada. Liabilitas imbalan pasti dihitung setiap tahun oleh aktuaris independen dengan menggunakan metode *projected unit credit*. Nilai kini liabilitas imbalan pasti ditentukan dengan mendiskontokan estimasi arus kas di masa depan dengan menggunakan tingkat bunga Obligasi Pemerintah jangka panjang pada tanggal pelaporan dalam mata uang Rupiah sesuai dengan mata uang di mana imbalan tersebut akan dibayarkan dan yang memiliki jangka waktu yang sama dengan liabilitas imbalan pensiun yang bersangkutan.

Untuk program iuran pasti, Perusahaan membayar iuran program pensiun baik karena diwajibkan, berdasarkan kontrak atau sukarela. Namun karena Undang-Undang Ketenagakerjaan No. 13 tahun 2003 mengharuskan Perusahaan membayar jumlah tertentu kepada para karyawan yang telah memasuki usia pensiun yang ditentukan berdasarkan masa kerja, Perusahaan rentan terhadap kemungkinan untuk membayar kekurangan apabila iuran kumulatif kurang dari jumlah tertentu. Sebagai akibatnya untuk tujuan pelaporan keuangan, program iuran pasti secara efektif diberlakukan seolah-olah sebagai program imbalan pasti.

Biaya jasa kini dibebankan pada saat terjadinya.

Keuntungan dan kerugian aktuarial yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial langsung diakui seluruhnya melalui pendapatan komprehensif lainnya pada saat terjadinya.

Biaya jasa lalu diakui segera dalam laporan laba rugi.

Biaya jasa lalu yang timbul dari amandemen atau kurtailmen program diakui sebagai beban dalam laba rugi pada saat terjadinya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Employee benefits obligation

Pension benefits (continued)

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefits obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of reporting date of Government Bonds that are denominated in the Rupiah currency in which the benefit will be paid and that have terms to maturity approximating the terms of the related pension liability.

For defined contribution plans, the Company pays contributions to pension plans on a mandatory, contractual or voluntary basis. However, since Labour Law No. 13 of 2003 requires an entity to pay to a worker entering into pension age a certain amount based on, the worker's length of service, the Company is exposed to the possibility of having to make further payments to reach that certain amount in particular when the cumulative contributions are less than that amount. Consequently for financial reporting purposes, defined contribution plans are effectively treated as if they were defined benefit plans.

Current service costs are expensed in the prevailing period.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

Past service costs arising from amendment of curtailment programs are recognised as expense in profit or loss when incurred.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

i. Liabilitas imbalan kerja (lanjutan)

Imbalan jangka panjang lainnya

Imbalan jangka panjang lainnya seperti cuti berimbalan jangka panjang dihitung dengan menggunakan metode *projected unit credit* dan didiskontokan ke nilai kini. Imbalan ini dihitung dengan menggunakan metodologi yang sama dengan metodologi yang digunakan dalam perhitungan program pensiun imbalan pasti, kecuali untuk pengukuran kembali yang diakui pada laba rugi.

j. Utang usaha dan lain-lain

Utang usaha dan lain-lain merupakan liabilitas keuangan. Utang usaha dan lain-lain pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif.

k. Penyisihan

Provisi diakui saat Perusahaan memiliki kewajiban (hukum atau konstruktif) sebagai akibat peristiwa masa lalu, terdapat kemungkinan besar penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya dan jumlah liabilitas tersebut dapat diukur secara andal. Provisi tidak diakui untuk kerugian operasi masa depan.

l. Pendapatan dan beban

Pendapatan dari penjaminan terdiri dari pendapatan premi serta pendapatan provisi dan komisi.

Pendapatan premi terdiri dari *guarantee fee* dan *processing fee*. Pendapatan dari *guarantee fee* diakui berdasarkan jangka waktu dari periode penjaminan tergantung dari pengaturan dalam kontrak. Pendapatan dari *processing fee* diakui pada saat pendapatan diperoleh.

- (i) *Guarantee fee* merupakan pendapatan yang diterima atas jaminan yang diberikan kepada penerima manfaat berdasarkan jaminan *exposure* oleh Perusahaan.
- (ii) *Processing fee* merupakan pendapatan yang diterima atas adanya aktivitas pemrosesan yang dilakukan jika klaim disampaikan kepada pihak penjamin.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Employee benefits obligation (continued)

Other long-term benefits

Other long-term employee benefits such as long service leave is calculated using the projected unit credit method and discounted to present value. These benefits are accounted for using the same methodology as for the defined benefit pension plan, except for remeasurements which are recognised in profit or loss.

j. Account and other payables

Account and other payables are financial liabilities. Account and other payable is recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

k. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

l. Revenue and expenses

Revenue from guarantee consists of premium income, fees and commissions.

Premium income consists of *guarantee fee* and *processing fee*. Revenue from *guarantee fee* is recognised based on the duration of guarantee period depending on the arrangement in the contract. Revenue from *processing fee* is recognised when earned.

- (i) *Guarantee fee* is earned for guarantee provided to the beneficiaries on the basis of guarantee exposure of the Company.
- (ii) *Processing fee* is earned for services process if there is a claim submitted to the guarantor.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

l. Pendapatan dan beban (lanjutan)

Pendapatan provisi dan komisi terdiri dari *upfront fee* dan pendapatan provisi dan komisi lainnya.

- (i) *Upfront fee* adalah pendapatan yang diterima pada saat kontrak penjaminan ditandatangani dan/atau pada saat penjaminan telah efektif, sesuai dengan kesepakatan dalam surat imbal jasa, dan tidak dapat dikembalikan.
- (ii) Pendapatan provisi dan komisi lainnya diakui pada saat diperoleh.

Pendapatan penjaminan *loss limit* merupakan *guarantee fee* yang diakui sebesar porsi margin dari imbal jasa penjaminan *loss limit* yang diterima saat diberikannya penjaminan dan diamortisasi selama periode penjaminan atau periode pelaksanaan jasa.

Pendapatan jasa dari penyiapan proyek dan pendampingan transaksi diakui ketika jasa telah dilaksanakan, kemungkinan besar manfaat ekonomi akan mengalir ke Perusahaan dan biaya-biaya yang terjadi dapat diukur secara handal. Pendapatan diakui sebesar biaya-biaya yang terjadi ditambah margin yang diakui untuk semua penyelesaian tahapan pekerjaan sesuai dengan yang diperjanjikan.

Pendapatan dari pendapatan bunga deposito dan investasi pendapatan tetap diakui dengan menggunakan metode bunga efektif.

Beban diakui pada saat terjadinya dengan menggunakan dasar akrual.

Biaya-biaya yang berhubungan langsung dengan proses penjaminan, ditangguhkan terlebih dahulu dan disajikan sebagai beban tangguhan. Biaya tersebut akan dibebankan pada laporan laba rugi Perusahaan, ketika Perusahaan mengakui pendapatan penjaminan.

m. Sewa

Mulai tanggal 1 Januari 2020, Perusahaan melakukan penerapan PSAK 73 yang mensyaratkan pengakuan liabilitas sewa sehubungan dengan sewa yang sebelumnya diklasifikasikan sebagai 'sewa operasi'. Kebijakan ini berlaku untuk kontrak yang disepakati atau berubah, pada atau setelah 1 Januari 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l. Revenue and expenses (continued)

Fees and commissions consist of upfront fee and other fees and commissions.

- (i) *Upfront fee is recognised upon signing of guarantee contract and/or the effectiveness of guarantee, in accordance with fee letter, and non-refundable.*
- (ii) *Other fees and commission is recognised as incurred.*

Revenue from loss limit guarantee service is guarantee fee which recognised at margin portion of loss limit guarantee service fees that received when the guarantee was given and are amortised during guarantee period or period of service.

Revenue from project preparation and transaction advisory is recognised when services have been rendered, where it is probable that economic benefits will flow to the Company and expenses incurred can be reliably measured. Revenue is recognised from costs incurred plus recognised margin for all the work in process up to the stage completion as agreed.

Revenue from interest income of time deposits and investment in fixed income are recognised using the effective interest method.

Expenses are recognised as incurred on an accrual basis.

Costs that are directly related to the guarantee process will be deferred and presented as deferred charges. The costs will be expensed to the Company's profit or loss, when Company recognised revenue from guarantee.

m. Leases

From 1 January 2020, the Company has applied PSAK 73, which set the requirement for the recognition of lease liabilities in relation to leases which had been previously classified as 'operating lease'. This policy is applied to contracts entered into or changed, on or after 1 January 2020.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

m. Sewa (lanjutan)

Pada tanggal permulaan kontrak, Perusahaan menilai apakah kontrak merupakan, atau mengandung, sewa. Suatu kontrak merupakan atau mengandung sewa jika kontrak tersebut memberikan hak untuk mengendalikan penggunaan aset identifikasian selama suatu jangka waktu untuk dipertukarkan dengan imbalan.

Pada tanggal permulaan sewa Perusahaan mengakui aset hak-guna dan liabilitas sewa. Aset hak-guna diukur pada biaya perolehan, dimana meliputi jumlah pengukuran awal liabilitas sewa yang disesuaikan dengan pembayaran sewa yang dilakukan pada atau sebelum tanggal permulaan. Aset hak-guna kemudian disusutkan menggunakan metode garis lurus dari tanggal permulaan hingga tanggal yang lebih awal antara akhir umur manfaat aset hak-guna atau akhir masa sewa.

Pembayaran sewa didiskontokan dengan menggunakan suku bunga implisit dalam sewa atau jika suku bunga tersebut tidak dapat ditentukan, maka menggunakan suku bunga pinjaman inkremental. Pada umumnya, Perusahaan menggunakan suku bunga pinjaman inkremental sebagai tingkat bunga diskonto.

Pembayaran sewa dialokasikan menjadi bagian pokok dan biaya keuangan. Biaya keuangan dibebankan pada laba rugi selama periode sewa sehingga menghasilkan tingkat suku bunga periodik yang konstan atas saldo liabilitas untuk setiap periode.

Perusahaan menyajikan aset hak-guna sebagai bagian dari "Aset Hak-Guna" dan "Liabilitas sewa pembiayaan" di dalam laporan posisi keuangan.

Aset hak pakai diukur pada biaya perolehan yang terdiri dari berikut ini:

- jumlah pengukuran awal liabilitas sewa
- pembayaran sewa yang dilakukan pada atau sebelum tanggal dimulainya dikurangi insentif sewa yang diterima
- biaya langsung awal, dan
- biaya restorasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m. Leases (continued)

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Company recognises a right-of-use assets and a lease liability at the lease commencement date. The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date. The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company presents right-of-use assets as part of "Right o Use Asset" and "Finance lease liabilities" in the statement of financial position

Right-of-use assets are measured at cost comprising the following:

- *the amount of the initial measurement of lease liability*
- *any lease payments made at or before the commencement date less any lease incentives received*
- *any initial direct costs, and*
- *restoration costs.*

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

m. Sewa (lanjutan)

Jika sewa mengalihkan kepemilikan aset pendasar kepada Perusahaan pada akhir masa sewa atau jika biaya perolehan aset hak-guna merefleksikan Perusahaan akan mengeksekusi opsi beli, maka Perusahaan menyusutkan aset hak-guna dari tanggal permulaan hingga akhir umur manfaat aset pendasar. Jika tidak, maka Perusahaan menyusutkan aset hak-guna dari tanggal permulaan hingga tanggal yang lebih awal antara akhir umur manfaat aset hak-guna atau akhir masa sewa.

Sewa jangka-pendek

Pembayaran terkait dengan sewa jangka pendek dan sewa aset bernilai rendah diakui atas dasar garis lurus sebagai beban dalam laporan laba rugi. Sewa jangka pendek adalah sewa dengan masa sewa 12 bulan atau kurang.

n. Transaksi dengan pihak-pihak berelasi

Perusahaan melakukan transaksi dengan pihak-pihak berelasi sebagaimana didefinisikan dalam Pernyataan Standar Akuntansi Keuangan ("PSAK") No. 7, tentang "Pengungkapan Pihak-Pihak Berelasi" yang didefinisikan antara lain:

- i. perusahaan di bawah pengendalian Perusahaan;
- ii. perusahaan asosiasi;
- iii. investor yang memiliki hak suara, yang memberikan investor tersebut suatu pengaruh yang signifikan;
- iv. perusahaan di bawah pengendalian investor yang dijelaskan dalam catatan III di atas;
- v. karyawan kunci dan anggota keluarganya; dan
- vi. entitas yang dikendalikan, dikendalikan bersama atau dipengaruhi secara signifikan oleh Pemerintah.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m. Leases (continued)

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use assets reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use assets from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use assets from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Short-term leases

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

n. Transactions with related parties

The Company has transactions with related parties. The definition of related parties used is in accordance with Statement of Financial Accounting Standards ("SFAS") No. 7, "Related Party Disclosures" which are defined, among others, as:

- i. entities under the control of the Company;*
- ii. associated companies;*
- iii. investors with an interest in the voting that gives them significant influence;*
- iv. entities controlled by investors under note III above;*
- v. key employees and family members; and*
- vi. entity that is controlled, jointly controlled or significantly influenced by Government.*

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3. MANAJEMEN RISIKO KEUANGAN

a. Faktor risiko keuangan

Risiko-risiko utama yang timbul dari instrumen keuangan Perusahaan adalah risiko pasar (termasuk risiko nilai tukar mata uang asing dan risiko tingkat suku bunga), risiko kredit dan risiko likuiditas. Manajemen menelaah dan menetapkan kebijakan untuk mengelola masing-masing risiko. Perusahaan menerapkan kebijakan manajemen risiko yang bertujuan untuk meminimalkan pengaruh ketidakpastian pasar terhadap kinerja keuangan Perusahaan. Berikut ini ringkasan kebijakan dan pengelolaan manajemen risiko tersebut:

(1) Risiko pasar

(i) Risiko nilai tukar mata uang asing

Perusahaan tidak mempunyai risiko yang signifikan terhadap nilai tukar mata uang asing karena transaksi utama Perusahaan dilakukan menggunakan mata uang fungsional. Pada tanggal 31 Desember 2020 dan 2019, Perusahaan tidak memiliki aset keuangan dan liabilitas keuangan dalam mata uang asing dalam jumlah yang material. Oleh karena itu perubahan nilai tukar dari mata uang asing terhadap mata uang fungsional pada tanggal pelaporan tidak akan berdampak signifikan terhadap laba rugi setelah pajak Perusahaan untuk tahun berjalan.

(ii) Risiko suku bunga

Risiko suku bunga adalah risiko dimana arus kas atau nilai wajar di masa datang atas instrumen keuangan akan berfluktuasi akibat perubahan suku bunga pasar.

Aset Perusahaan yang terekspos dengan risiko suku bunga adalah investasi. Investasi Perusahaan terutama terdiri dari deposito dan investasi dengan pendapatan tetap. Perubahan kenaikan atau penurunan tingkat suku bunga pasar tidak akan berpengaruh secara signifikan bagi pendapatan bunga Perusahaan, oleh karena deposito Perusahaan memiliki jatuh tempo kurang dari 1 (satu) tahun (jangka pendek), sementara pengelolaan dana investasi lainnya terutama merupakan investasi dengan pendapatan tetap (*fixed income*).

3. FINANCIAL RISK MANAGEMENT

a. Financial risk factors

The main risks arising from the Company's financial instruments are market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. Management reviews and agrees policies for managing each of these risks. The Company applies the financial risk management policies to minimise the impact of the unpredictability of financial markets on the Company's financial performance. The summary of the financial risk management policies are as follows:

(1) Market risk

(i) Foreign currency exchange rate risk

The Company has no significant foreign exchange risks since the Company's transactions are performed using the Company's functional currency. As at 31 December 2020 and 2019, the Company has no material financial assets and financial liabilities denominated in foreign currencies. Therefore, changes in foreign exchange against the Company's functional currency will not significantly impact to the Company's current year profit after tax.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's financial assets which are exposed to interest rate risk are investments. The Company's investments mostly consist of time deposit and fixed income investment. The changes due to higher or lower interest rate in market will not significantly impact the Company's interest income, since the time deposit will mature within 1 (one) year (short-term), while most of the other investment are fixed rate investment.

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3. MANAJEMEN RISIKO KEUANGAN

a. Faktor risiko keuangan (lanjutan)

(1) Risiko pasar (lanjutan)

(ii) Risiko suku bunga (lanjutan)

Lebih lanjut, perubahan tingkat suku bunga tidak akan berpengaruh terhadap laporan laba rugi Perusahaan karena investasi Perusahaan dikategorikan investasi yang diukur pada nilai wajar melalui penghasilan komprehensif lain dan investasi yang diukur dengan biaya diamortisasi dengan suku bunga tetap.

Liabilitas Perusahaan yang terekspos dengan risiko suku bunga adalah pinjaman penerusan dengan suku bunga variabel yang menggunakan *SUN Benchmark* dengan tenor 20 tahun. Perubahan kenaikan atau penurunan tingkat suku bunga tidak akan berpengaruh secara signifikan bagi beban bunga Perusahaan.

(2) Risiko kredit

Perusahaan memitigasi risiko kredit dengan menetapkan kebijakan investasi yang memperhatikan prinsip kehati-hatian, serta mengatur mandat investasi untuk jenis, batasan alokasi, serta kriteria *counterparty* yang selektif.

Deposito berjangka, deposito dan kas di bank ditempatkan pada bank-bank domestik yang memiliki reputasi yang tinggi sebagai berikut:

	<u>2020</u>	<u>2019</u>	
AAA	3,289,641,249	5,964,771,727	AAA
AA+	4,929,430,825	293,253,644	AA+
AA	<u>637,020,000</u>	<u>1,422,325,618</u>	AA
	<u>8,856,092,074</u>	<u>7,680,350,989</u>	

Untuk investasi yang ditempatkan pada efek hutang dengan pendapatan tetap, Perusahaan menempatkan investasinya pada surat berharga hutang di luar Pemerintah dengan peringkat investasi paling rendah AA.

3. FINANCIAL RISK MANAGEMENT

a. Financial risk factors (continued)

(1) Market risk (continued)

(ii) Interest rate risk (continued)

Moreover, the changes in interest rate will not impact the Company's profit and loss due to the financial assets are classified as investment at fair value through other comprehensive income and investment at amortised cost with fixed interest rate.

The Company's financial liabilities which are exposed to interest rate risk are two-step loans with variable interest rate using *SUN Benchmark* with 20 years tenor. The changes due to higher or lower interest rate in market will not significantly impact the Company's interest expense.

(2) Credit risk

The Company mitigates its credit risk by setting a prudent investment policy, including investment mandates for type of investment, portfolio, allocation as well as selective criteria for *counterparty*.

Time deposits, time deposits classified as cash and cash equivalents and cash in bank are placed with highly reputable domestic banks as follows:

For placement of investment in fixed income debt securities, the Company places its investments on debt securities outside Government with investment grade at the lowest of AA.

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3. MANAJEMEN RISIKO KEUANGAN (lanjutan)

a. Faktor risiko keuangan (lanjutan)

(2) Risiko kredit (lanjutan)

Eksposur maksimum risiko kredit atas aset keuangan Perusahaan pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

	<u>2020</u>	<u>2019</u>
Kas dan setara kas	4,883,342,074	26,367,345
Investasi	8,380,506,137	10,881,161,304
Piutang usaha	155,189,490	113,188,744
Piutang lainnya	12,757,238	12,580,889
Uang jaminan yang dapat dikembalikan	<u>5,369,039</u>	<u>5,369,039</u>
	<u>13,437,163,978</u>	<u>11,038,667,321</u>

Semua aset keuangan Perusahaan pada tanggal 31 Desember 2020 adalah aset keuangan tahap 1, sehingga perusahaan tidak membentuk kerugian kredit ekspektasian (2019: belum jatuh tempo atau tidak mengalami penurunan nilai sehingga Perusahaan tidak membentuk cadangan kerugian penurunan nilai). Lihat catatan 2d.vi untuk kebijakan akuntansi atas *staging criteria*.

(3) Risiko likuiditas

Perusahaan tidak mempunyai risiko likuiditas yang signifikan. Risiko likuiditas timbul ketika Perusahaan mengalami kesulitan dalam memperoleh pendanaan. Manajemen pengelolaan risiko likuiditas termasuk di dalamnya menjaga kecukupan kas dan setara kas. Perusahaan mengelola risiko likuiditas dengan memantau arus kas perkiraan dan aktual dan menyesuaikan profil tanggal jatuh tempo dari aset keuangan dan liabilitas keuangan.

Pada tanggal 31 Desember 2020 dan 2019, liabilitas keuangan Perusahaan terdiri dari utang usaha, biaya yang masih harus dibayar dan utang lain-lain dan pinjaman penerusan yang jumlahnya tidak material terhadap aset likuid Perusahaan. Perusahaan memiliki likuiditas yang tinggi dalam bentuk kas dan setara kas dan investasi.

b. Manajemen risiko modal

Untuk mempertahankan atau menyesuaikan struktur modal, Perusahaan dapat menyesuaikan jumlah dividen yang dibayar kepada pemegang saham, mengembalikan modal kepada pemegang saham, menerbitkan saham baru atau menjual aset untuk mengurangi jumlah utang.

3. FINANCIAL RISK MANAGEMENT (continued)

a. Financial risk factors (continued)

(2) Credit risk (continued)

The maximum credit risk on the Company's financial assets as at 31 December 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>	
	4,883,342,074	26,367,345	Cash and cash equivalents
	8,380,506,137	10,881,161,304	Investments
	155,189,490	113,188,744	Account receivables
	12,757,238	12,580,889	Other receivables
	<u>5,369,039</u>	<u>5,369,039</u>	Refundable deposits
	<u>13,437,163,978</u>	<u>11,038,667,321</u>	

All of the Company's financial assets as at 31 December 2020 are stage 1, therefore the Company has provided no expected credit loss (2019: neither past due nor impaired therefore, the Company has provided no allowances for impairment losses). Refer to Note 2d.vi for the accounting policy for staging criteria.

(3) Liquidity risk

The Company has no significant liquidity risk. Liquidity risk arises in situations where the Company has difficulties in obtaining funding. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

As at 31 December 2020 and 2019, the Company's financial liabilities consist of account payables, accrued expenses and other payables and two-step loans which are immaterial to the total Company's liquid assets. The Company is highly liquid as it has financial instruments in form of cash and cash equivalents and investments.

b. Capital risk management

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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3. MANAJEMEN RISIKO KEUANGAN (lanjutan)

b. Manajemen risiko modal (lanjutan)

Perusahaan menelaah dan mengelola struktur permodalannya untuk memastikan struktur modal dan imbal hasil yang optimal bagi pemegang saham, dengan mempertimbangkan kebutuhan modal di masa yang akan datang dan efisiensi modal dari Perusahaan, keuntungan masa lalu dan proyeksi masa depan, proyeksi arus kas operasional, proyeksi pengeluaran modal dan proyeksi kesempatan investasi strategis. Untuk mempertahankan atau menyesuaikan struktur modal, Perusahaan dapat menggunakan pendanaan internal untuk mengurangi utang.

c. Estimasi nilai wajar

Aset dan liabilitas keuangan yang diukur pada nilai wajar menggunakan hirarki nilai wajar sebagai berikut:

- **Tingkat 1**
Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;
- **Tingkat 2**
Input diluar harga kuotasian yang termasuk dalam Tingkat 1, yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) maupun tidak langsung (misalnya derivasi harga); dan
- **Tingkat 3**
Input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Tabel berikut menyajikan aset dan liabilitas Perusahaan yang diukur sebesar nilai wajar pada 31 Desember 2020 dan 2019.

3. FINANCIAL RISK MANAGEMENT (continued)

b. Capital risk management (continued)

The Company periodically reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements and capital efficiency of the Company, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Company may use internal funding to reduce debt.

c. Fair value estimation

Financial assets and liabilities measured at fair value use the following fair value hierarchy of:

- **Level 1**
Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2**
Quoted prices (unadjusted) in active markets for identical assets or liabilities; either directly (that is, as prices) or indirectly (that is, derived from prices); and
- **Level 3**
Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the Company's asset and liabilities that are measured at fair value at 31 December 2020 and 2019.

31 Desember/December 2020					
	Nilai tercatat/ <i>Carrying value</i>	Tingkat 1/ <i>Level 1</i>	Tingkat 2/ <i>Level 2</i>	Tingkat 3/ <i>Level 3</i>	Nilai wajar/ <i>Fair value</i>
Aset keuangan yang diukur pada nilai wajar					Financial assets at fair value
Investasi pada instrumen utang	4.080.103.547	-	4.080.103.547	-	4.080.103.547
Jumlah	4.080.103.547	-	4.080.103.547	-	4.080.103.547
					Total

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3. MANAJEMEN RISIKO KEUANGAN (lanjutan)

3. FINANCIAL RISK MANAGEMENT (continued)

c. Estimasi nilai wajar (lanjutan)

c. Fair value estimation (continued)

Tabel berikut menyajikan aset dan liabilitas Perusahaan yang diukur sebesar nilai wajar pada 31 Desember 2020 dan 2019. (lanjutan)

The following table presents the Company's asset and liabilities that are measured at fair value at 31 December 2020 and 2019. (continued)

31 Desember/December 2019					
	Nilai tercatat/ Carrying value	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Nilai wajar/ Fair value
Aset keuangan yang diukur pada nilai wajar					Financial assets at fair value
Investasi pada instrumen utang	2,680,003,978	-	2,680,003,978	-	2,680,003,978
Jumlah	2,680,003,978	-	2,680,003,978	-	2,680,003,978
					Debt investments
					Total

Instrumen keuangan yang tidak diukur pada nilai wajar

Financial instrument not measured at fair values

- (i) Kas dan setara kas, piutang usaha, piutang lainnya dan uang jaminan yang dapat dikembalikan

- (i) Cash and cash equivalents, account receivables, other receivables and refundable deposits

Nilai wajar dari kas dan setara kas, piutang usaha, piutang lainnya dan uang jaminan yang dapat dikembalikan ditetapkan berdasarkan diskonto arus kas dengan menggunakan suku bunga pasar uang yang berlaku untuk utang dengan risiko kredit dan sisa jatuh tempo yang serupa. Karena sisa jatuh tempo di bawah satu tahun, nilai tercatat dari kas dan setara kas, piutang usaha dan piutang lainnya adalah perkiraan yang layak atas nilai wajar (level 2 – hirarki nilai wajar).

The fair value of cash and cash equivalents, account receivables, other receivables and refundable deposits were based on discounted cash flows using prevailing money market interest rates for debts with similar credit risk and remaining maturity. Since the maturity is below one year, the carrying amounts of cash and cash equivalents, account receivables and other receivables were a reasonable approximation of its fair value (level 2 – fair value hierarchy).

- (ii) Investasi pada instrumen utang

- (ii) Debt investments

Nilai wajar dari investasi pada instrumen utang ditetapkan berdasarkan harga pasar atau harga kuotasi perantara (broker)/pedagang efek (dealer). Jika informasi ini tidak tersedia, nilai wajar diestimasi dengan menggunakan harga pasar kuotasi efek yang memiliki karakteristik kredit, jatuh tempo dan yield yang serupa (level 2 – hirarki nilai wajar).

The fair value of debt investments are based on the market prices or broker/dealer price quotations. When this information is not available, the fair value is estimated using quoted market prices for securities with similar credit, maturity (level 2 – fair value hierarchy).

- (iii) Utang usaha, biaya yang masih harus dibayar dan utang lain-lain

- (iii) Account payables, accrued expenses and other liabilities

Nilai wajar dari utang usaha, biaya yang masih harus dibayar dan utang lain-lain diperkirakan adalah sebesar nilai tercatatnya dikarenakan sisa jatuh tempo di bawah satu tahun (level 2 – hirarki nilai wajar).

The fair value of account payables, accrued expenses and other liabilities are approximating their carrying amounts since the maturity is below one year (level 2 – fair value hierarchy).

- (iv) Pinjaman penerusan

- (iv) Two-step loans

Nilai wajar untuk pinjaman penerusan dengan suku bunga mengambang, nilai tercatatnya mendekati nilai wajarnya (level 2 – hirarki nilai wajar).

The fair value for two-step loans with floating interest rate, the carrying value approximates its fair value (level 2 – fair value hierarchy).

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4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING

Estimasi dan pertimbangan terus dievaluasi berdasarkan pengalaman historis dan faktor-faktor lain, termasuk ekspektasi peristiwa masa depan yang diyakini wajar berdasarkan kondisi yang ada. Hasil aktual dapat berbeda dengan jumlah yang diestimasi. Estimasi dan asumsi yang memiliki pengaruh signifikan terhadap jumlah tercatat aset dan liabilitas diungkapkan di bawah ini.

Liabilitas imbalan kerja

Nilai kini kewajiban pensiun tergantung pada beberapa faktor yang ditentukan dengan dasar aktuarial berdasarkan beberapa asumsi. Asumsi yang digunakan untuk menentukan biaya/(penghasilan) pensiun neto mencakup tingkat diskonto dan kenaikan gaji di masa datang. Adanya perubahan pada asumsi ini akan mempengaruhi jumlah tercatat kewajiban pensiun.

Perusahaan menentukan tingkat diskonto dan kenaikan gaji masa datang yang sesuai pada akhir periode pelaporan. Tingkat diskonto adalah tingkat suku bunga yang harus digunakan untuk menentukan nilai kini atas estimasi arus kas keluar masa depan yang diharapkan untuk menyelesaikan kewajiban pensiun. Dalam menentukan tingkat suku bunga yang sesuai, Perusahaan mempertimbangkan tingkat suku bunga Obligasi Pemerintah yang didenominasikan dalam mata uang imbalan akan dibayar dan memiliki jangka waktu yang serupa dengan jangka waktu kewajiban pensiun yang terkait.

Untuk tingkat kenaikan gaji masa datang, Perusahaan mengumpulkan data historis mengenai perubahan gaji dasar karyawan dan menyesuaikannya dengan perencanaan bisnis masa datang.

Asumsi penting lainnya untuk liabilitas imbalan kerja sebagian didasarkan pada kondisi pasar saat ini.

Penyisihan atas kewajiban terkait perjanjian penjaminan

Pada setiap tanggal pelaporan, Perusahaan menelaah kewajibannya atas proyek KPBU dan non-KPBU, baik dalam bentuk potensi klaim dan/atau klaim atas risiko-risiko yang ditanggung Perusahaan dalam perjanjian penjaminan, untuk menilai apakah suatu liabilitas harus diakui dalam laporan keuangan. Untuk proyek KPBU, Perusahaan memiliki hak regres kepada PJPK terkait segala pembayaran klaim yang akan dilakukan Perusahaan, akibat tidak dapat dipenuhinya kewajiban finansial PJPK kepada BU. Untuk proyek non-KPBU, Perusahaan juga memiliki hak regres kepada BUMN Terjamin terkait risiko gagal bayar BUMN Terjamin atas pinjaman yang diberikan.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are disclosed below.

Employee benefits obligation

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate and future salary increase. Any changes in these assumptions will have an impact on the carrying amount of pension obligations.

The Company determines the appropriate discount rate and future salary increase at the end of each reporting period. The discount rate is interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government Bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

For the rate of future salary increases, the Company collects all historical data relating to changes in base salaries and adjusts it for future business plans.

Other key assumptions for employee benefits obligation are based in part on current market conditions.

Claim provision related to guarantee agreement

At each reporting date, the Company assess its obligations for PPP and non-PP project, in form of potential claim and/or claim on risks covered by the Company under guarantee agreements, to determine whether such liabilities should be recognised in the financial statements. For PPP project, the Company has recourse to GCA in relation with any payments that would be made by the Company, due to inability of GCA in fulfilling its financial obligations to the Investors. For non-PPP project, the Company also has recourse to guaranteed SOEs related to risk of default of the loans.

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4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Liabilitas imbalan kerja (lanjutan)

Beban tangguhan dan cadangan kerugian penurunan nilai

Perusahaan secara berkesinambungan mengevaluasi keseluruhan bukti objektif bahwa proyek-proyek yang dibentuk dan memiliki beban tangguhan masih dapat direalisasikan sebagai pendapatan penjaminan pada setiap akhir periode pelaporan. Perusahaan menggunakan pertimbangan dalam menentukan apakah proyek-proyek yang sedang berlangsung dapat mencapai penandatanganan perjanjian, utamanya berdasarkan kondisi terkini dan informasi resmi mengenai kelanjutan proyek yang bersumber dari pihak-pihak yang berkepentingan dalam pelelangan proyek pada akhir tiap periode pelaporan.

Penyisihan penurunan nilai atas beban tangguhan dibentuk dan dibebankan dalam laporan laba rugi ketika Perusahaan mendapatkan informasi dan konfirmasi mengenai ketidakpastian atas realisasi proyek.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Employee benefits obligation (continued)

Deferred charges and allowance for impairment losses

The Company continually evaluates objective evidences of projects that had deferred charges could be recognised as revenues as at the end of each reporting period. The Company uses its judgement to assess whether the project will achieve financial close that are mainly based on latest conditions and existing official information about the continuity of project issued by the stakeholders in regards to the tender process at the end of each reporting period.

Provision for impairment losses on deferred expense is recorded and charged to profit and loss when the Company obtained informations and confirmations about uncertainty of project realisation.

5. KAS DAN SETARA KAS

5. CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>	
Kas	550,899	441,930	Cash on hand
Bank	1,601,902,074	26,367,345	Cash in banks
Deposito	<u>3,281,440,000</u>	<u>-</u>	Time deposits
	<u>4,883,892,973</u>	<u>26,809,275</u>	

Deposito dengan jangka waktu jatuh tempo tiga bulan atau kurang menghasilkan pendapatan dengan tingkat suku bunga 4,50% - 7,25% per tahun di 2020. Tidak ada deposito dengan jangka waktu jatuh tempo tiga bulan atau kurang di akhir tahun 2019.

Time deposits with original maturities of three months or less earned interest rates 4.50% - 7.25% per annum in 2020. There are no time deposits with original maturities of three months or less at the end of 2019.

Seluruh kas dan setara kas merupakan aset keuangan dalam tahap 1 dan tidak ada mutasi antar tahap selama tahun 2020.

All cash and cash equivalents are financial assets in stage 1 and there is no movement between stages during the year 2020.

Kerugian kredit ekspektasian telah dihitung sesuai dengan persyaratan penurunan nilai PSAK 71, dan kerugian kredit ekspektasian tidak material.

Expected credit loss has been calculated according to impairment requirements of SFAS 71, and the expected credit loss was immaterial.

Informasi terkait pihak-pihak berelasi diungkapkan pada Catatan 24.

Information in respect of related parties is disclosed in Note 24.

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6. INVESTASI

6. INVESTMENTS

	<u>2020</u>	<u>2019</u>	
Deposito berjangka	3,972,750,000	7,653,983,644	<i>Time deposits</i>
Investasi dengan pendapatan tetap			<i>Fixed income investments</i>
- Investasi yang diukur pada nilai wajar melalui penghasilan komprehensif lain	4,080,103,547	2,680,003,978	<i>Investment at fair value through other comprehensive income</i>
- Investasi yang diukur pada biaya diamortisasi	189,929,838	409,852,712	<i>Investment at amortised cost -</i>
- Investasi diukur pada biaya perolehan	<u>137,722,752</u>	<u>137,320,970</u>	<i>Investments at cost -</i>
	<u>8,380,506,137</u>	<u>10,881,161,304</u>	

Seluruh investasi merupakan aset keuangan dalam tahap 1 dan tidak ada mutasi antar tahap selama tahun 2020.

All investments are financial assets in stage 1 and there is no movement between stages during the year 2020.

Kerugian kredit ekspektasian telah dihitung sesuai dengan persyaratan penurunan nilai PSAK 71, dan kerugian kredit ekspektasian tidak material.

Expected credit loss has been calculated according to impairment requirements of SFAS 71, and the expected credit loss was immaterial.

Informasi terkait pihak-pihak berelasi diungkapkan pada Catatan 24.

Information in respect of related parties is disclosed in Note 24.

a) Deposito berjangka

a) Time deposits

	<u>2020</u>	<u>2019</u>	
Swasta	637,020,000	4,091,140,000	<i>Private banks</i>
Pemerintah	<u>3,335,730,000</u>	<u>3,562,843,644</u>	<i>State-Owned banks</i>
	<u>3,972,750,000</u>	<u>7,653,983,644</u>	

Deposito dengan jangka waktu jatuh tempo lebih dari tiga bulan sampai dengan satu tahun menghasilkan pendapatan dengan tingkat suku bunga berkisar antara 5,25% - 8,00% per tahun di 2020 (2019: 7,85% - 9%).

Time deposits with original maturities more than three months and up to one year period earned interest rates ranging between 5.25% - 8.00% per annum in 2020 (2019: 7.85% - 9%).

b) Investasi dengan pendapatan tetap

b) Fixed income investments

- Investasi yang diukur pada nilai wajar melalui penghasilan komprehensif lain

- Investments at fair value through other comprehensive income

	<u>2020</u>	<u>2019</u>	
Obligasi BUMN	1,320,266,800	1,535,033,200	<i>SOEs bonds</i>
Obligasi Pemerintah	2,759,836,747	1,133,031,478	<i>Government bonds</i>
Obligasi korporasi	<u>-</u>	<u>11,939,300</u>	<i>Corporate bonds</i>
	<u>4,080,103,547</u>	<u>2,680,003,978</u>	

- Investasi yang diukur pada biaya diamortisasi

- Investments at amortised cost

Investasi pada obligasi dengan periode jatuh tempo 2 - 6 tahun dan menghasilkan pendapatan dengan tingkat suku bunga berkisar antara 7,90% - 10,25% per tahun (2019: 7,9% - 12,55%).

Investments in bonds with 2 - 6 years maturities and earned interest rates ranging between 7.90% - 10.25% per annum (2019: 7.9% - 12.55%).

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6. INVESTASI (lanjutan)

b) Investasi dengan pendapatan tetap (lanjutan)

- Investasi yang diukur pada biaya diamortisasi (lanjutan)

	<u>2020</u>
Obligasi BUMN	162,000,000
Obligasi Pemerintah	27,929,838
Obligasi korporasi	-
	<u>189,929,838</u>

- Investasi diukur pada biaya perolehan

Investasi diukur pada biaya perolehan merupakan investasi pada obligasi Sukuk yang diklasifikasikan sesuai dengan PSAK 110 "Akuntansi Sukuk".

	<u>2020</u>
Obligasi BUMN	127,359,500
Obligasi Pemerintah	10,363,252
	<u>137,722,752</u>

6. INVESTMENTS (continued)

b) Fixed income investments (continued)

- Investments at amortised cost (continued)

	<u>2019</u>	
	250,079,092	SOEs bonds
	127,647,743	Government bonds
	32,125,877	Corporate bonds
	<u>409,852,712</u>	

- Investments at cost

Investments at cost represents investments in Sukuk bonds which is recorded in accordance with SFAS 110 "Accounting for Sukuk".

	<u>2019</u>	
	126,860,000	SOEs bonds
	10,460,970	Government bonds
	<u>137,320,970</u>	

7. PIUTANG USAHA

	<u>2020</u>
Bunga yang belum diterima	50,185,483
Penjaminan	92,829,098
Penyiapan proyek dan pendampingan transaksi	12,174,909
	<u>155,189,490</u>

Seluruh piutang usaha merupakan aset keuangan dalam tahap 1 dan tidak ada mutasi antar tahap selama tahun 2020.

Kerugian kredit ekspektasian telah dihitung sesuai dengan persyaratan penurunan nilai PSAK 71, dan kerugian kredit ekspektasian tidak material.

Manajemen berkeyakinan bahwa semua piutang usaha dapat dipulihkan, dan tidak ada cadangan kerugian yang diperlukan atas penurunan nilai piutang usaha pada tanggal 31 Desember 2019.

Informasi terkait pihak-pihak berelasi diungkapkan pada Catatan 24.

7. ACCOUNT RECEIVABLES

	<u>2019</u>	
	57,126,333	Interest receivables
	41,460,133	Guarantee
	14,602,278	Project preparation and transaction advisory
	<u>113,188,744</u>	

All account receivables are financial assets in stage 1 and there is no movement between stages during the year 2020.

Expected credit loss has been calculated according to impairment requirements of SFAS 71, and the expected credit loss was immaterial.

Management believes that all account receivables are recoverable, and no provision for impairment of account receivables is necessary as at 31 December 2019.

Information in respect of related parties is disclosed in Note 24.

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8. ASET TETAP

8. FIXED ASSETS

2020						
	Saldo awal/ <i>Beginning balance</i>	Penambahan/ <i>Additions</i>	Pelepasan/ <i>Disposals</i>	Reklasifikasi/ <i>Reclassifications</i>	Saldo akhir/ <i>Ending balance</i>	
Aset kepemilikan langsung:						Direct ownership assets:
Harga perolehan:						Acquisition cost:
Aset dalam penyelesaian	-	2,863,714	-	-	2,863,714	Construction in progress
Prasarana kantor	20,282,679	-	-	-	20,282,679	Leasehold improvement
Peralatan komputer	8,338,971	782,756	-	-	9,121,727	Computer equipments
Peralatan kantor, perabotan dan perlengkapan	10,490,251	110,474	-	-	10,600,725	Office equipments, furnitures and fixtures
	39,111,901	3,756,944	-	-	42,868,845	
Akumulasi penyusutan:						Accumulated depreciation:
Prasarana kantor	(12,878,194)	(4,243,885)	-	-	(17,122,079)	Leasehold improvement
Peralatan komputer	(4,552,835)	(1,346,942)	-	-	(5,899,777)	Computer equipments
Peralatan kantor, perabotan dan perlengkapan	(7,181,779)	(2,059,189)	-	-	(9,240,968)	Office equipments, furnitures and fixtures
	(24,612,808)	(7,650,016)	-	-	(32,262,824)	
Nilai buku	<u>14,499,093</u>				<u>10,606,021</u>	Net book value

2019						
	Saldo awal/ <i>Beginning balance</i>	Penambahan/ <i>Additions</i>	Pelepasan/ <i>Disposals</i>	Reklasifikasi/ <i>Reclassifications</i>	Saldo akhir/ <i>Ending balance</i>	
Aset kepemilikan langsung:						Direct ownership assets:
Harga perolehan:						Acquisition cost:
Aset dalam penyelesaian	136,400	557,621	-	(694,021)	-	Construction in progress
Prasarana kantor	20,053,105	133,744	-	95,830	20,282,679	Leasehold improvement
Peralatan komputer	5,298,655	3,040,316	-	-	8,338,971	Computer equipments
Peralatan kantor, perabotan dan perlengkapan	9,432,961	459,099	-	598,191	10,490,251	Office equipments, furnitures and fixtures
	34,921,121	4,190,780	-	-	39,111,901	
Akumulasi penyusutan:						Accumulated depreciation:
Prasarana kantor	(7,846,606)	(5,031,588)	-	-	(12,878,194)	Leasehold improvement
Peralatan komputer	(3,540,769)	(1,012,066)	-	-	(4,552,835)	Computer equipments
Peralatan kantor, perabotan dan perlengkapan	(4,758,116)	(2,423,663)	-	-	(7,181,779)	Office equipments, furnitures and fixtures
	(16,145,491)	(8,467,317)	-	-	(24,612,808)	
Nilai buku	<u>18,775,630</u>				<u>14,499,093</u>	Net book value

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8. ASET TETAP (lanjutan)

Manajemen berkeyakinan bahwa tidak terdapat penurunan nilai atas aset tetap pada tanggal 31 Desember 2020 dan 2019.

8. FIXED ASSETS (continued)

Management believes that no impairment in fixed assets value as at 31 December 2020 and 2019.

9. ASET HAK GUNA

Perusahaan menyewa aset berupa gedung kantor yang digunakan dalam operasinya yang memiliki masa sewa selama 3 tahun yang dimulai dari tanggal 1 September 2020.

Beban amortisasi sewa gedung kantor diakui sebagai beban sewa dalam kategori beban administrasi dan umum.

9. RIGHT-OF-USE ASSETS

The Company leases asset in form of office space used for its operations that has lease period of 3 years started on 1 September 2020.

Amortisation expense of office scape lease was recognised as rental expense under general and administrative expenses.

2020					
	Saldo awal/ Beginning balance	Penambahan/ Additions	Pelepasan/ Disposals	Saldo akhir/ Ending balance	
Aset kepemilikan langsung:					Direct ownership assets:
Harga perolehan:					Acquisition cost:
Gedung kantor	-	56,579,087	-	56,579,087	Office Building
	-	56,579,087	-	56,579,087	
Akumulasi amortisasi:					Accumulated amortisation:
Gedung kantor	-	(6,286,565)	-	(6,286,565)	Office Building
	-	(6,286,565)	-	(6,286,565)	
Nilai buku	-			50,292,522	Net book value

10. ASET TAKBERWUJUD

10. INTANGIBLE ASSETS

2020						
	Saldo awal/ Beginning balance	Penambahan/ Additions	Pelepasan/ Disposals	Reklasifikasi/ Reclassifications	Saldo akhir/ Ending balance	
Harga perolehan:						Acquisition cost:
Aset dalam						Construction in
Penyelesaian	317,095	890,510	-	(1,124,830)	82,775	progress
Piranti lunak	6,437,541	86,317		1,124,830	7,648,688	Software
	6,754,636	976,827	-	-	7,731,463	
Akumulasi amortisasi:						Accumulated amortisation:
Piranti lunak	(4,930,374)	(756,105)	-	-	(5,686,479)	Software
	(4,930,374)	(756,105)	-	-	(5,686,479)	
Nilai buku	1,824,262				2,044,984	Net book value

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10. ASET TAKBERWUJUD (lanjutan)

10. INTANGIBLE ASSETS (continued)

2019						
Saldo awal/ Beginning balance	Penambahan/ Additions	Pelepasan/ Disposals	Reklasifikasi/ Reclassifications	Saldo akhir/ Ending balance		
Harga perolehan:						Acquisition cost:
Aset dalam penyelesaian	335,042	650,395	-	(668,342)	317,095	Construction in progress
Piranti lunak	<u>5,375,731</u>	<u>393,468</u>	-	<u>668,342</u>	<u>6,437,541</u>	Software
	<u>5,710,773</u>	<u>1,043,863</u>	-	-	<u>6,754,636</u>	
Akumulasi amortisasi:						Accumulated amortisation:
Piranti lunak	<u>(4,516,065)</u>	<u>(414,309)</u>	-	-	<u>(4,930,374)</u>	Software
	<u>(4,516,065)</u>	<u>(414,309)</u>	-	-	<u>(4,930,374)</u>	
Nilai buku	<u>1,194,708</u>				<u>1,824,262</u>	Net book value

Manajemen berkeyakinan bahwa tidak terdapat penurunan nilai atas aset takberwujud pada tanggal 31 Desember 2020 dan 2019.

Management believes that no impairment in intangible assets value as at 31 December 2020 and 2019.

11. BEBAN TANGGUHAN

11. DEFERRED EXPENSES

	2020	2019	
Beban tangguhan	43,276,690	50,809,756	Deferred expenses
Penyisihan penurunan nilai	<u>(24,112,770)</u>	<u>(24,112,770)</u>	Provision for impairment
	<u>19,163,920</u>	<u>26,696,986</u>	

Beban tangguhan terutama merupakan biaya atas jasa konsultasi yang terkait langsung dengan kegiatan pemrosesan dan pengaturan penjaminan jangka panjang dan akan dibebankan pada saat pendapatan dari penjaminan tersebut diakui.

Deferred expenses mainly represent advisory costs which directly attributable to the processing and arranging activities in providing long-term guarantees and will be expensed upon the recognition of such fees.

Beban tangguhan juga mencakup biaya pelaksanaan penyiapan proyek dan pendampingan transaksi dan akan dibebankan ke laba rugi pada saat pendapatan dari penyiapan proyek dan pendampingan transaksi diakui.

Deferred expenses also included costs for project preparation and transaction advisory and will be recognised to profit and loss upon the recognition of revenue from project preparation and transaction advisory.

Kecuali untuk jumlah beban tangguhan yang telah dibentuk penyisihannya, manajemen berkeyakinan bahwa proyek-proyek terkait dan memiliki saldo beban tangguhan, akan dapat mencapai penandatanganan perjanjian penjaminan. Oleh karena itu, beban tangguhan terus diakui di laporan posisi keuangan Perusahaan pada tanggal 31 Desember 2020 dan 2019.

Except for deferred expenses that has been provided with impairment provision, management believes that outstanding projects, related to deferred expenses, could achieve the signing of guarantee of the project. Therefore, the deferred expenses continue to be recognised in the Company's statement of financial position as at 31 December 2020 and 2019.

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11. BEBAN TANGGUHAN (lanjutan)

Manajemen berkeyakinan bahwa penyisihan penurunan nilai yang dibentuk telah memadai.

11. DEFERRED EXPENSES (continued)

Management believes that the provision for impairment losses on deferred expenses is adequate.

12. UTANG USAHA

Utang usaha terutama merupakan pembayaran yang belum dilakukan untuk jasa konsultasi terkait dengan penyediaan penjaminan, penyiapan proyek dan pendampingan transaksi dan operasional Perusahaan.

12. ACCOUNT PAYABLES

Account payables mainly represent payables for advisory related to the guarantee, project preparation and transaction advisory provision, and the Company's operational costs.

13. PERPAJAKAN

13. TAXATION

a. Pajak dibayar dimuka

a. Prepaid income tax

	<u>2020</u>	<u>2019</u>
Lebih bayar:		
- Pajak penghasilan badan 2018	-	367,577
- Pajak Pertambahan Nilai:		
- 2018	-	1,380,905
- 2019	2,461,382	2,461,382
- 2020	<u>1,408,247</u>	<u>-</u>
	<u>3,869,629</u>	<u>4,209,864</u>

Overpayment of:
Corporate income tax -
of 2018
Value Added Tax of: -
2018 -
2019 -
2020 -

b. Utang pajak

b. Taxes payable

	<u>2020</u>	<u>2019</u>
Pajak lain-lain:		
- Pasal 21	1,379,365	1,652,178
- Pajak Pertambahan Nilai	1,711,969	730,831
- Lainnya	<u>166,704</u>	<u>56,259</u>
	<u>3,258,038</u>	<u>2,439,268</u>

Other taxes:
Article 21 -
Value Added Tax -
Others -

c. Beban pajak penghasilan

c. Income tax expenses

Beban pajak Perusahaan terdiri dari sebagai berikut:

Tax expenses of the Company consist of the following:

	<u>2020</u>	<u>2019</u>
Pajak tangguhan	<u>(863,242)</u>	<u>(64,986,055)</u>
	<u>(863,242)</u>	<u>(64,986,055)</u>

Deferred tax

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13. PERPAJAKAN (lanjutan)

c. Beban pajak penghasilan (lanjutan)

Rekonsiliasi antara beban pajak dan hasil perkalian laba akuntansi sebelum pajak penghasilan dengan tarif pajak yang berlaku adalah sebagai berikut:

	<u>2020</u>	<u>2019</u>
Laba sebelum pajak penghasilan	621,423,564	594,405,568
Beban pajak dihitung dengan tarif yang berlaku	(136,713,184)	(148,601,392)
Pengaruh atas:		
- Pendapatan yang sudah dikenakan pajak final	189,331,169	219,248,972
- Rugi pajak yang dibebankan di tahun berjalan	(9,521,886)	(87,684,182)
- Beban yang tidak dapat diperhitungkan	(39,785,601)	(47,949,453)
- Dampak perubahan tarif pajak	(4,173,740)	-
Beban pajak penghasilan	<u>(863,242)</u>	<u>(64,986,055)</u>

Rekonsiliasi antara laba sebelum pajak penghasilan dan laba yang dikenakan pajak adalah sebagai berikut:

	<u>2020</u>	<u>2019</u>
Laba sebelum pajak penghasilan	621,423,564	594,405,568
Beda waktu	15,047,715	25,894,375
Beda tetap	180,843,643	191,797,808
Pendapatan yang sudah dikenakan pajak final	<u>(860,596,221)</u>	<u>(876,995,887)</u>
Rugi pajak berjalan	<u>(43,281,299)</u>	<u>(64,898,136)</u>
Rugi pajak yang bisa dikompensasi	(351,285,048)	(371,829,238)
Rugi pajak yang tidak bisa dikompensasi ditahun berjalan	<u>92,352,390</u>	<u>85,990,646</u>
Akumulasi kerugian pajak	<u>(302,213,957)</u>	<u>(350,736,728)</u>

Berikut ini adalah rincian akumulasi kerugian fiskal:

	<u>2020</u>	<u>2019</u>
Tahun fiskal:		
2020	(43,281,299)	-
2019	(66,727,915)	(64,898,136)
2018	(104,418,272)	(105,699,731)
2017	(87,786,471)	(87,786,471)
2015	-	(92,352,390)
	<u>(302,213,957)</u>	<u>(350,736,728)</u>

Termasuk di dalam koreksi fiskal beda tetap adalah beban pajak sebesar Rp 158.254.071 (2019: Rp 162.190.954) yang dibayarkan atas penerimaan bunga dari deposito berjangka, pendapatan tetap dan rekening giro.

13. TAXATION (continued)

c. Income tax expenses (continued)

A reconciliation between the tax expense and the amounts computed by applying the prevailing tax rates to profit before income tax is as follows:

	<u>2020</u>	<u>2019</u>
Profit before income tax	621,423,564	594,405,568
Tax calculated at applicable tax rate	(136,713,184)	(148,601,392)
Effects of:		
Revenues subjected to - final income tax	189,331,169	219,248,972
Tax loss charged - in current year	(9,521,886)	(87,684,182)
Non-deductible expenses - Impact of changes in tax rates -	(39,785,601)	(47,949,453)
	(4,173,740)	-
Income tax expenses	<u>(863,242)</u>	<u>(64,986,055)</u>

A reconciliation between profit before income tax and the Company's taxable income is as follows:

	<u>2020</u>	<u>2019</u>
Profit before income tax	621,423,564	594,405,568
Timing differences	15,047,715	25,894,375
Permanent differences	180,843,643	191,797,808
Revenues subjected to final income tax	<u>(860,596,221)</u>	<u>(876,995,887)</u>
Current tax loss	<u>(43,281,299)</u>	<u>(64,898,136)</u>
Tax loss carry forward	(351,285,048)	(371,829,238)
Tax loss expired in current year	<u>92,352,390</u>	<u>85,990,646</u>
Accumulated tax losses	<u>(302,213,957)</u>	<u>(350,736,728)</u>

Below are details of accumulated fiscal losses:

	<u>2020</u>	<u>2019</u>
Fiscal year:		
2020	(43,281,299)	-
2019	(66,727,915)	(64,898,136)
2018	(104,418,272)	(105,699,731)
2017	(87,786,471)	(87,786,471)
2015	-	(92,352,390)
	<u>(302,213,957)</u>	<u>(350,736,728)</u>

Included in the fiscal correction of the fixed difference is the tax expense of Rp 158,254,071 (2019: Rp 162,190,954) paid for interest income from time deposits, fixed income and current accounts.

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13. PERPAJAKAN (lanjutan)

13. TAXATION (continued)

c. Beban pajak penghasilan (lanjutan)

c. Income tax expenses (continued)

Perhitungan pajak penghasilan badan untuk tahun yang berakhir 31 Desember 2020 di atas adalah suatu perhitungan sementara yang dibuat untuk tujuan akuntansi dan dapat berubah pada waktu Perusahaan menyampaikan Surat Pemberitahuan Tahunan ("SPT") pajaknya.

The above corporate income tax calculation for the year ended 31 December 2020 was a preliminary estimate made for accounting purposes and is subject to revision when the Company lodges its Annual Corporate Tax Return ("SPT").

Pada tahun 2020, Perusahaan telah menyesuaikan kerugian fiskal untuk tahun pajak 2019 dan 2018 berdasarkan SPT yang disampaikan ke Kantor Pelayanan Pajak dan dicatatkan pada akumulasi kerugian fiskal.

In 2020, the Company has adjusted fiscal loss for fiscal year 2019 and 2018 according to the SPT filed by the Company to the Tax Service Office and was recorded to accumulated fiscal losses.

d. Aset pajak tangguhan

d. Deferred tax asset

	2020				31 Desember/ December 2020	
	1 Januari/ January 2020	Dampak perubahan tarif pajak/ Impact of changes in tax rates	Dikreditkan ke laporan laba rugi/ Credited to statements of profit or loss	Dikreditkan ke ekuitas/ Credited to equity		
Penyisihan gaji dan bonus	5,328,195	(639,383)	439,970	-	5,128,782	Provision for salaries and bonus
Beban penyisihan imbalan kerja	7,290,136	(1,458,027)	1,248,241	164,702	7,245,052	Provision for employee benefits obligation
Perbedaan antara buku dan pajak dari nilai buku bersih aset tetap	1,942,016	(388,404)	406,983	-	1,960,595	Differences between accounting and tax fixed assets net book value
Pendapatan tangguhan penjaminan	2,741,907	(329,029)	576,427	-	2,989,305	Guarantee unearned income
Penyisihan penurunan nilai	6,028,193	(1,205,638)	-	-	4,822,555	Provision for impairment
Pendapatan tangguhan penjaminan <i>loss limit</i>	-	-	456,267	-	456,267	Loss limit guarantee unearned income
Estimasi komitmen dan kontijensi penjaminan <i>loss limit</i>	-	-	15,209	-	15,209	Commitment and contingencies of loss limit guarantee revenue
	<u>23,330,447</u>	<u>(4,020,481)</u>	<u>3,143,097</u>	<u>164,702</u>	<u>22,617,765</u>	
	2019				31 Desember/ December 2019	
	1 Januari/ January 2019	(Dibebankan)/ dikreditkan ke laporan laba rugi/ (Charged)/ credited to statements of profit or loss	Dikreditkan ke ekuitas/ Credited to equity			
Rugi pajak yang bisa dikompensasi	71,459,648	(71,459,648)	-	-	-	Tax loss carry forward
Penyisihan gaji dan bonus	4,607,778	720,417	-	-	5,328,195	Provision for salaries and bonus
Beban penyisihan imbalan kerja	5,349,467	1,730,493	210,176	-	7,290,136	Provision for employee benefits obligation
Perbedaan antara buku dan pajak dari nilai buku bersih aset tetap	1,215,400	726,616	-	-	1,942,016	Differences between accounting and tax fixed assets net book value
Pendapatan tangguhan penjaminan	2,127,437	614,470	-	-	2,741,907	Guarantee unearned revenue
Penyisihan penurunan nilai	3,346,596	2,681,597	-	-	6,028,193	Provision for impairment
	<u>88,106,326</u>	<u>(64,986,055)</u>	<u>210,176</u>		<u>23,330,447</u>	

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13. PERPAJAKAN (lanjutan)

d. Aset pajak tangguhan (lanjutan)

Perusahaan menghitung kembali aset pajak tangguhannya pada tanggal 31 Desember 2020 akibat perubahan tarif pajak penghasilan badan menjadi 22% dan 20% berturut-turut untuk tahun pajak 2021 dan 2022 berdasarkan Peraturan Pemerintah Pengganti Undang-Undang (Perppu) No. 1 tahun 2020 yang dibebankan ke tahun berjalan.

Pada 31 Desember 2020, Perusahaan tidak mengakui aset pajak tangguhan dari akumulasi rugi fiskal (*tax losses carry forward*) karena ketidakpastian tersedianya penghasilan kena pajak di masa depan dimana akumulasi kerugian pajak dapat dimanfaatkan.

e. Pemeriksaan pajak

Tahun pajak 2019

- Pajak pertambahan nilai

Pada tanggal 1 Juli 2020, Perusahaan menerima surat perintah pemeriksaan pajak terkait lebih bayar Pajak Pertambahan Nilai untuk tahun pajak 2019.

Pada tanggal 15 Desember 2020, Perusahaan menerima Surat Ketetapan Pajak Lebih Bayar ("SKPLB") Pajak Pertambahan Nilai untuk tahun pajak 2019 sebesar Rp 2.461.382, yang pembayarannya telah diterima Perusahaan pada tanggal 11 Januari 2021.

Tahun pajak 2018

- Pajak pertambahan nilai

Pada tanggal 2 April 2019, Perusahaan menerima surat perintah pemeriksaan pajak terkait lebih bayar Pajak Pertambahan Nilai untuk tahun pajak 2018.

Pada tanggal 26 Desember 2019, Perusahaan menerima SKPLB Pajak Pertambahan Nilai untuk tahun pajak 2018 sebesar Rp 1.380.905, yang pembayarannya telah diterima Perusahaan pada tanggal 5 Februari 2020.

- Pajak penghasilan

Pada tanggal 28 Juni 2019, Perusahaan menerima surat perintah pemeriksaan pajak terkait pajak penghasilan untuk tahun pajak 2018.

13. TAXATION (continued)

d. Deferred tax asset (continued)

The Company recalculated its deferred tax assets as of 31 December 2020 to adjust changes in corporate income tax rates to 22% and 20% for the tax years 2021 and 2022, respectively based on the Government Regulation in Lieu of Law (Perppu) No. 1 year 2020 that charged to current year.

As at 31 December 2020, the Company does not recognise deferred assets relating to the tax losses carry forward due to uncertainty about the availability of future taxable income where the tax losses carry forward can be utilised.

e. Tax audit

Fiscal year 2019

- Value added tax

On 1 July 2020, the Company received tax audit letter related to Value Added Tax for fiscal year 2019.

On 15 December 2020, the Company received Overpayment Tax Assessment Letter which confirmed the overpayment of Value Added Tax for fiscal year 2019 amounting to Rp 2,461,382, and the payment has been received by the Company on 11 January 2021.

Fiscal year 2018

- Value added tax

On 2 April 2019, the Company received tax audit letter related to Value Added Tax for fiscal year 2018.

On 26 December 2019, the Company received Overpayment Tax Assessment Letter for Value Added Tax for fiscal year 2018 amounting to Rp 1,380,905, and the payment was received by the Company on 5 February 2020.

- Income tax

On 28 June 2019, the Company received tax audit letter related to income tax for fiscal year 2018.

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13. PERPAJAKAN (lanjutan)

e. Pemeriksaan pajak (lanjutan)

Tahun pajak 2018 (lanjutan)

- Pajak penghasilan (lanjutan)

Pada tanggal 31 Maret 2020, Perusahaan menerima Surat Ketetapan Pajak Kurang Bayar ("SKPKB") Pajak Penghasilan PPh 21 untuk tahun pajak 2018 sebesar Rp 809.481, yang telah dibayarkan oleh Perusahaan pada tanggal 22 April 2020.

Pada tanggal 6 April 2020, Perusahaan menerima Surat Ketetapan Pajak Lebih Bayar ("SKPLB") Pajak Penghasilan Badan untuk tahun pajak 2018 sebesar Rp 367.577, yang dikompensasikan sebagai pembayaran Utang Pajak Pasal 21 masa Mei 2020.

Tahun pajak 2015

- Pajak Penghasilan dan Pajak Pertambahan Nilai

Pada tanggal 27 Agustus 2019, Perusahaan menerima surat perintah pemeriksaan pajak untuk semua perpajakan Perusahaan untuk tahun pajak 2015. Surat Ketetapan Pajak ("SKP") telah diterbitkan dengan koreksi atas rugi fiskal sebesar Rp 17.882 pada tanggal 24 Januari 2020 yang disetujui oleh Perusahaan dan disesuaikan di tahun 2020.

13. TAXATION (continued)

e. Tax audit (continued)

Fiscal year 2018 (continued)

- Income tax (continued)

On 31 March 2020, the Company received Underpayment Tax Assessment Letter for Corporate income tax art 21 for fiscal year 2018 amounting to Rp 809,481, which has been paid by the Company on 22 April 2020.

On 6 April 2020, the Company received Overpayment Tax Assessment Letter for Corporate income tax for fiscal year 2018 amounting to Rp 367,577, which was subsequently compensated with under payment of article 21 tax payables period May 2020.

Fiscal year 2015

- Income Tax and Value Added Tax

On 27 August 2019, the Company received tax audit letter related to all taxes for fiscal year 2015. Tax Assessment Letter has been issued with fiscal correction amounting to Rp 17,882 on 24 January 2020 that was accepted by the Company and adjusted in 2020.

14. BIAYA YANG MASIH HARUS DIBAYAR, PENYISIHAN DAN UTANG LAIN-LAIN

	2020	2019
Bonus dan gaji	23,312,645	21,312,779
Beban jasa konsultasi	14,344,197	14,850,648
Lainnya	<u>1,912,700</u>	<u>1,827,423</u>
	<u><u>39,569,542</u></u>	<u><u>37,990,850</u></u>

Bonus and salary
Advisory fees
Others

14. ACCRUED EXPENSES, PROVISIONS AND OTHER PAYABLES

15. PENDAPATAN TANGGUHAN

	2020	2019
Penjaminan infrastruktur	13,587,753	10,967,630
Penjaminan <i>loss limit</i>	<u>2,073,941</u>	<u>-</u>
	<u><u>15,661,694</u></u>	<u><u>10,967,630</u></u>

Pendapatan tangguhan penjaminan infrastruktur merupakan pendapatan premi *recurring* yang diterima dimuka dan akan diakui setiap bulannya sepanjang masa pertanggungan.

Pendapatan tangguhan penjaminan *loss limit* merupakan *guarantee fee* yang diakui dari porsi margin imbal jasa penjaminan *loss limit* yang diterima saat diberikannya penjaminan dan diamortisasi selama periode penjaminan atau periode pelaksanaan jasa.

15. UNEARNED INCOME

Unearned income from infrastructure guarantee represents guarantee recurring income received in advance and will be recognised on monthly basis along the coverage period.

Unearned income from loss limit guarantee represents guarantee fee which recognised at margin portion of loss limit guarantee service fees that received when the guarantee was given and are amortised during guarantee period or period of service.

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16. LIABILITAS SEWA PEMBIAYAAN

Liabilitas sewa pembiayaan merupakan liabilitas sewa pembiayaan aset hak guna yang merupakan nilai kini pembayaran sewa yang belum dibayar dan dihitung dengan suku bunga implisit dengan menggunakan suku bunga pinjaman inkremental.

Pembayaran sewa minimum di masa mendatang, serta nilai kini atas pembayaran minimum sewa pembiayaan tahun 2020 dan 2019 adalah sebagai berikut.

	2020	2019
Nilai kini liabilitas sewa adalah sebagai berikut:		
- Tidak lebih dari 1 tahun	17,590,055	-
- Lebih dari 1 tahun	33,504,325	-
	<u>51,094,380</u>	<u>-</u>

16. FINANCE LEASE LIABILITIES

Finance lease liabilities represent lease liabilities for right-of-use assets of present value of unpaid lease payments and are calculated using the implicit interest rate of the incremental loan interest rate.

Future minimum lease payments together with the present value of the minimum lease payments for year 2020 and 2019 were as follows.

The present value lease liabilities are as follows:
Not later than 1 year -
Later than 1 year -

17. PINJAMAN PENERUSAN

Pada tanggal 27 Mei 2013, Perusahaan menandatangani perjanjian penerusan pinjaman dengan Pemerintah atas dana pinjaman dari *International Bank for Reconstruction and Development*.

Pinjaman penerusan adalah pinjaman yang diperoleh Pemerintah dari bank luar negeri yaitu Bank Dunia, yang kemudian diteruskan kepada Perusahaan. Pinjaman yang diperoleh dicatat dan terutang dalam Rupiah berdasarkan kurs pada tanggal penarikan pinjaman.

Pinjaman tersebut ditujukan untuk membiayai peningkatan kapasitas penjaminan Perusahaan dan pengadaan konsultan jasa atas proyek KPBU di bidang infrastruktur. Pokok pinjaman akan dilunasi dengan angsuran semesteran setelah masa tenggang selama 9 (sembilan) tahun dan akan jatuh tempo sampai dengan tahun 2029.

Pada tanggal 22 Februari 2016, Kementerian Keuangan Republik Indonesia mengeluarkan surat No. S-1504/MK.5/2016 sebagai amandemen atas perjanjian penerusan pinjaman No. SLA-1251/DSMI/2013 antara Pemerintah Republik Indonesia dengan Perusahaan, dengan perubahan pada tingkat suku bunga, yaitu menggunakan SUN *Benchmark* dengan tenor 20 tahun. Batas penarikan pinjaman penerusan telah berakhir pada tanggal 30 April 2019.

Pada tanggal 19 November 2020, Kementerian Keuangan Republik Indonesia mengeluarkan surat No. S-162/MK.5/2020 sebagai amandemen kedua atas perjanjian penerusan pinjaman No. SLA-1251/DSMI/2013 antara Pemerintah Republik Indonesia dengan Perusahaan, dengan perubahan jadwal pembayaran pokok pinjaman dengan masa tenggang selama 9 (sembilan) tahun sejak tanggal penarikan pertama dan akan jatuh tempo sampai dengan tahun 2034.

17. TWO-STEP LOANS

On 27 May 2013, the Company entered into a two-step loans agreement with the Government in regards to the fund provided by the *International Bank for Reconstruction and Development*.

Two-step loans are loans obtained by the Government from international bank which is World Bank, which are then re-loaned to the Company. The loans were recorded and payable in Rupiah based on the exchange rate at the date of drawdown.

The loans are intended for the development of underwriting capacity of the Company and procurement of service consultants on PPP in infrastructure projects. The loan principal are payable in semi-annual installments after grace period of 9 (nine) years and are due up to 2029.

On 22 February 2016, Ministry of Finance Republic of Indonesia issued a letter No. S-1504/MK.5/2016 as an amendment of loan agreement No. SLA-1251/DSMI/2013 between the Government of Indonesia and the Company, with the amendment of interest rate using SUN *Benchmark* with 20 years tenor. The loans drawdown expired on 30 April 2019.

On 19 November 2020, Ministry of Finance Republic of Indonesia issued a letter No. S-162/MK.5/2020 as second amendment of loan agreement No. SLA-1251/DSMI/2013 between the Government of Indonesia and the Company, with the amendment of changes in repayment schedule with grace period of 9 (nine) years starting from the first drawdown date and are due up to 2034.

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17. PINJAMAN PENERUSAN (lanjutan)

Pada tanggal 31 Desember 2020 dan 2019, jumlah akumulasi penarikan pinjaman penerusan adalah sebesar Rp 55.126.686. Pinjaman penerusan ini menggunakan SUN Benchmark sebagai acuan tingkat suku bunga.

Perusahaan telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian pinjaman tersebut di atas.

Informasi terkait pihak-pihak berelasi diungkapkan pada Catatan 24.

17. TWO-STEP LOANS (continued)

As at 31 December 2020 and 2019, the withdrawal of accumulated two-step loans are amounting to Rp 55,126,686. This loan used SUN Benchmark as reference of interest rate.

The Company has complied with the covenants in the borrowing agreements above.

Information in respect of related parties is disclosed in Note 24.

18. LIABILITAS IMBALAN KERJA

Perusahaan mengakui penyisihan imbalan kerja sesuai dengan Undang-Undang Ketenagakerjaan No. 13/2003 tanggal 25 Maret 2003.

Berikut ini adalah hal-hal penting yang diungkapkan dalam laporan aktuaria PT Dayamandiri Dharmakonsilindo untuk masing-masing untuk tahun 2020 dan 2019 tanggal 22 Februari 2021 dan 12 Februari 2020 untuk penyisihan imbalan kerja Perusahaan menggunakan metode "Projected Unit Credit", masing-masing pada tanggal 31 Desember 2020 dan 2019:

Liabilitas imbalan kerja diakui di laporan posisi keuangan adalah sebagai berikut:

	2020	2019
Imbalan pensiun dan pasca-kerja lainnya	23,902,342	18,250,946
Imbalan jangka panjang lainnya	<u>12,322,911</u>	<u>10,909,592</u>
	<u>36,225,253</u>	<u>29,160,538</u>

Beban bersih yang diakui pada laporan laba rugi adalah sebagai berikut:

	2020	2019
Imbalan pensiun dan pasca-kerja lainnya	5,115,587	4,761,686
Imbalan jangka panjang lainnya	<u>1,791,944</u>	<u>4,431,527</u>
	<u>6,907,531</u>	<u>9,193,213</u>

Asumsi utama yang digunakan untuk menentukan kewajiban imbalan pasca-kerja pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

	2020	2019
Usia pensiun normal	56	56
Tingkat diskonto	7.40%	8.00%
Tingkat mortalita	TMI '19	TMI '11
Tingkat kenaikan gaji	10.00%	10.00%
Tingkat pengunduran diri	5% sampai di usia 25 tahun dan menurun secara linear ke 1% di usia 45 tahun dan seterusnya/ 5% up to age 25 and reducing linearly to be 1% at age 45 and thereafter	5% sampai di usia 25 tahun dan menurun secara linear ke 1% di usia 45 tahun dan seterusnya/ 5% up to age 25 and reducing linearly to be 1% at age 45 and thereafter

18. EMPLOYEE BENEFITS OBLIGATION

The Company provides employee benefits based on the provisions of Labor Law No. 13/2003 dated 25 March 2003.

The following are the key matters disclosed in the actuarial report of PT Dayamandiri Dharmakonsilindo for the Company's provisions year ended 2020 and 2019 dated 22 February 2021 and 12 February 2020 for employee benefit using the "Projected Unit Credit" method, as at 31 December 2020 and 2019, respectively:

Employee benefits obligations recognised in the statements of financial position are as follows:

Pension and other post-employment benefits
Other long-term benefits

Net expense recognised in the profit or loss is as follows:

Pension and other post-employment benefits
Other long-term benefits

The principal assumptions used in determining the post-employment benefits obligation as at 31 December 2020 and 2019 are as follows:

Retirement age
Discount rate
Mortality rate
Salary increment rate
Resignation rate

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18. LIABILITAS IMBALAN KERJA (lanjutan)

**18. EMPLOYEE BENEFITS OBLIGATION
(continued)**

Imbalan pensiun dan pasca-kerja lainnya

Pension and other post-employment benefits

Liabilitas imbalan pensiun dan pasca-kerja lainnya diakui di laporan posisi keuangan adalah sebagai berikut:

Pension and other post-employment benefits recognised in the statements of financial position are as follows:

	<u>2020</u>	<u>2019</u>	
Liabilitas imbalan pensiun dan pasca-kerja lainnya	23,902,342	18,250,946	<i>Pension and other post-employment benefits obligation</i>
Beban bersih yang diakui pada laporan laba rugi adalah sebagai berikut:			<i>Net expense recognised in the profit or loss is as follows:</i>
	<u>2020</u>	<u>2019</u>	
Biaya jasa kini	3,385,462	2,911,475	<i>Current service cost</i>
Beban bunga	1,418,679	1,132,654	<i>Interest cost</i>
Biaya jasa lalu	53,747	233,875	<i>Past service cost</i>
Kelebihan pembayaran imbalan	<u>257,699</u>	<u>483,682</u>	<i>Excess of benefit paid</i>
	<u>5,115,587</u>	<u>4,761,686</u>	

Mutasi imbalan pensiun dan pasca-kerja lainnya adalah sebagai berikut:

The movement in the pension and other post-employment benefits is as follows:

	<u>2020</u>	<u>2019</u>	
Saldo awal tahun	18,250,946	14,312,277	<i>Balance at the beginning of the year</i>
Beban tahun berjalan	5,115,587	4,761,686	<i>Employee benefit expense charged in the current year</i>
Pengukuran kembali:			<i>Remeasurement:</i>
Kerugian aktuarial yang timbul dari perubahan asumsi keuangan	823,508	840,705	<i>Loss from changes in financial assumptions</i>
Pembayaran imbalan kerja	<u>(287,699)</u>	<u>(1,663,722)</u>	<i>Benefit paid</i>
	<u>23,902,342</u>	<u>18,250,946</u>	

Sensitivitas dari kewajiban imbalan pasti terhadap perubahan asumsi aktuarial yang signifikan pada imbalan pensiun dan pasca-kerja lainnya adalah sebagai berikut:

The sensitivity of the defined benefit obligation to changes in significant actuarial assumptions on pension and post-employment benefits obligation are as follow:

	<u>31 Desember/December 2020</u>			
	<u>Dampak atas kewajiban imbalan pasti/ Impact on defined benefit obligation</u>			
	<u>Perubahan asumsi/ Change in assumption</u>	<u>Kenaikan asumsi/ Increase in assumption</u>	<u>Penurunan asumsi/ Decrease in assumption</u>	
Tingkat diskonto	1.00%	(3,683,659)	1,770,524	<i>Discount rate</i>
Tingkat kenaikan gaji di masa depan	1.00%	2,771,791	(4,561,092)	<i>Rate of salary increase in the future</i>

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18. LIABILITAS IMBALAN KERJA (lanjutan)

**18. EMPLOYEE BENEFITS OBLIGATION
(continued)**

**Imbalan pensiun dan pasca-kerja lainnya
(lanjutan)**

**Pension and other post-employment benefits
(continued)**

Sensitivitas dari kewajiban imbalan pasti terhadap perubahan asumsi aktuarial yang signifikan pada imbalan pensiun dan pasca-kerja lainnya adalah sebagai berikut: (lanjutan)

The sensitivity of the defined benefit obligation to changes in significant actuarial assumptions on pension and post-employment benefits obligation are as follow: (continued)

31 Desember/December 2019			
Dampak atas kewajiban imbalan pasti/ Impact on defined benefit obligation			
Perubahan asumsi/ Change in assumption	Kenaikan asumsi/ Increase in assumption	Penurunan asumsi/ Decrease in assumption	
Tingkat diskonto	1.00%	(1,969,677)	2,316,141
Tingkat kenaikan gaji di masa depan	1.00%	3,214,967	(2,749,614)

*Discount rate
Rate of salary increase
in the future*

Durasi rata-rata tertimbang dari liabilitas program pensiun imbalan pasti pada tanggal 31 Desember 2020 adalah 15 tahun (2019: 15 tahun).

The weighted average duration of the defined benefit pension obligation at 31 December 2020 is 15 years (2019: 15 years).

Analisa jatuh tempo yang diharapkan dari manfaat pensiun yang tidak terdiskonto adalah sebagai berikut:

Expected maturity analysis of undiscounted pension benefits is as follow:

	2020	2019	
Kurang dari 1 tahun	1,362,626	1,034,929	Less than a year
1 sampai 2 tahun	234,273	187,086	Between 1 - 2 years
2 sampai 5 tahun	3,723,423	3,700,024	Between 2 - 5 years
Lebih dari 5 tahun	298,364,631	279,109,349	Over than 5 years

Imbalan jangka panjang lainnya

Other long-term benefits

Liabilitas imbalan kerja jangka panjang lainnya diakui di laporan posisi keuangan adalah sebagai berikut:

Other long-term benefits obligations recognised in the statements of financial position are as follows:

	2020	2019	
Liabilitas imbalan kerja jangka panjang lainnya	12,322,911	10,909,592	Other long-term benefits obligation
Beban bersih yang diakui pada laporan laba rugi adalah sebagai berikut:			Net expense recognised in the profit or loss is as follows:
	2020	2019	
Biaya jasa kini	2,307,561	1,923,269	Current service cost
Biaya jasa lalu	55,890	5,011,323	Past service cost
Beban bunga	817,524	964,761	Interest cost
Keuntungan aktuarial	(1,389,031)	(3,467,826)	Actuarial gains
	<u>1,791,944</u>	<u>4,431,527</u>	

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18. LIABILITAS IMBALAN KERJA (lanjutan)

**18. EMPLOYEE BENEFITS OBLIGATION
(continued)**

**Imbalan pensiun dan pasca-kerja lainnya
(lanjutan)**

**Pension and other post-employment benefits
(continued)**

Mutasi liabilitas imbalan kerja adalah sebagai berikut:

The movement in the employee benefits obligation is as follows:

	<u>2020</u>	<u>2019</u>	
Saldo awal tahun	10,909,592	7,085,585	<i>Balance at the beginning of the year</i>
Beban tahun berjalan	1,791,944	4,431,527	<i>Employee benefit expense charged in the current year</i>
Pembayaran imbalan kerja	<u>(378,625)</u>	<u>(607,520)</u>	<i>Benefit paid</i>
	<u>12,322,911</u>	<u>10,909,592</u>	

Sensitivitas dari kewajiban imbalan pasti terhadap perubahan asumsi aktuarial yang signifikan pada imbalan jangka panjang lainnya adalah sebagai berikut:

The sensitivity of the defined benefit obligation to changes in significant actuarial assumptions on other long-term benefits obligation are as follow:

31 Desember/December 2020			
Dampak atas kewajiban imbalan pasti/ Impact on defined benefit obligation			
	Perubahan asumsi/ Change in assumption	Kenaikan asumsi/ Increase in assumption	Penurunan asumsi/ Decrease in assumption
Tingkat diskonto	1.00%	(766,640)	861,816
Tingkat kenaikan gaji di masa depan	1.00%	884,275	(801,840)
			<i>Discount rate Rate of salary increase in the future</i>
31 Desember/December 2019			
Dampak atas kewajiban imbalan pasti/ Impact on defined benefit obligation			
	Perubahan asumsi/ Change in assumption	Kenaikan asumsi/ Increase in assumption	Penurunan asumsi/ Decrease in assumption
Tingkat diskonto	1.00%	(651,150)	731,059
Tingkat kenaikan gaji di masa depan	1.00%	758,409	(688,305)
			<i>Discount rate Rate of salary increase in the future</i>

Analisa jatuh tempo yang diharapkan dari manfaat jangka panjang lainnya yang tidak terdiskonto adalah sebagai berikut:

Expected maturity analysis of undiscounted after other long-term benefits is as follow:

	<u>2020</u>	<u>2019</u>	
Kurang dari 1 tahun	1,511,206	1,381,094	<i>Less than a year</i>
1 sampai 2 tahun	1,002,966	1,272,742	<i>Between 1 - 2 years</i>
2 sampai 5 tahun	5,482,044	5,029,635	<i>Between 2 - 5 years</i>
Lebih dari 5 tahun	52,863,805	53,159,505	<i>Over than 5 years</i>

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19. MODAL SAHAM

Komposisi pemegang saham Perusahaan pada 31 Desember 2020 dan 2019 adalah sebagai berikut:

19. SHARE CAPITAL

The composition of Company's shareholder as at 31 December 2020 and 2019 is as follows:

	2020			
	Jumlah saham/ Number of shares	Kepemilikan/ Ownership (%)	Nilai/ Value	
Pemerintah Republik Indonesia	9,570,000	100	9,570,000,000	Government of the Republic of Indonesia
	2019			
	Jumlah saham/ Number of shares	Kepemilikan/ Ownership (%)	Nilai/ Value	
Pemerintah Republik Indonesia	8,000,000	100	8,000,000,000	Government of the Republic of Indonesia

Pemegang saham telah meningkatkan modal dasar Perusahaan menjadi Rp 20.000.000.000 melalui perubahan Anggaran Dasar Perusahaan melalui Akta Notaris Irma Devita Purnamasari, S.H., M.Kn. No. 14 tanggal 19 November 2020 yang telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0077464.AH.01.02.TAHUN 2020 pada tanggal 19 November 2020.

The Shareholders had increased the Company's authorised capital to Rp 20,000,000,000 by amendment of the Company's Article of Association through Notarial Deed of Irma Devita Purnamasari, S.H., M.Kn. No. 14 dated 19 November 2020 and was approved by the Minister of Law and Human Rights of the Republic of Indonesia through his decree No. AHU-0077464.AH.01.02.TAHUN 2020 dated 19 November 2020.

Pada tanggal 30 Desember 2020, berdasarkan Peraturan Pemerintah No. 79 tahun 2020 tentang Penambahan Penyertaan Modal Negara Republik Indonesia ke dalam modal saham Perusahaan, telah disetorkan tambahan modal saham sebesar Rp 1.570.000.000 yang telah diterima oleh Perusahaan pada tanggal 30 Desember 2020.

On 30 December 2020, in accordance with Government Regulation No. 79 year 2020 regarding addition of investment on the Company's capital by Government of Indonesia, the payment for issuance of share capital amounting to Rp 1,570,000,000 had been received by the Company on 30 December 2020.

20. DIVIDEN

Pada tahun 2020, berdasarkan surat keterangan dari notaris Arry Supratno, S.H. No. 11/A/Not/PT/VI/2020 tanggal 15 Juni 2020, Pemegang saham melalui Rapat Umum Pemegang Saham Tahunan Perusahaan telah menyetujui pembagian dividen untuk tahun 2019 sejumlah Rp 110.827.000 yang telah dibayarkan pada tanggal 22 Juni 2020.

In 2020, based on notarial letter No. 11/A/Not/PT/VI/2020 of Arry Supratno, S.H. dated 15 June 2020, Shareholder through Annual General Meeting of Shareholders approved amount of dividend for 2019 amounting Rp 110,827,000 that has been paid on 22 June 2020.

Pada tahun 2019, berdasarkan akta notaris Arry Supratno, S.H. No. 40 tanggal 23 Mei 2019, Pemegang saham melalui Rapat Umum Pemegang Saham Tahunan Perusahaan telah menyetujui pembagian dividen untuk tahun 2018 sejumlah Rp 155.456.000 yang telah dibayarkan pada tanggal 20 Juni 2019.

In 2019, based on notarial deed of Arry Supratno, S.H. No. 40 dated 23 May 2019, Shareholder through Annual General Meeting of Shareholders approved amount of dividend for 2018 amounting to Rp 155,456,000 that has been paid on 20 June 2019.

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**21. SALDO LABA YANG DITENTUKAN
PENGGUNAANNYA - CADANGAN WAJIB**

Berdasarkan Undang-undang Perusahaan Terbatas No. 40 Tahun 2007, Perusahaan wajib menyisihkan jumlah tertentu dari laba setiap tahun buku untuk cadangan apabila saldo laba positif sampai cadangan tersebut mencapai paling sedikit 20% dari jumlah modal yang ditempatkan dan disetor.

Pada tahun 2020, Perusahaan membentuk tambahan saldo laba yang ditentukan penggunaannya sebesar Rp 26.471.000, sehingga saldo cadangan menjadi sebesar Rp 166.471.338. Cadangan tersebut ditetapkan dalam Keputusan Rapat Umum Pemegang Saham yang dituangkan berdasarkan surat keterangan dari notaris Arry Supratno, S.H. No. 11/A/Not/PT/VI/2020 tanggal 15 Juni 2020.

Pada tahun 2019, Perusahaan membentuk tambahan saldo laba yang ditentukan penggunaannya sebesar Rp 23.554.000, sehingga saldo cadangan menjadi sebesar Rp 140.000.338. Cadangan tersebut ditetapkan dalam Keputusan Rapat Umum Pemegang Saham yang dituangkan dalam akta notaris Arry Supratno, S.H. No. 40 tanggal 23 Mei 2019.

Manajemen bermaksud untuk meningkatkan cadangan tersebut di masa datang.

**21. APPROPRIATED RETAINED EARNING -
STATUTORY RESERVE**

Based on Limited Liability Company Law No. 40 Year 2007, the Company shall appropriate a certain amount of its profit in each year for general reserve if there are available retained earnings, until the general reserve has reached at least 20% of the issued and paid-up capital.

In 2020, the Company has made additional appropriation of retained earnings, amounting to Rp 26,471,000, as the reserve balance became Rp 166,471,338. This general reserve was approved in the Circular Decision General meeting of Shareholders based on notarial letter No. 11/A/Not/PT/VI/2020 of Arry Supratno, S.H. dated 15 June 2020.

In 2019, the Company has made additional appropriation of retained earnings, amounting to Rp 23,554,000, as the reserve balance became Rp 140,000,338. This general reserve was approved in the Circular Decision General meeting of Shareholders as covered by notarial deed Arry Supratno, S.H. No. 40 dated 23 May 2019.

Management plans to increase the general reserve in the future.

22. PENDAPATAN

22. REVENUES

	<u>2020</u>	<u>2019</u>	
Pendapatan penjaminan:			Revenue from guarantee:
- Pendapatan provisi dan komisi	76,400,000	69,300,000	Fees and commission -
- Pendapatan premi	45,048,430	34,740,390	Premium income -
- Pendapatan <i>loss limit</i>	<u>7,681</u>	<u>-</u>	Loss limit -
	<u>121,456,111</u>	<u>104,040,390</u>	
Pendapatan penyiapan proyek dan pendampingan transaksi	<u>21,922,064</u>	<u>28,126,795</u>	Revenue from project preparation and transaction advisory
Pendapatan pengelolaan dana:			Income from investments:
- Deposito	555,222,271	618,505,349	Time deposits -
- Investasi dengan pendapatan tetap:			Fixed income: -
Pendapatan bunga	299,510,485	257,301,433	Interest income
- Investasi reksa dana:			Mutual funds investment: -
Laba atas penjualan reksa dana	<u>-</u>	<u>60,609</u>	Gain from sale of mutual funds
	<u>854,732,756</u>	<u>875,867,391</u>	
	<u>998,110,931</u>	<u>1,008,034,576</u>	

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22. PENDAPATAN (lanjutan)

Pendapatan penjaminan *loss limit* yang diakui pada laporan laba rugi adalah sebagai berikut:

22. REVENUES (continued)

Revenue from *loss limit* guarantee recognised in the profit or loss is as follows:

	<u>2020</u>		<u>2019</u>	
Amortisasi pendapatan tangguhan penjaminan <i>loss limit</i>	76,812	-		Amortisation of <i>loss limit</i> guarantee unearned income
Estimasi komitmen <i>loss limit</i>	<u>(69,131)</u>	-		Estimated <i>loss limit</i> commitment
	<u>7,681</u>	-		<u>-</u>

Informasi terkait pihak-pihak berelasi diungkapkan pada Catatan 24.

Information in respect of related parties is disclosed in Note 24.

23. BEBAN USAHA

23. OPERATING EXPENSES

	<u>2020</u>		<u>2019</u>	
Administrasi dan umum:				General and administrative:
- Pegawai	40,904,391		40,198,671	Employee cost -
- Sewa	26,589,248		28,354,750	Rent -
- Jasa profesional	7,879,206		7,005,923	Professional fees -
- <i>Outsourcing</i>	4,209,949		3,724,851	<i>Outsourcing</i> -
- Beban bina karyawan	1,502,881		3,588,751	Employee development -
- Pemeliharaan	1,131,392		1,144,881	Maintenance -
- Perlengkapan kantor	1,115,535		1,140,961	Office equipment -
- Pelatihan	1,071,885		2,892,898	Training -
- Rapat dan konferensi	983,639		3,327,563	Meeting and conference -
- Transportasi	745,053		1,068,131	Transportation -
- Perjalanan dinas	337,107		2,972,324	Travelling -
- Air dan Listrik	292,376		391,312	Water & electricity -
- Komunikasi	163,456		190,549	Communication -
- Lainnya	<u>98,923</u>		<u>104,607</u>	Others -
	<u>87,025,041</u>		<u>96,106,172</u>	
Penjaminan:				Guarantee:
- Pegawai	49,176,764		49,891,926	Employee cost -
- Konsultan	17,501,120		27,548,374	Consultancy -
- Loka-karya	817,422		1,404,750	Workshop -
- Perjalanan dinas	522,672		1,855,374	Travelling -
- Rapat dan konferensi	<u>393,196</u>		<u>614,949</u>	Meeting and conference -
	<u>68,411,174</u>		<u>81,315,373</u>	
Penyiapan proyek dan pendampingan transaksi:				Project preparation and transaction advisory:
- Pegawai	18,138,131		10,774,082	Employee cost -
- Konsultan	10,560,156		15,092,373	Consultancy -
- Rapat dan konferensi	626,191		1,287,875	Meeting and conference -
- Loka-karya	199,956		387,493	Workshop -
- Iklan	122,465		120,137	Advertising -
- Perjalanan dinas	<u>59,151</u>		<u>657,064</u>	Travelling -
	<u>29,706,050</u>		<u>28,319,024</u>	

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23. BEBAN USAHA (lanjutan)

23. OPERATING EXPENSES (continued)

	<u>2020</u>	<u>2019</u>
Pengembangan usaha:		
- Pegawai	15,436,317	17,833,361
- Sumbangan sosial	3,539,449	1,429,818
- Iklan dan promosi	2,469,837	1,592,932
- IIGF Institute	1,539,668	5,885,303
- Loka-karya	1,262,105	4,485,758
- Perjalanan dinas	456,233	1,215,376
- Representasi	404,506	652,641
- Rapat dan konferensi	<u>293,053</u>	<u>509,686</u>
	<u>25,401,168</u>	<u>33,604,875</u>

Business development:
Employee cost -
Social contribution -
Advertising and promotion -
IIGF Institute -
Workshop -
Travelling -
Representation -
Meeting and conference -

Informasi terkait pihak-pihak berelasi diungkapkan pada Catatan 24.

Information in respect of related parties is disclosed in Note 24.

24. INFORMASI PIHAK-PIHAK BERELASI YANG SIGNIFIKAN

24. SIGNIFICANT RELATED PARTIES INFORMATION

Sifat pihak berelasi

Nature of relationship

- Pemerintah Republik Indonesia adalah pemegang saham Perusahaan.
- Direksi adalah orang-orang yang memiliki wewenang dan tanggung jawab untuk perencanaan, pengarahannya dan pengendalian aktivitas-aktivitas Perusahaan.
- Bank-bank BUMN dan entitas-entitas non-bank BUMN merupakan pihak berelasi oleh karena merupakan entitas sepengendalian oleh Pemerintah Republik Indonesia dimana Perusahaan melakukan penempatan investasi dalam bentuk deposito dan obligasi.

- The Government of the Republic of Indonesia is a shareholder of the Company.
- The directors are persons who have authority and responsibility for planning, directing and controlling the Company's activities.
- SOEs banks and non-banks SOEs are related parties as those entities under common controls of the Government of the Republic of Indonesia where the Company places its investments in time deposits and bonds.

Dalam kegiatan usahanya, Perusahaan melakukan transaksi dengan pihak-pihak berelasi. Transaksi-transaksi tersebut meliputi antara lain:

In the normal course of business, the Company enters into certain transactions with related parties, including the following:

Saldo yang timbul dari transaksi dengan pihak-pihak berelasi

Balances arising from related parties transactions

	<u>2020</u>	<u>2019</u>
Kas dan setara kas		
- PT Bank Negara Indonesia (Persero) Tbk	1,958,440,000	-
- PT Bank Tabungan Negara (Persero) Tbk	1,570,137,936	7,546
- PT Bank BNI Syariah	505,000,000	-
- PT Bank Mandiri (Persero) Tbk	11,787,582	6,708,207
- PT Bank Syariah Mandiri	8,542,293	2,917,156
- PT Bank Rakyat Indonesia (Persero) Tbk	6,817,136	14,048,791
- PT Bank Tabungan Negara (Persero) Tbk - UUS	<u>596</u>	<u>915</u>
	<u>4,060,725,543</u>	<u>23,682,615</u>

Cash and cash equivalents

PT Bank Negara Indonesia - (Persero) Tbk
PT Bank Tabungan Negara - (Persero) Tbk
PT Bank BNI Syariah -
PT Bank Mandiri - (Persero) Tbk
PT Bank BNI Syariah -
PT Bank Rakyat Indonesia - (Persero) Tbk
PT Bank Tabungan Negara - (Persero) Tbk - UUS

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24. INFORMASI PIHAK-PIHAK BERELASI YANG SIGNIFIKAN (lanjutan)

24. SIGNIFICANT RELATED PARTIES INFORMATION (continued)

Saldo yang timbul dari transaksi dengan pihak-pihak berelasi (lanjutan)

Balances arising from related parties transactions (continued)

	<u>2020</u>	<u>2019</u>	
Investasi			Investments
- Pemerintah Republik Indonesia	2,798,129,837	1,271,140,190	Government of the Republic of Indonesia
- PT Bank Tabungan Negara (Persero) Tbk	2,510,387,500	260,381,000	PT Bank Tabungan Negara - (Persero) Tbk
- PT Bank Tabungan Negara (Persero) Tbk - UUS	562,000,000	188,253,644	PT Bank Tabungan Negara - (Persero) Tbk - UUS
- PT Bank Negara Indonesia (Persero) Tbk	503,483,100	2,247,809,700	PT Bank Negara Indonesia - (Persero) Tbk
- PT Pegadaian (Persero)	190,366,000	240,679,400	PT Pegadaian (Persero) -
- PT Sarana Multigriya Finansial (Persero)	167,236,000	144,769,000	PT Sarana Multigriya Finansial - (Persero)
- PT Pelabuhan Indonesia (Persero)	157,310,000	255,096,000	PT Pelabuhan Indonesia - (Persero)
- PT Sarana Multi Infrastruktur (Persero)	157,290,000	155,520,000	PT Sarana Multi Infrastruktur - (Persero)
- PT Bank Mandiri (Persero) Tbk	156,270,000	153,780,000	PT Bank Mandiri - (Persero) Tbk
- Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank)	136,282,500	136,061,000	Lembaga Pembiayaan Ekspor - Indonesia (Indonesia Eximbank)
- PT Semen Indonesia (Persero) Tbk	109,588,500	108,171,000	PT Semen Indonesia - (Persero) Tbk
- PT Pupuk Indonesia (Persero)	81,920,000	100,970,000	PT Pupuk Indonesia (Persero) -
- PT Telekomunikasi Indonesia (Persero) Tbk	77,000,000	93,348,800	PT Telekomunikasi Indonesia - (Persero) Tbk
- PT Kereta Api Indonesia (Persero)	66,549,500	65,407,000	PT Kereta Api Indonesia - (Persero)
- PT Angkasa Pura (Persero)	33,570,600	33,694,000	PT Angkasa Pura (Persero) -
- PT Perusahaan Listrik Negara (Persero)	30,000,000	46,074,426	PT Perusahaan Listrik Negara - (Persero)
- PT Aneka Tambang Tbk	6,102,600	6,064,200	PT Aneka Tambang Tbk -
- PT Bank Rakyat Indonesia (Persero) Tbk	-	1,145,345,000	PT Bank Rakyat Indonesia - (Persero) Tbk
- PT Adhi Karya (Persero) Tbk	-	44,105,600	PT Adhi Karya (Persero) Tbk -
- PT Marga Lingkar Jakarta	-	20,198,000	PT Marga Lingkar Jakarta -
- PT Waskita Karya (Persero) Tbk	-	15,000,000	PT Waskita Karya - (Persero) Tbk
- PT Jasa Marga (Persero) Tbk	-	14,088,166	PT Jasa Marga (Persero) Tbk -
	<u>7,743,486,137</u>	<u>6,745,956,126</u>	

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24. INFORMASI PIHAK-PIHAK BERELASI YANG SIGNIFIKAN (lanjutan)

24. SIGNIFICANT RELATED PARTIES INFORMATION (continued)

Saldo yang timbul dari transaksi dengan pihak-pihak berelasi (lanjutan)

Balances arising from related parties transactions (continued)

	<u>2020</u>	<u>2019</u>	
Piutang usaha			Account receivables
- Pemerintah Republik Indonesia	39,690,446	36,264,016	Government of the - Republic of Indonesia
- PT Perusahaan Listrik Negara (Persero)	14,929,475	1,824,314	PT Perusahaan Listrik Negara - (Persero)
- PT Bank Tabungan Negara (Persero) Tbk	7,458,398	783,042	PT Bank Tabungan Negara - (Persero) Tbk
- PT Geo Dipa Energi (Persero)	6,331,342	-	PT Geo Dipa Energi (Persero) -
- PT Bank Negara Indonesia (Persero) Tbk	3,754,033	7,850,687	PT Bank Negara Indonesia - (Persero) Tbk
- PT Pelabuhan Indonesia (Persero)	2,786,938	2,786,938	PT Pelabuhan Indonesia - (Persero)
- PT Sarana Multigriya Finansial (Persero)	1,022,219	996,808	PT Sarana Multigriya Finansial - (Persero)
- PT Sarana Multi Infrastruktur (Persero)	826,353	1,612,603	PT Sarana Multi Infrastruktur - (Persero)
- PT Semen Indonesia (Persero) Tbk	714,000	714,000	PT Semen Indonesia - (Persero) Tbk
- Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank)	573,750	573,750	Lembaga Pembiayaan Ekspor - Indonesia (Indonesia Eximbank)
- PT Pegadaian (Persero)	438,879	1,176,537	PT Pegadaian (Persero) -
- PT Pupuk Indonesia (Persero)	334,522	1,041,073	PT Pupuk Indonesia (Persero) -
- PT Bank Rakyat Indonesia (Persero) Tbk	-	4,233,824	PT Bank Rakyat Indonesia - (Persero) Tbk
- PT Pengembangan Pariwisata Indonesia (Persero)	-	3,200,000	Indonesia Tourism Development - Corporation (Persero)
- PT Kereta Api Indonesia			PT Kereta Api Indonesia -
- PT Bank Tabungan Negara (Persero) Tbk - UUS	-	770,916	PT Bank Tabungan Negara - (Persero) Tbk - UUS
- Lain-lain (dibawah Rp 500.000)	<u>935,701</u>	<u>1,932,366</u>	Others (below Rp 500,000) -
	<u>79,796,056</u>	<u>65,760,874</u>	
	<u>11,884,007,736</u>	<u>6,835,399,615</u>	
Persentase terhadap jumlah aset	<u>87.72%</u>	<u>61.52%</u>	Percentage of total assets

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24. INFORMASI PIHAK-PIHAK BERELASI YANG SIGNIFIKAN (lanjutan)	24. SIGNIFICANT RELATED PARTIES INFORMATION (continued)	
Saldo yang timbul dari transaksi dengan pihak-pihak berelasi (lanjutan)	Balances arising from related parties transactions (continued)	
	2020	2019
Pinjaman penerusan		Two-step loans
- Pemerintah Republik Indonesia	55,126,686	55,126,686
	55,126,686	55,126,686
Government of the Republic of Indonesia		
Beban yang masih harus dibayar, penyisihan dan utang lain-lain		Accrued expenses, provisions and other payables
- Pemerintah Republik Indonesia	1,212,032	1,353,436
- Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank)	69,131	-
	1,281,163	1,353,436
	56,407,849	56,480,122
Government of the Republic of Indonesia		
Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank)		
Persentase terhadap jumlah liabilitas	27.65%	40.50%
		Percentage of total liabilities
Pendapatan		Revenues
- PT Bank Negara Indonesia (Persero) Tbk	197,197,219	103,018,330
- Pemerintah Republik Indonesia	173,816,759	129,366,851
- PT Bank Rakyat Indonesia (Persero) Tbk	148,892,681	17,108,887
- PT Bank Tabungan Negara (Persero) Tbk	38,874,151	12,963,644
- PT Sarana Multi Infrastruktur (Persero)	19,072,500	23,760,736
- PT Perusahaan Listrik Negara (Persero)	17,263,057	8,556,939
- PT Pegadaian (Persero)	15,544,167	18,037,000
- PT Pelabuhan Indonesia (Persero)	13,725,000	13,920,938
- PT Bank Mandiri (Persero) Tbk	12,750,000	12,750,000
- PT Sarana Multigriya Finansial (Persero)	12,347,396	12,057,666
- Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank)	10,125,000	12,806,708
- PT Semen Indonesia (Persero) Tbk	9,450,000	5,565,000
- PT Bank BNI Syariah	9,336,331	-
- PT Telekomunikasi Indonesia (Persero) Tbk	8,735,700	9,157,457
PT Bank Negara Indonesia - (Persero) Tbk		
Government of the Republic of Indonesia		
PT Bank Rakyat Indonesia - (Persero) Tbk		
PT Bank Tabungan Negara - (Persero) Tbk		
PT Sarana Multi Infrastruktur - (Persero)		
PT Perusahaan Listrik Negara - (Persero)		
PT Pegadaian (Persero) -		
PT Pelabuhan Indonesia - (Persero)		
PT Bank Mandiri - (Persero) Tbk		
PT Sarana Multigriya Finansial - (Persero)		
Lembaga Pembiayaan Ekspor Indonesia (Indonesia Eximbank)		
PT Semen Indoneisa - (Persero) Tbk		
PT Bank BNI Syariah -		
PT Telekomunikasi Indonesia - (Persero) Tbk		

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24. INFORMASI PIHAK-PIHAK BERELASI YANG SIGNIFIKAN (lanjutan)	24. SIGNIFICANT RELATED PARTIES INFORMATION (continued)	
Saldo yang timbul dari transaksi dengan pihak-pihak berelasi (lanjutan)	Balances arising from related parties transactions (continued)	
	2020	2019
Pendapatan (lanjutan)		Revenues (continued)
- PT Bank Tabungan Negara (Persero) Tbk - UUS	8,689,107	36,208,193
- PT Geo Dipa Energi (Persero)	7,370,895	-
- PT Pupuk Indonesia (Persero)	5,501,458	7,600,000
- PT Kereta Api Indonesia (Persero)	5,217,500	2,092,389
- PT Angkasa Pura (Persero)	2,842,000	2,413,475
- PT Waskita Karya (Persero) Tbk	1,322,750	1,665,000
- PT Marga Lingkar Jakarta	1,274,778	1,490,000
- PT Pengembangan Pariwisata Indonesia (Persero)	1,227,766	1,004,383
- PT Jasa Marga (Persero) Tbk	1,025,383	1,218,907
- PT Adhi Karya (Persero) Tbk	779,251	3,719,051
- PT Aneka Tambang Tbk	599,847	469,797
	722,980,696	436,951,351
Persentase terhadap jumlah pendapatan	72.43%	43.35%
Beban bunga		Interest expense
- Pemerintah Republik Indonesia	4,145,829	4,616,860
	4,145,829	4,616,860
Persentase terhadap jumlah beban usaha	1.10%	1.12%
Kompensasi dan remunerasi manajemen kunci		Compensation and remuneration of the key management personnel
Dewan Komisaris		Board of Commissioners
- Gaji dan imbalan kerja jangka pendek	4,077,725	5,027,935
Direksi		Board of Directors
- Gaji dan imbalan kerja jangka pendek	11,337,156	11,622,613
	15,414,881	16,650,548
Persentase terhadap jumlah beban usaha	4.09%	4.03%

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25. PERJANJIAN PENTING

Perjanjian Penjaminan

Hal-hal berikut adalah perjanjian penjaminan yang telah ditandatangani oleh Perusahaan sampai dengan 31 Desember 2020:

KPBU

1. Proyek PLTU Batang Jawa Tengah (CJPP)

Pada tanggal 6 Oktober 2011, Perusahaan bersama dengan Pemerintah Republik Indonesia ("Pemerintah") menandatangani perjanjian penjaminan dengan PT Bhimasena Power Indonesia ("Bhimasena") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Bhimasena berupa *arranging fee* dan *upfront fee* pada saat ditandatanganinya perjanjian dan perolehan pembiayaan, sedangkan processing fee dan guarantee fee diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 21 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya perjanjian kerja sama ("PKS") antara BU dan PJKP.

Pada tanggal 6 Juni 2016, penandatangan perolehan pembiayaan proyek dilakukan antara pemberi pinjaman dan Bhimasena. Pada saat yang bersamaan, penjaminan proyek sudah efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah sebesar Rp 300 miliar (nilai penuh) kerugian pertama yang meliputi risiko politik dan terminasi.

2. Proyek Palapa Ring Barat

Pada tanggal 29 Februari 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Palapa Ring Barat ("Palapa Barat") selaku BU.

25. SIGNIFICANT AGREEMENTS

Guarantee Agreement

The following are the guarantee agreement entered by the Company as at 31 December 2020:

PPP

1. *Batang East Java Power Plant Project (CJPP)*

On 6 October 2011, the Company together with the Government of the Republic of Indonesia (the "Government") entered into a guarantee agreement with PT Bhimasena Power Indonesia ("Bhimasena") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Bhimasena in the form of arranging fee and upfront fee at the signing date and financial close date, while processing fee and guarantee are obtained from the effective date of guarantee and until whichever is earlier between 21 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 6 June 2016, signing of financial close was held between lender and Bhimasena. At the same time, guarantee of the project has been effective.

Estimated maximum guarantee from this project is amounting to the first loss of Rp 300 billion (full amount) covering political risk and termination.

2. *Western Package Palapa Ring Project*

On 29 February 2016, the Company entered into a guarantee agreement with PT Palapa Ring Barat ("Palapa Barat") as the Investor.

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25. PERJANJIAN PENTING

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

2. Proyek Palapa Ring Barat (lanjutan)

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Palapa Barat berupa *upfront fee* pada saat ditandatanganinya perjanjian dan tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 12 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPk.

Pada tanggal 10 November 2016, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 310 miliar (nilai penuh) yang merupakan kewajiban finansial atas *Availability Payment*, dan 80% dari Biaya Pengakhiran yang ditanggung yang disepakati oleh Palapa Barat dan PJPk.

Proyek ini telah beroperasi pada tanggal 2 Maret 2018.

3. Proyek Palapa Ring Tengah

Pada tanggal 4 Maret 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT LEN Telekomunikasi Indonesia ("LTI") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari LTI berupa *upfront fee* pada saat ditandatanganinya perjanjian dan tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 12 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPk.

25. SIGNIFICANT AGREEMENTS

Guarantee Agreement (continued)

PPP (continued)

2. Western Package Palapa Ring Project (continued)

Based on this guarantee agreement, the Company is entitled to receive fees from Palapa Barat in the form of upfront fee at the signing date and effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 12 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 10 November 2016, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 310 billion (full amount) covering the financial liability of Availability Payment, and 80% from termination cost approved by Palapa Barat and GCA.

The project operates starting on 2 March 2018.

3. Central Package Palapa Ring Project

On 4 March 2016, the Company entered into a guarantee agreement with PT LEN Telekomunikasi Indonesia ("LTI") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from LTI in the form of upfront fee at the signing date and effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 12 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

3. Proyek Palapa Ring Tengah (lanjutan)

Pada tanggal 30 Desember 2016, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 336 miliar (nilai penuh) yang merupakan kewajiban finansial atas *Availability Payment*, dan 80% dari Biaya Pengakhiran yang ditanggung yang disepakati oleh LTI dan PJPK.

Proyek ini telah beroperasi pada tanggal 21 Desember 2018.

4. Proyek Palapa Ring Timur

Pada tanggal 29 September 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Palapa Timur Telematika ("Palapa Timur") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Palapa Timur berupa *upfront fee* pada saat ditandatanganinya perjanjian dan tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 12 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 29 Maret 2017, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 826 miliar (nilai penuh untuk sub-paket 1) dan Rp 570 miliar (nilai penuh untuk sub-paket 2) yang merupakan kewajiban finansial atas *Availability Payment*, dan 80% dari Biaya Pengakhiran yang ditanggung yang disepakati oleh Palapa Timur dan PJPK.

Proyek ini telah beroperasi pada tanggal 29 Agustus 2019.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

3. Central Package Palapa Ring Project (continued)

On 30 December 2016, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 336 billion (full amount) covering the financial liability of Availability Payment), and 80% from termination cost approved by LTI and GCA.

The project operates starting on 21 December 2018.

4. Eastern Package Palapa Ring Project

On 29 September 2016, the Company entered into a guarantee agreement with PT Palapa Timur Telematika ("Palapa Timur") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Palapa Timur in the form of upfront fee at the signing date and effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 12 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 29 March 2017, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 826 billion (full amount for sub-package 1) and Rp 570 billion (full amount for sub-package 2) covering the financial liability of Availability Payment, and 80% from termination cost approved by Palapa Timur and GCA.

The project operates starting on 29 August 2019.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

5. Proyek Tol Batang - Semarang

Pada tanggal 27 April 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Semarang Batang ("Jasamarga Semarang Batang") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Semarang Batang berupa *upfront fee* pada saat tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 20 Juni 2016, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.450 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

Proyek ini telah beroperasi pada tanggal 21 Januari 2019.

6. Proyek Tol Pandaan - Malang

Pada tanggal 9 Juni 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Pandaan Malang ("Jasamarga Pandaan Malang") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Pandaan Malang berupa *upfront fee* pada tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

5. Batang - Semarang Toll Road Project

On 27 April 2016, the Company entered into a guarantee agreement with PT Jasamarga Semarang Batang ("Jasamarga Semarang Batang") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Jasamarga Semarang Batang in the form of upfront fee at the effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 20 June 2016, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 2,450 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

The project operates starting on 21 January 2019.

6. Pandaan - Malang Toll Road Project

On 9 June 2016, the Company entered into a guarantee agreement with PT Jasamarga Pandaan Malang ("Jasamarga Pandaan Malang") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Jasamarga Pandaan Malang in the form of upfront fee at the effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

6. Proyek Tol Pandaan - Malang (lanjutan)

Pada tanggal 3 Oktober 2016, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 5,6 triliun (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah, dana talangan tanah, dana likuiditas terbatas dan pengakhiran akibat keadaan kahar.

Proyek ini telah beroperasi untuk seluruh seksi pada tanggal 2 April 2020.

7. Proyek Tol Manado - Bitung

Pada tanggal 9 Juni 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Manado Bitung ("Jasamarga Manado Bitung") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Manado Bitung berupa *upfront fee* pada tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 6 Oktober 2016, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 3,4 triliun (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah, dana talangan tanah, dana likuiditas terbatas dan pengakhiran akibat keadaan kahar.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

6. Pandaan - Malang Toll Road Project (continued)

On 3 October 2016, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 5.6 trillion (full amount) covering tariff adjustment, political risk, delay in land acquisition, land bailout fund, limited liquidity fund and termination due to force majeure.

The project operates for all sections on 2 April 2020.

7. Manado - Bitung Toll Road Project

On 9 June 2016, the Company entered into a guarantee agreement with PT Jasamarga Manado Bitung ("Jasamarga Manado Bitung") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Jasamarga Manado Bitung in the form of upfront fee at the effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 6 October 2016, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 3.4 trillion (full amount) covering tariff adjustment, political risk, delay in land acquisition, land bailout fund, limited liquidity fund and termination due to force majeure.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

7. Proyek Tol Manado - Bitung (lanjutan)

Proyek ini telah beroperasi pada bulan Juni dan September 2020 untuk sebagian seksi.

8. Proyek Tol Balikpapan - Samarinda

Pada tanggal 9 Juni 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Balikpapan Samarinda ("Jasamarga Balikpapan Samarinda") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Balikpapan Samarinda berupa *upfront fee* pada tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPB.

Pada tanggal 2 Desember 2016, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 6,1 triliun (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah, dana talangan tanah, dana likuiditas terbatas dan pengakhiran akibat keadaan kahar.

Proyek ini telah beroperasi pada bulan Desember 2019 untuk sebagian seksi.

9. Proyek Sistem Penyediaan Air Minum ("SPAM") Umbulan

Pada tanggal 21 Juli 2016, Perusahaan menandatangani perjanjian penjaminan dengan PT Meta Adhya Tirta Umbulan ("Meta") selaku BU.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

7. Manado - Bitung Toll Road Project (continued)

The project operates on June and September 2020 for some sections.

8. Balikpapan - Samarinda Toll Road Project

On 9 June 2016, the Company entered into a guarantee agreement with PT Jasamarga Balikpapan Samarinda ("Jasamarga Balikpapan Samarinda") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Jasamarga Balikpapan Samarinda in the form of upfront fee at the effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 2 December 2016, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 6.1 trillion (full amount) covering tariff adjustment, political risk, delay in land acquisition, land bailout fund, limited liquidity fund and termination due to force majeure.

The project operates on December 2020 for some sections.

9. Water Supply System Umbulan Project

On 21 July 2016, the Company entered into a guarantee agreement with PT Meta Adhya Tirta Umbulan ("Meta") as the Investor.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

9. Proyek Sistem Penyediaan Air Minum ("SPAM") Umbulan (lanjutan)

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Meta berupa *upfront fee* pada saat ditandatanganinya perjanjian dan tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 10 Februari 2017, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 180 miliar (nilai penuh) yang meliputi cicila janji pembayaran bulanan dan 80% atas harga pembelian proyek yang wajib dibayar oleh PJPK ke BU sesuai PKS.

Proyek ini telah beroperasi pada tanggal 30 Desember 2019.

10. Proyek Jalan Tol Jakarta - Cikampek II Elevated

Pada tanggal 22 Februari 2017, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Jalan Layang Cikampek ("Jasamarga Jakarta - Cikampek Elevated") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Jakarta - Cikampek Elevated berupa *upfront fee* pada saat ditandatanganinya perjanjian penjaminan dan surat imbal jasa penjaminan. Sedangkan, *guarantee fee* diperoleh sejak tanggal efektif selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

9. Water Supply System Umbulan Project (continued)

Based on this guarantee agreement, the Company is entitled to receive fees from Meta in the form of upfront fee at the signing date and effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 10 February 2017, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 180 billion (full amount) covering the breach of monthly payment promise and 80% of project purchase price to be paid by GCA to Investor as agreed in cooperation agreement.

The project operates starting on 30 December 2019.

10. Jakarta - Cikampek II Elevated Tol Road Project

On 22 February 2017, the Company entered into a Jalan Layang Cikampek ("Jasamarga Jakarta - Cikampek Elevated") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Jasamarga Jakarta - Cikampek Elevated in the form of upfront fee at the signing date of guarantee agreement and fee letter. Meanwhile, guarantee fee at the effective date of guarantee until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

10. Proyek Jalan Tol Jakarta - Cikampek II Elevated (lanjutan)

Pada tanggal 8 Mei 2017, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 600 miliar (nilai penuh) yang meliputi penyesuaian tarif dan risiko politik.

Proyek ini telah beroperasi pada tanggal 12 Desember 2019.

11. Proyek Tol Cileunyi - Sumedang - Dawuan

Pada tanggal 22 Februari 2017, Perusahaan menandatangani perjanjian penjaminan dengan PT Citra Karya Jabar Tol ("Citra Karya") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Citra Karya berupa *upfront fee* pada saat ditandatanganinya perjanjian dan surat imbal jasa penjaminan, serta Perusahaan telah menerima dan menyampaikan secara tertulis persetujuan atas Berita Acara Pengadaan Tanah. Sedangkan, *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 22 Februari 2019, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 1.430 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

10. Jakarta - Cikampek II Elevated Tol Road Project (continued)

On 8 May 2017, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 600 billion (full amount) covering tariff adjustment and political risk.

The project operates starting on 12 December 2019.

11. Cileunyi - Sumedang - Dawuan Toll Road Project

On 22 February 2017, the Company entered into a guarantee agreement with PT Citra Karya Jabar Tol ("Citra Karya") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Citra Karya in the form of upfront fee at the signing date of guarantee agreement and fee letter, and also the Company has received and submitted approval of minutes of land acquisition. Meanwhile, guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 22 February 2019, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 1,430 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

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Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

11. Proyek Tol Cileunyi - Sumedang - Dawuan (lanjutan)

Proyek ini telah beroperasi pada bulan November 2020 untuk sebagian seksi.

12. Proyek Tol Krian - Legundi - Bunder - Manyar

Pada tanggal 22 Februari 2017, Perusahaan menandatangani perjanjian penjaminan dengan PT Waskita Bumi Wira ("Waskita Bumi") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Waskita Bumi berupa *upfront fee* pada saat ditandatanganinya perjanjian dan surat imbal jasa penjaminan, serta Perusahaan telah menerima dan menyampaikan secara tertulis persetujuan atas Berita Acara Pengadaan Tanah. Sedangkan, *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 11 Desember 2017, penjaminan proyek telah efektif untuk ruas Krian - Legundi - Bunder dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan. Untuk ruas Bunder-Manyar telah efektif dengan diterbitkannya Berita Acara Pengadaan Tanah pada tanggal 1 Juli 2019.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 649 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik dan keterlambatan pengadaan tanah.

13. Proyek Tol Serang - Panimbang

Pada tanggal 22 Februari 2017, Perusahaan menandatangani perjanjian penjaminan dengan PT Wijaya Karya Serang Panimbang ("Wika Sepang") selaku BU.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

11. Cileunyi - Sumedang - Dawuan Toll Road Project (continued)

The project operates on November 2020 for some sections.

12. Krian - Legundi - Bunder - Manyar Toll Road Project

On 22 February 2017, the Company entered into a guarantee agreement with PT Waskita Bumi Wira ("Waskita Bumi") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Waskita Bumi in the form of upfront fee at the signing date of guarantee agreement and fee letter, and also the Company has received and submitted approval of minutes of land acquisition. Meanwhile, guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 11 December 2017, the guarantee of the project has been effective for Krian - Legundi - Bunder segment road since all the requirements in the guarantee agreement have been fulfilled. For Bunder-Manyar segment road has been effective with issuance of Minutes of Land Acquisition on 1 July 2019.

Estimated maximum guarantee from this project is amounting to Rp 649 billion (full amount) covering tariff adjustment, political risk and delay in land acquisition.

13. Serang - Panimbang Toll Road Project

On 22 February 2017, the Company entered into a guarantee agreement with PT Wijaya Karya Serang Panimbang ("Wika Sepang") as the Investor.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

13. Proyek Tol Serang - Panimbang (lanjutan)

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Wika Sepang berupa *upfront fee* pada saat ditandatanganinya perjanjian dan surat imbal jasa penjaminan, serta Perusahaan telah menerima dan menyampaikan secara tertulis persetujuan atas Berita Acara Pengadaan Tanah. Sedangkan, *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 17 November 2017, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.053 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

Pada bulan Oktober 2018, dilakukan amandemen atas nilai maksimum penjaminan dana talangan tanah sehingga estimasi maksimum nilai penjaminan proyek ini menjadi Rp 2.053 miliar (nilai penuh).

14. Proyek Tol Probolinggo - Banyuwangi

Pada tanggal 29 Desember 2017, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Probolinggo Banyuwangi ("Jasamarga Probowangi") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Probowangi berupa *upfront fee* pada tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

13. Serang - Panimbang Toll Road Project (continued)

Based on this guarantee agreement, the Company is entitled to receive fees from Wika Sepang in the form of upfront fee at the signing date of guarantee agreement and fee letter, and also the Company has received and submitted approval of minutes of land acquisition. Meanwhile, guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 17 November 2017, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 2,053 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

In October 2018, there was an amendment of land bailout fund maximum guarantee therefore the estimated maximum guarantee of the project become Rp 2,053 billion (full amount).

14. Probolinggo - Banyuwangi Toll Road Project

On 29 December 2017, the Company entered into a guarantee agreement with PT Jasamarga Probolinggo Banyuwangi ("Jasamarga Probowangi") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Citra Karya in the form of upfront fee at the effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

14. Proyek Tol Probolinggo - Banyuwangi (lanjutan)

Pada tanggal 10 Juli 2020, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.281 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

15. Proyek Tol Jakarta - Cikampek II Selatan

Pada tanggal 29 Desember 2017, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Japek Selatan ("Jasamarga Japek Selatan") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari Jasamarga Japek Selatan berupa *upfront fee* pada tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 27 Juni 2019, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.280 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

14. Probolinggo - Banyuwangi Toll Road Project (continued)

On 10 July 2020, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 2,281 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

15. Jakarta - Cikampek II South Toll Road Project

On 29 December 2017, the Company entered into a guarantee agreement with PT Jasamarga Japek Selatan ("Jasamarga Japek Selatan") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from Jasamarga Japek Selatan in the form of upfront fee at the effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 27 June 2019, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 2,280 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

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Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

16. Proyek SPAM Lampung

Pada tanggal 14 Februari 2018, Perusahaan menandatangani perjanjian penjaminan dengan PT Adhya Tirta Lampung ("ATL") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari ATL berupa *upfront fee* pada saat ditandatanganinya perjanjian dan tanggal efektif penjaminan, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Pada tanggal 14 Agustus 2018, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 150 miliar (nilai penuh) yang meliputi cicila janji pembayaran bulanan dan 80% atas harga pembelian proyek yang wajib dibayar oleh PJPK ke BU sesuai PKS.

Proyek ini telah beroperasi pada tanggal 12 Agustus 2020.

17. Proyek SPAM Semarang Barat

Pada tanggal 23 November 2018, Perusahaan menandatangani perjanjian penjaminan dengan PT Air Semarang Barat ("ASB") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari ASB berupa *upfront fee* yang terutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

16. Water Supply System Lampung Project

On 14 February 2018, the Company entered into a guarantee agreement with PT Adhya Tirta Lampung ("ATL") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from ATL in the form of upfront fee at the signing date and effective date of guarantees, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 14 August 2018, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 150 billion (full amount) covering the breach of monthly payment promise and 80% of project purchase price to be paid by GCA to Investor as agreed in cooperation agreement.

The project operates starting on 12 August 2020.

17. Water Supply System West Semarang Project

On 23 November 2018, the Company entered into a guarantee agreement with PT Air Semarang Barat ("ASB") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from ASB in the form of upfront fee that payable at the signing date, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

17. Proyek SPAM Semarang Barat (lanjutan)

Pada tanggal 29 Mei 2019, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 169 miliar (nilai penuh) yang meliputi biaya yang bukan pengakhiran yang ditanggung (termasuk bunga keterlambatan pembayaran) dan biaya pengakhiran yang ditanggung sesuai dengan perjanjian penjaminan.

18. Proyek Kereta Api Makassar - Parepare

Pada tanggal 5 April 2019, Perusahaan menandatangani perjanjian penjaminan dengan PT Celebes Railway Indonesia ("CRI") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari CRI berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 14 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Sampai dengan tanggal pelaporan, penjaminan proyek belum efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 439 miliar (nilai penuh) yang merupakan biaya yang bukan pengakhiran yang ditanggung dan 70% atas biaya pengakhiran yang ditanggung yang wajib dibayar oleh PJPK ke BU sesuai PKS.

19. Proyek Satelit Multifungsi Pemerintah

Pada tanggal 3 Mei 2019, Perusahaan menandatangani perjanjian penjaminan dengan PT Satelit Nusantara Tiga ("SNT") selaku BU.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

17. Water Supply System West Semarang Project (continued)

On 29 May 2019, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 169 billion (full amount) covering non-termination costs (including late payment interest) and termination costs in accordance with the guarantee agreement.

18. Makassar - Parepare Railway Train Project

On 5 April 2019, the Company entered into a guarantee agreement with PT Celebes Railway Indonesia ("CRI") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from CRI in the form of upfront fee that payable at the signing date, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 14 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

As at the reporting date, the guarantee of the project has not been effective.

Estimated maximum guarantee from this project is amounting to Rp 439 billion (full amount) that is non-termination costs and 70% of termination costs in to be paid by GCA to Investor as agreed in cooperation agreement.

19. Government Multifunction Satellite Project

On 3 May 2019, the Company entered into a guarantee agreement with PT Satelit Nusantara Tiga ("SNT") as the Investor.

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Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

19. Proyek Satelit Multifungsi Pemerintah (lanjutan)

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari SNT berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 12 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Sampai dengan tanggal pelaporan, penjaminan proyek belum efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.670 miliar (nilai penuh) yang merupakan biaya yang bukan pengakhiran yang ditanggung dan biaya pengakhiran yang ditanggung mana yang lebih rendah antara Rp 7.200 miliar (nilai penuh) atau 80% atas biaya pengakhiran yang wajib dibayarkan oleh PJPK ke BU sesuai PKS.

20. Proyek Tol Semarang - Demak

Pada tanggal 23 September 2019, Perusahaan menandatangani perjanjian penjaminan dengan PT Pembangunan Perumahan Semarang Demak ("PPSD") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari PPSD berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

19. Government Multifunction Satellite Project (continued)

Based on this guarantee agreement, the Company is entitled to receive fees from SNT in the form of upfront fee that payable at the signing date, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 12 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

As at the reporting date, the guarantee of the project has not been effective.

Estimated maximum guarantee from this project is amounting to Rp 2,670 billion (full amount) that is non-termination costs and termination costs whichever is lower between Rp 7,200 billion (full amount) or 80% of termination costs in to be paid by GCA to Investor as agreed in cooperation agreement.

20. Semarang - Demak Toll Road Project

On 23 September 2019, the Company entered into a guarantee agreement with PT Pembangunan Perumahan Semarang Demak ("PPSD") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from PPSD in the form of upfront fee that payable at the signing date, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

20. Proyek Tol Semarang - Demak (lanjutan)

Pada tanggal 9 Januari 2020, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 5.167 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah, dana talangan tanah dan terminasi.

21. Proyek Bandar Udara Labuan Bajo

Pada tanggal 7 Februari 2020, Perusahaan menandatangani perjanjian penjaminan dengan PT Cinta Airport Flores ("CAF") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari CAF berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 14 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPK.

Sampai dengan tanggal pelaporan, penjaminan proyek belum efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 368 miliar (nilai penuh) yang merupakan biaya yang bukan pengakhiran yang ditanggung dan biaya pengakhiran yang ditanggung oleh PJPK ke BU sesuai PKS.

22. Proyek Preservasi Jalan Lintas Timur Sumatera di Provinsi Sumatera Selatan

Pada tanggal 3 Agustus 2020, Perusahaan menandatangani perjanjian penjaminan dengan PT Jalintim Adhi Abipraya ("JAA") selaku BU.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

20. Semarang - Demak Toll Road Project (continued)

On 9 January 2020, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 5,167 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition, land bailout fund and termination.

21. Labuan Bajo Airport Project

On 7 February 2020, the Company entered into a guarantee agreement with PT Cinta Airport Flores ("CAF") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from CAF in the form of upfront fee that payable at the signing date, while guarantee fee is obtained from the effective date of guarantee and until whichever is earlier between 14 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

As at the reporting date, the guarantee of the project has not been effective.

Estimated maximum guarantee from this project is amounting to Rp 368 billion (full amount) that is non-termination costs and termination costs to be paid by GCA to Investor as agreed in cooperation agreement.

22. Preservation of The East Sumatera Cross Road at South Sumatera Province Project

On 3 August 2020, the Company entered into a guarantee agreement with PT Jalintim Adhi Abipraya ("JAA") as the Investor.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

22. Proyek Preservasi Jalan Lintas Timur Sumatera di Provinsi Sumatera Selatan (lanjutan)

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari JAA berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 11 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPk.

Pada tanggal 30 Desember 2020, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 1.303 miliar (nilai penuh) yang merupakan biaya yang bukan pengakhiran yang ditanggung dan biaya pengakhiran yang ditanggung oleh PJPk ke BU sesuai PKS.

23. Proyek Tol Solo - Yogyakarta - NYIA Kulon Progo

Pada tanggal 9 September 2020, Perusahaan menandatangani perjanjian penjaminan dengan PT Jogjasolo Marga Makmur ("JMM") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari JMM berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPk.

Sampai dengan tanggal pelaporan, penjaminan proyek belum efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.760 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

22. Preservation of The East Sumatera Cross Road at South Sumatera Province Project (continued)

Based on this guarantee agreement, the Company is entitled to receive fees from JAA in the form of *upfront fee* that payable at the signing date, while *guarantee fee* obtained from the effective date of guarantee and until whichever is earlier between 11 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

On 30 December 2020, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting to Rp 1,303 billion (full amount) that is non-termination costs and termination costs to be paid by GCA to Investor as agreed in cooperation agreement.

23. Solo - Yogyakarta - NYIA Kulon Progo Toll Road Project

On 9 September 2020, the Company entered into a guarantee agreement with PT Jogjasolo Marga Makmur ("JMM") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from JMM in the form of *upfront fee* that payable at the signing date, while *guarantee fee* is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

As at the reporting date, the guarantee of the project has not been effective.

Estimated maximum guarantee from this project is amounting to Rp 2,760 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

24. Proyek Tol Yogyakarta - Bawen

Pada tanggal 13 November 2020, Perusahaan menandatangani perjanjian penjaminan dengan PT Jasamarga Jogja Bawen ("JJB") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari JJB berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPk.

Sampai dengan tanggal pelaporan, penjaminan proyek belum efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 2.634 miliar (nilai penuh) yang meliputi penyesuaian tarif, risiko politik, keterlambatan pengadaan tanah dan dana talangan tanah.

25. Proyek SPAM Pekanbaru

Pada tanggal 16 Desember 2020, Perusahaan menandatangani perjanjian penjaminan dengan PT Pembangunan Perumahan Tirta Madani ("PPTM") selaku BU.

Berdasarkan perjanjian penjaminan ini, Perusahaan berhak menerima imbal jasa penjaminan dari PPTM berupa *upfront fee* yang terhutang pada saat ditandatanganinya perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif dan selama mana yang lebih cepat dari 15 tahun setelah tanggal operasional komersial, tanggal berakhirnya perjanjian penjaminan atau tanggal berakhirnya PKS antara BU dan PJPk.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

24. Yogyakarta - Bawen Toll Road Project

On 13 November 2020, the Company entered into a guarantee agreement with PT Jasamarga Jogja Bawen ("JJB") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from JJB in the form of *upfront fee* that payable at the signing date, while *guarantee fee* obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

As at the reporting date, the guarantee of the project has not been effective.

Estimated maximum guarantee from this project is amounting to Rp 2,634 billion (full amount) covering tariff adjustment, political risk, delay in land acquisition and land bailout fund.

25. Water Supply System Pekanbaru Project

On 16 December 2020, the Company entered into a guarantee agreement with PT Pembangunan Perumahan Tirta Madani ("PPTM") as the Investor.

Based on this guarantee agreement, the Company is entitled to receive fees from PPTM in the form of *upfront fee* that payable at the signing date, while *guarantee fee* is obtained from the effective date of guarantee and until whichever is earlier between 15 years after the date of commercial operation, the date of which the guarantee agreement is terminated, or the date of which the cooperation agreement between the Investor and GCA is expired.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

KPBU (lanjutan)

25. Proyek SPAM Pekanbaru (lanjutan)

Sampai dengan tanggal pelaporan, penjaminan proyek belum efektif.

Estimasi maksimum nilai penjaminan dari proyek ini adalah Rp 469 miliar (nilai penuh) yang meliputi biaya yang bukan pengakhiran yang ditanggung dan biaya pengakhiran yang ditanggung dengan dengan perjanjian penjaminan.

Non-KPBU

1. Proyek Kawasan Ekonomi Khusus (KEK) Mandalika

Pada tanggal 31 Desember 2018, Perusahaan menandatangani perjanjian penjaminan pinjaman proyek pembangunan fasilitas infrastruktur pariwisata KEK Mandalika dengan PT Pengembangan Pariwisata Indonesia (Persero)/Indonesia Tourism Development Corporation ("ITDC") selaku BUMN terjamin.

Berdasarkan perjanjian pelaksanaan penjaminan yang ditandatangani pada tanggal 28 Desember 2018, Perusahaan berhak menerima imbal jasa penjaminan dari ITDC berupa *upfront fee* yang terhutang pada saat penandatanganan perjanjian dengan tahapan pembayaran sesuai dengan perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif selama 35 tahun.

Pada tanggal 22 Maret 2019, penjaminan proyek telah efektif bersamaan dengan efektifnya Perjanjian Pinjaman.

Estimasi maksimum nilai penjaminan dari proyek ini adalah sampai dengan 15,5% dari nilai pinjaman sebesar USD 94.392.000 (nilai penuh) beserta biaya bunga dan biaya lainnya.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

PPP (continued)

25. Water Supply System Pekanbaru Project (continued)

As at the reporting date, the guarantee of the project has not been effective.

Estimated maximum guarantee from this project is amounting to Rp 469 billion (full amount) covering non-termination costs and termination costs in accordance with the guarantee agreement.

Non-PPP

1. Special Economic Zone (SEZ) Mandalika Project

On 31 December 2018, the Company entered into a loan guarantee agreement for the construction of SEZ Mandalika tourism infrastructure facilities with Indonesia Tourism Development Corporation ("ITDC") as the guaranteed SOE .

Based on the loan guarantee implementation agreement signed on 28 December 2018, the Company is entitled to receive fees from ITDC in the form of *upfront fee* owed at the time of signing of the agreement with the payment stage in accordance to the agreement, while *guarantee fee* is obtained from the effective date of guarantee for 35 years.

On 22 March 2019, the guarantee of the project has been effective along with the effectiveness of Loan Agreement.

Estimated maximum guarantee from this project is amounting up to 15.5% of the principal loan amounting to USD 94,392,000 (full amount) plus interests and other charges.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

Non-KPBU (lanjutan)

2. Proyek Hydropower Programme

Pada tanggal 5 September 2019, Perusahaan menandatangani perjanjian penjaminan pinjaman proyek pembangunan fasilitas infrastruktur penyediaan pembangkit listrik tenaga air di wilayah Sulawesi dan lainnya dengan PT Perusahaan Listrik Negara (Persero) ("PLN") selaku BUMN terjamin dimana penjaminan telah efektif bersamaan dengan penandatanganan perjanjian penjaminan.

Berdasarkan perjanjian pelaksanaan penjaminan yang ditandatangani pada tanggal yang sama, Perusahaan berhak menerima imbal jasa penjaminan dari PLN berupa *upfront fee* yang terhutang pada saat penandatanganan perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif selama 14 tahun.

Pada tanggal 5 September 2019, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah maksimum sebesar EUR 42.099.000 (nilai penuh).

3. Proyek Pembangkit Listrik Tenaga Panas Bumi (PLTP) Dieng-2 dan Patuha-2

Pada tanggal 19 Agustus 2020, Perusahaan menandatangani perjanjian penjaminan pinjaman proyek pembangkit listrik tenaga panas bumi Dieng-2 dan Patuha-2 dengan PT Geo Dipa Energi (Persero) ("GDE") selaku BUMN terjamin.

Berdasarkan perjanjian pelaksanaan penjaminan yang ditandatangani pada tanggal yang sama, Perusahaan berhak menerima imbal jasa penjaminan dari GDE berupa *upfront fee* yang terhutang pada saat penandatanganan perjanjian dengan tahapan pembayaran sesuai dengan perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif selama 20 tahun.

Pada tanggal 21 September 2020, penjaminan proyek telah efektif bersamaan dengan efektifnya Perjanjian Pinjaman.

Estimasi maksimum nilai penjaminan dari proyek ini adalah sampai sebesar USD 58.625.000 (nilai penuh).

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

Non-PPP (continued)

2. Hydropower Programme Project

On 5 September 2019, the Company entered into a loan guarantee agreement for the infrastructure development in providing hydroelectric power plants in Sulawesi region and others with PT Perusahaan Listrik Negara (Persero) ("PLN") as the guaranteed SOE which the guarantee of the project has been effective along with the signing of the guarantee agreement.

Based on the loan guarantee implementation agreement signed on the same date, the Company is entitled to receive fees from PLN in the form of upfront fee owed at the time of signing of the agreement, while guarantee fee is received on the effective date of guarantee for 14 years.

On 5 September 2019, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is at the maximum amounting to EUR 42,099,000 (full amount).

3. Dieng-2 and Patuha-2 Geothermal Power Plant Development Project

On 19 August 2020, the Company entered into a loan guarantee agreement of Dieng-2 and Patuha-2 Geothermal Power Plant Development project with PT Geo Dipa Energi ("GDE") as the guaranteed SOE.

Based on the loan guarantee implementation agreement signed on the same date, the Company is entitled to receive fees from GDE in the form of upfront fee owed at the time of signing of the agreement with the payment stage in accordance to the agreement, while guarantee fee is received on the effective date of guarantee for 20 years.

On 21 September 2020 the guarantee of the project has been effective along with the effectiveness of Loan Agreement.

Estimated maximum guarantee from this project is amounting up to USD 58,625,000 (full amount).

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

Non-KPBU (lanjutan)

4. Proyek Pembangunan Jaringan Distribusi Kalimantan dan Maluku-Papua dengan Skema *Result-Based Lending* (RBL-KMP)

Pada tanggal 16 Desember 2020, Perusahaan menandatangani perjanjian penjaminan pinjaman proyek RBL-KMP dengan PT Pembangkit Listrik Negara (Persero) ("PLN") selaku BUMN Terjamin.

Berdasarkan perjanjian pelaksanaan penjaminan yang ditandatangani pada tanggal yang sama, Perusahaan berhak menerima imbal jasa penjaminan dari PLN berupa *upfront fee* yang terhutang pada saat penandatanganan perjanjian dengan tahapan pembayaran sesuai dengan perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif selama 20 tahun.

Pada tanggal 14 Januari 2021, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan (lihat Catatan 30).

Estimasi maksimum nilai penjaminan dari proyek ini adalah sampai sebesar USD 105.000.000 (nilai penuh).

5. Proyek Pengembangan Distribusi Sulawesi dan Nusa Tenggara dengan Skema *Result-Based Lending* (RBL-SNT)

Pada tanggal 16 Desember 2020, Perusahaan menandatangani perjanjian penjaminan pinjaman proyek RBL-SNT dengan PT Pembangkit Listrik Negara (Persero) ("PLN") selaku BUMN terjamin dimana penjaminan telah efektif bersamaan dengan penandatanganan perjanjian penjaminan.

Berdasarkan perjanjian pelaksanaan penjaminan yang ditandatangani pada tanggal yang sama, Perusahaan berhak menerima imbal jasa penjaminan dari PLN berupa *upfront fee* yang terhutang pada saat penandatanganan perjanjian dengan tahapan pembayaran sesuai dengan perjanjian, sedangkan *guarantee fee* diperoleh sejak tanggal efektif selama 15 tahun.

Pada tanggal 16 Desember 2020, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Estimasi maksimum nilai penjaminan dari proyek ini adalah sampai sebesar EUR 48.600.000 (nilai penuh).

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

Non-PPP (continued)

4. Kalimantan and Maluku-Papua Distribution Network Development Project with *Result-Based Lending Scheme* (RBL-KMP)

On 16 December 2020, the Company entered into a loan guarantee agreement of RBL-KMP project with PT Pembangkit Listrik Negara ("PLN") as the guaranteed SOE.

Based on the loan guarantee implementation agreement signed on the same date, the Company is entitled to receive fees from PLN in the form of upfront fee owed at the time of signing of the agreement with the payment stage in accordance to the agreement, while guarantee fee is received on the effective date of guarantee for 20 years.

On 14 January 2021, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled (refer to Note 30).

Estimated maximum guarantee from this project is amounting up to USD 105,000,000 (full amount).

5. Sulawesi and Nusa Tenggara Distribution Development Project with *Result-Based Lending Scheme* (RBL-SNT)

On 16 December 2020, the Company entered into a loan guarantee agreement of RBL-SNT project with PT Pembangkit Listrik Negara ("PLN") as the guaranteed SOE which the guarantee of the project has been effective along with the signing of the guarantee agreement.

Based on the loan guarantee implementation agreement signed on the same date, the Company is entitled to receive fees from PLN in the form of upfront fee owed at the time of signing of the agreement with the payment stage in accordance to the agreement, while guarantee fee is received on the effective date of guarantee for 15 years.

On 16 December 2020, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Estimated maximum guarantee from this project is amounting up to EUR 48,600,000 (full amount).

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian Penjaminan (lanjutan)

Loss Limit

Pada tanggal 28 Juli 2020, telah diterbitkan Peraturan Menteri Keuangan (PMK) No. 98/PMK.08/2020 tentang Tata Cara Penjaminan Pemerintah untuk Pelaku Usaha Korporasi melalui Badan Usaha Penjaminan Yang Ditunjuk Dalam Rangka Pelaksanaan Program Pemulihan Nasional dimana peran Perusahaan adalah memberikan dukungan *loss limit* dan dapat melaksanakan penjaminan bersama dengan Lembaga Pembiayaan Ekspor Indonesia (LPEI) sebagai Badan Usaha Penjamin yang ditunjuk Pemerintah. Berdasarkan PMK tersebut, pada tanggal 19 November 2020, Perusahaan menandatangani perjanjian kerja sama dengan Kementerian Keuangan RI dan pada tanggal 15 Desember 2020, Perusahaan juga menandatangani perjanjian kerja sama dengan LPEI terkait pelaksanaan penugasan pemberian dukungan *loss limit* dalam rangka penjaminan pemerintah untuk Program Pemulihan Ekonomi Nasional.

Berdasarkan penugasan dari Pemerintah, Perusahaan memberikan dukungan *loss limit* kepada LPEI dengan batasan 90% dari akumulasi imbal jasa penjaminan *loss limit* yang diterima Perusahaan dari Pemerintah.

Sampai dengan akhir tahun 2020, nilai pinjaman yang telah diterbitkan sertifikat penjaminannya oleh LPEI dan disetujui untuk diberikan dukungan *loss limit* oleh Perusahaan adalah sebesar Rp 287,5 miliar (nilai penuh) dengan nilai penjaminan sebesar Rp 172,5 miliar (nilai penuh).

Pada tanggal 23 Desember 2020, Perusahaan menandatangani perjanjian kerja sama dengan Kementerian Keuangan RI sehubungan dengan pelaksanaan penugasan penjaminan bersama dalam rangka penjaminan pemerintah untuk Program Pemulihan Ekonomi Nasional.

Sampai dengan akhir tahun 2020, belum ada penjaminan bersama Program Pemulihan Ekonomi Nasional yang diberikan oleh Perusahaan.

25. SIGNIFICANT AGREEMENTS (continued)

Guarantee Agreement (continued)

Loss limit

On 28 July 2020, the issuance of Minister of Finance Regulation (PMK) No. 98/PMK.08/2020 regarding Procedures of Government Guarantee for Corporate Business Entities through Guarantee Entities for National Recovery Program where the role of the Company are providing loss limit supports and performing co-guarantee with Indonesia Eximbank (LPEI) as a guarantor of Corporate Business Entities appointed by the Government of Indonesia. In accordance with the PMK, on 19 November 2020, the Company entered into a cooperation agreement with Indonesia Ministry of Finance, and on 15 December 2020, the Company also entered into a cooperation agreement with LPEI regarding the implementation of the assignment to provide loss limit supports for the the sovereign guarantees for the National Economic Recovery Program.

Based on assignment from the Government, the Company provides loss limit supports to LPEI with threshold 90% of the accumulated loss limit guarantee fees received from government.

As of December 2020, the value of loans for which guarantee certificate has been issued by LPEI and approved for loss limit supports by the Company is IDR 287.5 billion (full amount) with guarantee value amounting to Rp 172.5 billion (full amount).

On 23 December 2020, the Company entered into a cooperation agreement with Indonesia Ministry of Finance regarding implementation of a co-guarantee assignment of the sovereign guarantees for the National Economic Recovery Program.

As of December 2020, there are co-guarantee for the National Economic Recovery Program provided by the Company.

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25. PERJANJIAN PENTING (lanjutan)

Kontijensi

Terkait risiko keterlambatan pengadaan tanah, batas akhir serah terima tanah untuk beberapa proyek jalan tol yang dijamin Perusahaan telah terlewati. Dalam hal adanya kompensasi tunai atas keterlambatan penyerahan tanah tersebut dapat diajukan oleh BU kepada PJPK 7 hari sampai dengan 90 hari setelah diterbitkannya Sertifikat Laik Operasi ("SLO"). Sampai dengan tanggal 31 Desember 2020, terdapat 3 (tiga) proyek yang telah terbit SLO namun hanya 2 (dua) proyek yang dapat mengajukan klaim ke PJPK. Dalam hal PJPK tidak memenuhi kewajiban pembayaran kompensasi tersebut sesuai dengan batas waktu yang diatur dalam perjanjian kerjasama, maka BU dapat mengajukan klaim kepada Perusahaan. Estimasi potensi klaim kepada PJPK yang dapat diajukan kepada Perusahaan untuk keseluruhan proyek adalah sebesar Rp 158 miliar (nilai penuh) dengan asumsi keterlambatan pengadaan tanah adalah maksimal 6 bulan (tidak diaudit).

Dalam penjaminan Non-KPBU, jika BUMN Terjamin tidak dapat memenuhi kewajiban pembayar sesuai perjanjian pinjaman kepada pemberi pinjaman, Perusahaan akan mengambil alih kewajiban pembayaran tersebut sesuai dengan perjanjian penjaminan sebelum terjadinya gagal bayar BUMN Terjamin atas pinjaman yang diberikan.

Pada tanggal 31 Desember 2020, Perusahaan telah menelaah kewajibannya, baik dalam bentuk potensi klaim dan/atau klaim aktual atas risiko-risiko yang ditanggung Perusahaan dalam perjanjian penjaminan, untuk menilai apakah suatu liabilitas harus diakui dalam laporan keuangan. Atas penilaian tersebut, pada tanggal 31 Desember 2020 tidak ada penyisihan atas klaim yang dibentuk oleh Perusahaan.

Atas semua perjanjian penjaminan yang dimiliki di atas, Perusahaan juga menandatangani perjanjian dengan para PJPK (KPBU) atau BUMN Terjamin (Non-KPBU) dari masing-masing proyek yang mengatur tata cara pengembalian hak regres pada saat pembayaran klaim dilakukan.

25. SIGNIFICANT AGREEMENTS (continued)

Contingencies

Regarding the risk of delay in land acquisition, the due date of land acquisition for few toll road project that guaranteed by Company have passed. In case of any cash compensation incurred due to delay in these land acquisition could be submitted by the Investor to GCA 7 days to 90 days after the issuance of the Operation Worthiness Certificate ("OWC"). As at 31 December 2020, there were 3 (three) projects that issued OWC, however only 2 (two) projects that were eligible to submit the claim to GCA. If the GCA did not fulfill the obligation to pay cash compensation in accordance with the time limit stipulated in the cooperation agreement, the investor could submit a claim to the Company. The estimated potential claims to GCA for all guaranteed projects that could be submitted to the Company is Rp 158 billion (full amount), assuming the delay reaches maximum limit of 6 months (unaudited).

In non-PPP guarantee, if guaranteed SOEs are unable to fulfill payment obligation according to the loan agreement to the lenders, the Company will take over the payment obligations in accordance with guarantee agreement before the default of guaranteed SOEs' loan.

As at 31 December 2020, the Company has reviewed its obligation, whether in the form of potential claims and/or actual claims over the risks borne by the Company as stipulated in the guarantee agreement, to assess whether any provision required to be recognised in the financial statements. Based on the assessment, as at 31 December 2020, there was no provision of claims deemed necessary to be made by the Company.

Upon the signing of guarantee agreements above, the Company also signed agreement with GCA (PPP) or guaranteed SOEs (Non-PPP) of each projects, which stipulates term and conditions of recourse right when the Company make any claim payment.

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25. PERJANJIAN PENTING (lanjutan)

Perjanjian sewa kantor dengan PT Mahkota Prima Properti

Pada tanggal 22 Agustus 2016 Perusahaan mengadakan perjanjian sewa dengan PT Mahkota Prima Properti. Periode sewa adalah untuk 4 (empat) tahun dimulai dari 1 September 2016 dan berakhir pada 31 Agustus 2020.

Perjanjian sewa ini meliputi area yang digunakan untuk ruangan kantor. Berdasarkan perjanjian ini, Perusahaan mempunyai kewajiban untuk membayar sewa, jasa pemeliharaan dan biaya lainnya terkait sewa ke PT Mahkota Prima Properti. Pembayaran untuk seluruh jumlah sewa dan jasa pemeliharaan dibayarkan setiap bulan. Sebagai tambahan, Perusahaan juga membayar dimuka atas deposit sekuriti yang ditahan oleh PT Mahkota Prima Properti tanpa kewajiban untuk membayar bunga kepada Perusahaan. Seluruh deposit tersebut akan dikembalikan pada waktu berakhirnya perjanjian sewa ini, jika Perusahaan tidak berniat untuk melanjutkan sewa.

Pada tanggal 27 Juli 2020, Perusahaan telah menandatangani perpanjangan perjanjian sewa dengan PT Mahkota Prima Properti untuk periode perpanjangan sewa selama 3 (tiga) tahun dimulai dari 1 September 2020 dan berakhir pada 31 Agustus 2023.

25. SIGNIFICANT AGREEMENTS (continued)

Rent office agreement with PT Mahkota Prima Properti

On 22 August 2016, the Company entered into a lease agreement with PT Mahkota Prima Properti. The lease period is for 4 (four) years starting from 1 September 2016 and expires on 31 August 2020.

This lease agreement covers an area that is used for office space. Based on this agreement, the Company has an obligation to pay rent, service charges and other charges to PT Mahkota Prima Properti. Payment for the full amount of rent and service charges was charged monthly. In addition, the Company also paid in advance for security deposit, which is held by the PT Mahkota Prima Properti without liability to the Company for interest. All deposits will be refunded on the expiration of this lease, if the Company does not intend to continue the lease.

On 27 July 2020, the Company entered into extension of lease agreement with PT Mahkota Prima Properti for another 3 (three) years lease period starting from 1 September 2020 and expires on 31 August 2023.

26. TRANSAKSI NON-KAS

Transaksi non-kas yang penting adalah sebagai berikut:

26. NON-CASH TRANSACTIONS

The principal non-cash transactions are as follows:

	<u>2020</u>	<u>2019</u>	
Pencadangan saldo laba	26,471,000	23,554,000	Appropriation retained earnings
Perubahan nilai pasar atas aset keuangan yang diukur pada nilai wajar	292,588,861	117,779,282	Changes in fair value of financial assets at fair value

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27. REKONSILIASI BERSIH	AKTIVITAS PENDANAAN	27. NET FINANCING RECONCILIATION	ACTIVITIES

Rekonsiliasi dari aktivitas pendanaan adalah sebagai berikut:

Reconciliation from financing activities are as follows:

2020					
Perubahan non-kas/ Non-cash changes					
	Saldo awal/ Beginning balance	Arus kas/ Cashflow	Pergerakan valuta asing/ Movement of foreign exchange	Pergerakan beban transaksi/ Changes in transaction cost	Saldo akhir/ Ending balance
Pinjaman penerusan	55,126,686	-	-	-	55,126,686
Liabilitas sewa pembayaran	-	7,302,592	-	43,791,788	51,094,380
Jumlah liabilitas dari aktivitas pendanaan	<u>55,126,686</u>	<u>7,302,592</u>	<u>-</u>	<u>43,791,788</u>	<u>106,221,066</u>
2019					
Perubahan non-kas/ Non-cash changes					
	Saldo awal/ Beginning balance	Arus kas/ Cashflow	Pergerakan valuta asing/ Movement of foreign exchange	Pergerakan beban transaksi/ Changes in transaction cost	Saldo akhir/ Ending balance
Pinjaman penerusan	55,126,686	-	-	-	55,126,686
Jumlah liabilitas dari aktivitas pendanaan	<u>55,126,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,126,686</u>

Two-step loans
Financial lease liabilities

Total liabilities from financing activities

Two-step loans

Total liabilities from financing activities

28. REKLASIFIKASI

28. RECLASSIFICATION

Akun-akun dalam laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2019 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2020.

Accounts in the financial statements for the year ended 31 December 2019 have been reclassified to conform with the presentation of financial statements for the year ended 31 December 2020.

31 Desember/December 2019				
	Sebelum reklasifikasi/ <i>Before reclassification</i>	Reklasifikasi/ <i>Reclassification</i>	Setelah reklasifikasi/ <i>After reclassification</i>	
Laporan laba rugi dan pendapatan komprehensif lain				<i>Statement of profit or loss and other comprehensive income</i>
Beban usaha Pengembangan usaha				<i>Operating expenses Business development</i>
- IIGF Institute	5,885,303	-	5,885,303	IIGF Institute -
- Loka-karya	4,485,758	-	4,485,758	Workshop -
- Iklan dan promosi	1,592,932	-	1,592,932	Advertising and promotion -
- Sumbangan sosial	1,429,818	-	1,429,818	Social contribution -
- Representasi	652,641	-	652,641	Representation -
- Pegawai	-	17,833,361	17,833,361	Employee cost -
- Perjalanan dinas	-	1,215,376	1,215,376	Travelling -
- Rapat dan konferensi	-	509,686	509,686	Meeting and conference -
	14,046,452	19,558,423	33,604,875	

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28. REKLASIFIKASI (lanjutan)

Akun-akun dalam laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2019 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2020. (lanjutan)

28. RECLASSIFICATION (continued)

Accounts in the financial statements for the year ended 31 December 2019 have been reclassified to conform with the presentation of financial statements for the year ended 31 December 2020. (continued)

31 Desember/December 2019				
Sebelum reklasifikasi/ Before reclassification	Reklasifikasi/ Reclassification	Setelah reklasifikasi/ After reclassification		
Laporan laba rugi dan pendapatan komprehensif lain (lanjutan)				Statement of profit or loss and other comprehensive income (continued)
Beban usaha (lanjutan)				Operating expenses (continued)
Administrasi dan umum				General and administrative
- Pegawai	58,032,032	(17,833,361)	40,198,671	Employee cost -
- Sewa	28,354,750	-	28,354,750	Rent -
- Jasa profesional	7,005,923	-	7,005,923	Professional fees -
- Perjalanan dinas	4,187,700	(1,215,376)	2,972,324	Travelling -
- Rapat dan konferensi	3,837,249	(509,686)	3,327,563	Meeting and conference -
- Outsourcing	3,724,851	-	3,724,851	Outsourcing -
- Beban bina karyawan	3,588,751	-	3,588,751	Employee development -
- Pelatihan	2,892,898	-	2,892,898	Training -
- Pemeliharaan	1,144,881	-	1,144,881	Maintenance -
- Perlengkapan kantor	1,140,961	-	1,140,961	Office equipment -
- Transportasi	1,068,131	-	1,068,131	Transportation -
- Air dan listrik	391,312	-	391,312	Water & electricity -
- Komunikasi	190,549	-	190,549	Communication -
- Lainnya	104,607	-	104,607	Others -
115,664,595	(19,558,423)	96,106,172		

29. STANDAR AKUNTANSI BARU YANG TELAH DISAHKAN NAMUN BELUM BERLAKU EFEKTIF

Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia ("DSAK-IAI") telah menerbitkan standar baru, amandemen dan interpretasi berikut, namun akan berlaku efektif untuk tahun buku yang dimulai pada 1 Januari 2021 sebagai berikut:

- PSAK 112 "Akuntansi Wakaf".

PSAK ini tidak memiliki dampak pada laporan keuangan Perusahaan.

29. ACCOUNTING STANDARD ISSUED BUT NOT YET EFFECTIVE

Financial Accounting Standard Board of Indonesian Institute of Accountants ("DSAK-IAI") has issued the following new standards, amendments and interpretations, but will be effective for the financial year beginning 1 January 2021 as follows:

- SFAS 112 "Accounting for Endowments".

This SFAS has no impact to the Company's financial statements.

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30. KEJADIAN PENTING SETELAH TANGGAL NERACA

Undang-undang Cipta Kerja

Pada bulan Februari 2021, Pemerintah resmi mengundang 49 peraturan pelaksana Undang-Undang Cipta Kerja.

Pada saat laporan keuangan diotorisasi, Perusahaan masih mempelajari dampak yang mungkin timbul dari peraturan pelaksana Undang-Undang Cipta Kerja, serta pengaruhnya pada laporan keuangan Perusahaan.

Perjanjian Penjaminan

KPBU

Proyek SPAM Jatiluhur I

Pada tanggal 19 Februari 2021, Perusahaan menandatangani perjanjian penjaminan dengan PT Wika Tirta Jaya Jatiluhur selaku BU.

Non-KPBU

Proyek Pembangunan Jaringan Distribusi Kalimantan dan Maluku-Papua dengan Skema Result-Based Lending (RBL-KMP)

Pada tanggal 14 Januari 2021, penjaminan proyek telah efektif dengan telah terpenuhinya seluruh persyaratan yang diatur dalam perjanjian penjaminan.

Informasi terkait perjanjian penjaminan proyek pada Catatan 25 non-KPBU No. 4.

Proyek Pengembangan Jaringan Distribusi di Jawa Timur dan Bali (EJB)

Pada tanggal 10 Februari 2021, Perusahaan menandatangani perjanjian pinjaman Proyek dengan PLN selaku BUMN terjamin.

31. INFORMASI PENTING LAINNYA

Dampak COVID-19

Sehubungan dengan perkembangan pandemi COVID-19, Perusahaan telah melakukan penilaian atas dampak pandemi COVID-19 terhadap rencana operasi dan bisnis Perusahaan. Berdasarkan penilaian yang dilakukan, Perusahaan tidak melihat adanya ketidakpastian material yang akan menyebabkan kerugian yang signifikan terhadap bisnis dan operasional Perusahaan ataupun menimbulkan keraguan signifikan atas kemampuan Perusahaan untuk mempertahankan kelangsungan usahanya pada tanggal 31 Desember 2020.

30. SUBSEQUENT EVENTS

Job Creation Law

In February 2021, the Government officially enacted 49 implementing regulations of the Job Creation Law.

As at the authorisation date of these consolidated financial statements, the Company is still evaluating the potential impact of the implementing regulations of the Job Creation Law, as well as the impact on the Company's financial statements.

Guarantee Agreement

PPP

Water Supply System Jatiluhur I Project

On 19 February 2021, the Company entered into a guarantee agreement with PT Wika Tirta Jaya Jatiluhur as the investor.

Non-PPP

Kalimantan and Maluku-Papua Distribution Network Development Project with Result-Based Lending Scheme (RBL-KMP)

On 14 January 2021, the guarantee of the project has been effective since all the requirements in the guarantee agreement have been fulfilled.

Information in respect of guarantee agreement is disclosed in Note 25 non-PPP No. 4.

East Java and Bali (EJB) Distribution Network Development Project

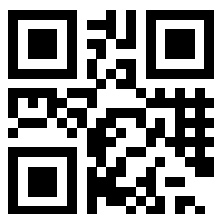
On 10 February 2021, the Company entered into a loan guarantee agreement of EJB Project with PLN as the guaranteed SOE.

31. OTHER SIGNIFICANT INFORMATION

COVID-19 impact

In relation to development of the COVID-19 pandemic, the Company has assessed the effects of the COVID-19 pandemic to the Company's operations and business plan. Based on the assessment, the Company does not foresee any material uncertainty that may have significant adverse impact to the Company's business and operation or may cast significant doubt on the Company's ability to continue as a going concern as at 31 December 2020.

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PT Penjaminan Infrastruktur Indonesia (Persero)

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