

CHAPTER II

DESCRIPTION OF THE RESEARCH OBJECT

2.1 Indonesia Stock Exchange (IDX)

The history of the establishment of the Indonesia Stock Exchange began during the colonial period of the Dutch East Indies Government on December 14, 1912, where stock exchange trading was inaugurated under the name *Vereniging voor de Effectenhandel* as a branch of the Amsterdam Stock Exchange (*Amsterdamse Effectenbeurs*). In its development, during the colonial period the IDX did not develop well due to various factors ranging from war shocks to economic instability. Then the beginning of the revival of the IDX began again under President Soeharto which was marked by the establishment of the Capital Market Implementing Agency (BAPEPAM) on August 10, 1977 through PP No. 25/1976 and Presidential Decree No. 52/1976. On this basis, the IDX officially became a legal entity that was separated from the influence and interference of the colonial government.

The Indonesia Stock Exchange continues to develop so that currently the IDX is a legal entity engaged in securities trading activities in the Capital Market which is located at the Indonesia Stock Exchange Building, Tower 1, 6th Floor Jl. Jend. Sudirman Kav 52-53 South Jakarta 12190, Indonesia. In addition, in its role BEL. It can be defined that basically the activities carried out by the Stock Exchange are organizing and providing trading facilities or systems for members. The vision of the IDX is "To become a competitive exchange with world-class credibility" and the mission of the IDX is "To create a trusted and credible

financial market infrastructure, to realize an orderly, fair and efficient market, accessible to all stakeholders through innovative products and services”.

2.2 Banking Sub-Sector Companies

2.2.1 PT Bank Raya Indonesia Tbk (AGRO)

Bank Raya Indonesia was established on September 27, 1989 under the name PT Bank AGRO. Currently, the bank is part of Bank Rakyat Indonesia (BRI) and is transforming into a digital bank. On August 8, 2003, Bank Raya Indonesia made its initial public offering on the IDX under the ticker code AGRO. The current number of shares outstanding is 24,740,494,294 shares with 22,547,326,420 shares of institutional ownership and 3,824,015 shares of management ownership. The number of Bank Raya Indonesia's board of commissioners is 10 people with 7 independent commissioners, who are assisted by 7 audit committees.

2.2.2 PT Bank Jago Tbk (ARTO)

Bank Jago was founded in 1992 under the name PT Bank Artos Indonesia. The bank rebranded as Bank Jago in 2020 and transformed into a digital bank. On January 2, 2016, Bank Jago made an initial public offering on the IDX with the stock code ARTO. The current number of shares outstanding is 13,856,250,000 shares with institutional share ownership of 12,504,018,563 shares and management share ownership of 4,176,624,456 shares. The number of Bank Jago's board of commissioners is 4 people with 2 independent commissioners, who are assisted by 4 audit committees.

2.2.3 PT Bank Capital Indonesia Tbk (BACA)

Bank Capital Indonesia was established on April 20, 1989 under the name PT Bank Credit Lyonnais. On October 4, 2007, Bank Capital Indonesia listed its shares on the IDX with the stock code BACA. The current number of outstanding shares is 19,953,024,885 shares with institutional share ownership of 17,907,813,352 shares and management share ownership of 14,904,480,000 shares. Bank Capital Indonesia's board of commissioners consists of 3 people with 2 independent commissioners, assisted by 3 audit committees.

2.2.4 PT Bank Central Asia Tbk (BBCA)

Bank Central Asia was established on October 10, 1955 under the name NV Perseroan Dagang dan Industri Semarang Knitting Factory. On May 31, 2005, BCA made its initial public offering on the IDX under the stock code BBCA. The current number of shares outstanding is 123,275,050,000 shares with institutional share ownership of 67,729,950,000 shares and management share ownership of 174,872,403 shares. The number of BCA's board of commissioners is 5 people with 3 independent commissioners, who are assisted by 3 audit committees.

2.2.5 PT Bank Mestika Dharma Tbk (BBMD)

Bank Mestika Dharma was established on April 27, 1955 in Medan. On July 8, 2013, Bank Mestika Dharma conducted an initial public offering on the IDX with the stock code BBMD. The current number of shares outstanding is 4,090,090,000 shares with institutional share ownership of 3,658,020,000 shares and management share ownership of 1,075,400 shares. The number of Bank Mestika Dharma's board of commissioners is 4 people with 2 independent commissioners, assisted by 3 audit

committees.

2.2.6 PT Bank Negara Indonesia (Persero) Tbk (BBNI)

Bank Negara Indonesia was established on July 5, 1946 under the name Poesat Bank Indonesia, which was initially engaged as a central bank and commercial bank. On November 25, 1996, BNI made its initial public offering on the IDX with the stock code BBNI. The current number of shares outstanding is 37,256,798,316 shares with institutional share ownership of 35,699,351,338 shares and management share ownership of 13,980,678 shares. The number of BNI's board of commissioners is 11 people with 6 independent commissioners, who are assisted by 5 audit committees.

2.2.7 PT Bank Rakyat Indonesia (Persero) Tbk (BBRI)

Bank Rakyat Indonesia was founded on December 16, 1895, which then functioned as a commercial bank in 1968. On November 10, 2003, BRI made its initial public offering on the IDX with the stock code BBRI. The current number of outstanding shares is 151,559,001,604 shares with 148,704,601,207 shares of institutional ownership and 27,057,158 shares of management ownership. The number of BRI commissioners is 10 people with 7 independent commissioners, who are assisted by 7 audit committees.

2.2.8 Bank Tabungan Negara (Persero) Tbk (BBTN)

Bank Tabungan Negara was established on February 9, 1950 under the name Bank Tabungan Pos. On December 12, 2009, BTN conducted an initial public offering on the IDX with the stock code BBTN. The current number of shares

outstanding is 14,030,000,000 shares with institutional share ownership of 3,688,390,044 shares and management share ownership of 19,830,091 shares. The number of BTN's board of commissioners is 9 people with 5 independent commissioners, who are assisted by 5 audit committees.

2.2.9 Bank Danamon Indonesia (BDMN)

Bank Danamon Indonesia was established on July 16, 1956 under the name Bank Kopra Indonesia. On December 6, 1989, Bank Danamon made its initial public offering on the IDX under the ticker code BDMN. The current number of shares outstanding is 9,773,552,870 shares with institutional share ownership of 9,038,053,192 shares and management share ownership of 3,292,156 shares. Bank Danamon's board of commissioners consists of 6 members with 3 independent commissioners, assisted by 4 audit committees.

2.2.10 Bank Pembangunan Daerah Jawa Barat dan Banten (BJBR)

Bank Pembangunan Daerah Jawa Barat dan Banten was established on May 20, 1961 and is a BUMD of the Government of West Java and Banten. On July 8, 2010, Bank BJB made its initial public offering on the IDX with the ticker code BJBR. The number of shares currently outstanding is 10,521,443,686 shares with institutional share ownership of 7,948,593,331 shares and management share ownership of 9,270,687 shares. The number of Bank BJB's board of commissioners is 6 people with 4 independent commissioners, who are assisted by 5 audit committees.

2.2.11 Bank Pembangunan Daerah Jawa Timur (BJTM)

Bank Pembangunan Daerah Jawa Timur established on August 17, 1961 in Surabaya is a BUMD of the East Java Government. On July 12, 2012, Bank Jatim made an initial public offering on the IDX with the stock code BJTM. The current number of shares outstanding is 15,015,498,082 shares with institutional share ownership of 13,329,040,775 shares and management share ownership of 5,421,400 shares. The number of commissioners of Bank Jatim is 5 people with 3 independent commissioners, who are assisted by 4 audit committees.

2.2.12 Bank Mandiri (Persero) Tbk (BMRI)

Bank Mandiri was established on October 2, 1998 and is a combination of 4 government-owned banks, namely Export Import Indonesia, Bank Dagang Negara, Bank Bumi Daya, and Bank Pembangunan Indonesia. On July 14, 2003, Bank Mandiri made its initial public offering on the IDX under the ticker code BMRI. The current number of shares outstanding is 93,333,333,332 shares with institutional share ownership of 92,026,783,021 shares and management share ownership of 69,839,700 shares. Bank Mandiri's board of commissioners consists of 11 members with 6 independent commissioners, assisted by 7 audit committees.

2.2.13 PT Bank Bumi Arta Tbk (BNBA)

Bank Bumi Arta was established on March 3, 1967 and then merged with Bank Duta Nusantara in 1976. On June 1, 2006, Bank Bumi Arta made its initial public offering on the IDX with the ticker code BNBA. The current number of shares outstanding is 3,388,000,000 shares with institutional share ownership of 3,186,534,635 shares and management share ownership of 1,416,860 shares. The

number of Bank Bumi Arta's board of commissioners is 4 people with 2 independent commissioners, assisted by 3 audit committees.

2.2.14 PT Bank CIMB Niaga Tbk (BNGA)

Bank CIMB Niaga was established on September 26, 1955 under the name Bank Niaga. On November 29, 1989, CIMB Niaga made its initial public offering on the IDX with the ticker code BNGA. The current number of shares outstanding is 25,131,606,843 shares with 23,246,736,329 shares of institutional ownership and 5,727,232 shares of management ownership. The number of CIMB Niaga's board of commissioners is 7 people with 4 independent commissioners, who are assisted by 6 audit committees.

2.2.15 PT Bank Syariah Indonesia Tbk (BRIS)

Bank Syariah Indonesia was first established in 2008 under the name BRI Syariah and is the result of a merger of three state banks in 2021, namely Bank BRI Syariah, Bank Syariah Mandiri, and Bank BNI Syariah. On May 9, 2018, BSI made its initial public offering on the IDX under the ticker code BRIS. The current number of outstanding shares is 46,129,260,138 shares with institutional share ownership of 44,760,957,867 shares and management share ownership of 31,083,500 shares. The number of BSI's board of commissioners is 10 people with 5 independent commissioners, assisted by 7 audit committees.

2.2.16 PT Bank Sinarmas Tbk (BSIM)

Bank Sinarmas was established on August 18, 1989 under the name Bank Shinta Indonesia. On December 13, 2010, Bank Sinarmas conducted an initial

public offering on the IDX with the ticker code BSIM. The current number of outstanding shares is 19,517,921,842 shares with institutional share ownership of 18,737,198,112 shares and management share ownership of 2,407,478 shares. The number of Bank Sinarmas' board of commissioners is 5 persons with 2 independent commissioners, assisted by 3 audit committees.

2.2.17 PT Bank Artha Graha Internasional Tbk (INPC)

Bank Artha Graha Internasional was established on September 7, 1973 under the name PT Inter-Pacific Financial Corporation. On August 23, 1990, Bank Artha Graha Internasional made its initial public offering on the IDX under the ticker code INPC. The current number of shares outstanding is 20,223,412,907 shares with 18,737,198,112 shares of institutional ownership and 2,407,478 shares of management ownership. The number of Bank Artha Graha Internasional's board of commissioners is 5 with 3 independent commissioners, assisted by 3 audit committees.

2.2.18 PT Bank Mayapada Internasional Tbk (MAYA)

Bank Mayapada Internasional was established on September 7, 1989 and began commercial operations in 1990. On August 29, 1997, Bank Mayapada made its initial public offering on the IDX with the stock code MAYA. The current number of shares outstanding is 26,167,857,730 shares with institutional share ownership of 18,422,275,484 shares and management share ownership of 5,061,455,771 shares. The number of Bank Mayapada's board of commissioners is 3 people with 1 independent commissioner, who is assisted by 3 audit committees.

2.2.19 Bank China Construction Bank Indonesia (MCOR)

Bank China Construction Bank Indonesia was established on September 7, 1989 and is a merger between Bank Windu Kentjana International and Bank Antardaerah. On July 3, 2007, Bank CBC Indonesia made its initial public offering on the IDX with the stock code MCOR. The number of shares currently outstanding is 37,919,730,514 shares with a total institutional share ownership of 28,478,060,068 shares and management share ownership of 6,405,400 shares. The number of board of commissioners of Bank CBC Indonesia is 4 people with 2 independent commissioners, assisted by 2 audit committees.

2.2.20 PT Bank OCBC NISP Tbk (NISP)

Bank OCBC NISP was established on April 4, 1941 under the name NV Nederlandsch Indische Spaar En Deposito Bank. On October 20, 1994, OCBC NISP made its initial public offering on the IDX under the ticker code NISP. The current number of shares outstanding is 22,945,296,972 shares with 21,935,703,905 shares of institutional ownership and 5,172,362 shares of management ownership. The number of OCBC NISP's board of commissioners is 8 people with 4 independent commissioners, assisted by 4 audit committees.

2.2.21 PT Bank Pan Indonesia Tbk (PNBN)

Bank Pan Indonesia was founded on August 17, 1971 and is a combination of Bank Kemakmuran, Bank Industri Djaja Indonesia, and Bank Industri dan Dagang Indonesia. On December 29, 1982, Panin Bank made its initial public offering on the IDX with the stock code PNBN. The current number of outstanding shares is 24,087,645,998 shares with 23,289,032,082 shares of institutional

ownership and 3,500,000 shares of management ownership. The number of Panin Bank's board of commissioners is 6 people with 3 independent commissioners, assisted by 5 audit committees.

2.2.22 PT Bank Woori Saudara Indonesia 1906 Tbk (SDRA)

Bank Woori Saudara Indonesia 1906 was established on April 4, 1941 under the name Himpoenan Saudara and became the forerunner of Bank Himpunan Saudara 1906, then cooperated with Woori Bank Korea in 2014. On December 15, 2006, Bank Woori Saudara made its initial public offering on the IDX under the ticker code SDRA. The current number of shares outstanding is 8,568,234,364 shares with institutional share ownership of 7,795,856,875 shares and management share ownership of 3,057,200 shares. The number of OCBC NISP's board of commissioners is 4 people with 3 independent commissioners, assisted by 4 audit committees.