

- c. In the implementation of this segregation policy, the company carries out several moves for instance:
- Determine the function or certain job only for several employees in which these are separated from the others to decrease the risk of information/data manipulation or misuse of company's assets.
 - This separation is not limited only for front and back office activities but it is intended to manage several things as follows:
 - 1) Approval of spending and the realization of it.
 - 2) The customer account and bank account owner.
 - 3) Transactions in bank bookkeeping.
 - 4) Giving information to the bank customer.
 - 5) Assessing the adequacy of loan documentation and debtor monitoring after loan disbursement.
 - 6) Other business activities that may cause conflict of interest.
 - 7) The independence of the bank risk management function.
- d. Both directors and employees have a comprehensive job description including their functions, duties, authorities and responsibilities.
- e. They are not allowed to have a double job in their internal institution that can cause a conflict of interest.

Information and Communication

a. Information

The company has system information that provides comprehensive and sufficient data/information related to business activities, financial condition, the implementation of risk management, the obedience towards rules and regulations, market information or external condition needed while making proper decisions.

b. Communication

The company has such a communication system which is able to deliver information to all stakeholders including internal and external parties such as Banking Monitoring Authority, external auditors, shareholders and customers of the company.

SPI's duty is to make sure the availability of effective means of communication so both managerial people and employees understand and obey the applicable policies and procedures while doing their jobs and responsibilities.

Managerial people have an effective communication channel so all information needed can be reached by interested parties. This requirement is for all information including policies and procedures that have been assigned, risk exposures, real transactions, and operational performance of the Bank.

Monitoring Activities

Directors conduct periodic monitoring activities to find out the effectiveness of overall SPI implementation although it is not limited only about the effectiveness and the safety of TI use in which The Board of Commissioners also ensure that The Directors have conducted the monitoring well.

Monitoring towards the main risks of the company is a part of daily activities including periodic evaluation carried out by Work Unit, Compliance Unit, Risk Management Work Unit, and Internal Audit Work Unit.

Related work units monitor the adequacy of SPI continuously in regard with the internal and external changing conditions and increase the capacity of this SPI so its effectiveness can be improved. If there are some SPI's weaknesses identified by risk taking unit, intern audit of taking unit or the others, they should be reported to the Board of Commissioners and Board of Directors.

Its Compatibility With The Committee of Sponsoring Organizations of The Treadway Commission (COSO)

SPI consists of 8 components which are related to each other and applied effectively by all levels in the company in order to achieve its goal. It is the development of 5 principal elements of SPI regulated by Regulator.

This development referred to the COSO Model developed by Committee of Sponsoring Organizations of the Tread way Commission (COSO) in 2008 which consists of:

1. Internal Environment
2. Objective Setting
3. Event Identification
4. Risk Assessment
5. Risk Response
6. Control Activities
7. Information & Communication
8. Monitoring