PT BANK CENTRAL ASIA TBK

Always by Your Side

Live to Empower

2023

SUSTAINABILITY REPORT



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Bakti BCA Partner Tourism Village, Saba Budaya Baduy

Live to Empower

BCA is always by your side to offer banking solutions, share added value, and continuously work together with stakeholders to create a better future. The stakeholders' support in BCA's business activities has encouraged us to keep improving sustainability performance, manage risks and opportunities in environmental, social and governance (ESG) aspects, and contribute to the achievement of the Sustainable Development Goals (SDGs). Therefore, let us synergize, be empowered and work to create long-term sustainability value.

Forward-looking Statement

PT Bank Central Asia Tbk and/or in this report referred to as "BCA", engaged in the banking sector, dicloses its achievements in economic, social, environmental performance and sustainability management in this Sustainability Report. The Sustainability Report is part of the Annual Report which is published separately. This report contains material data and information for stakeholders. In general, the contents of the Report originated from internal documents and information from reliable sources. Readers need to understand that this report presents a forward-looking statements containing data and information about future projections and conditions. BCA understands that risk and uncertainty from various factors can affect operational performance and future business conditions. Therefore, BCA would like to remind readers that the Bank cannot ensure that the data and information regarding future projections stated in this Report are correct, accurate and can be entirely fulfilled.

Board of Directors' Message



"BCA's commitment to sustainability is the main message that we conveyed through the year 2023. We have ignited this spirit by engaging with all stakeholders towards fostering resilient business practices in the face of global economic uncertainties, climate change, and all aspects of life. Together with our stakeholders, we advance in sync and empower each other (Live to Empower) to grow sustainably for a better earth and future generations."

Jahja Setiaatmadja
President Director

Respected stakeholders,

We acknowledge that sustainability is essential to the future of BCA's business continuity. We have started the ESG journey, therefore we are committed to implementing sustainability within the company. Our primary focus is on developing the capacity and capabilities of BCA's individuals, constructing and strengthening infrastructure, and financing Sustainable Business Activities (SBA).

Since 2019, BCA has established a dedicated team, the ESG Sub-Division, as an enabler and collaborator to apply Sustainable Finance principles within the company. The rapid development of Environmental, Social, and Governance (ESG) globally and nationally demands that we continuously strengthen and enhance the team members in the ESG Sub-Division. Currently, the ESG Sub-Division has transformed into the ESG Group, whose role is to instill a culture of sustainability through coordination, planning, monitoring, and evaluation of various sustainability policies, programs, and practices across various BCA units.

The future sustainability of BCA relies heavily on skilled and high-quality human resources (HR). Throughout 2023, we have developed various training programs for BCA employees, resulting in an increase in average training hours per employee to 44 hours. BCA has also strengthened leaders' leadership character through the BCA Leader+ program with the aim of enhancing their leading, serving, and coaching roles to build resilient teams. A total of 2,822 employees were promoted to new leadership positions this year to continue leadership succession and occupy various strategic positions across all BCA offices. Additionally, 4,950 new employees were recruited this year to strengthen various positions in BCA.

Robust infrastructure is necessary to support skilled human resources. BCA continues to build and strengthen the ESG framework within the company's infrastructure, including systems, policies, processes, procedures, and risk management. This approach is significant to drive the alignment of company performance with its sustainability vision and mission, ensuring the company's infrastructure has positively influence the ESG aspects. The realization of this framework is that BCA now has five (5) ESG policies for financing the palm oil plantation and industry, coal mining, toll road development, wood and forest products industry, and cement and basic steel industry sectors. Subsequently, BCA has begun integrating ESG risk assessments into financing for the aforementioned sectors. Furthermore, BCA is actively participating in the pilot implementation of the Indonesian Green Taxonomy (THI) ver. 1.0 by mapping the top 450 debtors and conducting a bottom-up Climate Risk Stress Testing (CRST). Complementing the development of the ESG framework infrastructure, BCA continuously refines the Green House Gas (GHG) inventory to obtain a comprehensive and accurate emissions database.

In carrying out BCA's sustainable business, the adoption of a hybrid banking business model is the best way to integrate ESG aspects to strengthen the Bank's physical and virtual existence, and providing convenient, more affordable, and inclusive financial access for all levels of society, even in remote areas. The number of customers in 2023 increased by 10.3% YoY to 30.7 million customers, and the number of accounts increased by 8.5% YoY to 37.6 million accounts, supported by the opening of 4.7 million online accounts (an increase of 11.9% YoY).

Digitalization has been proven to deliver significant advantages in accelerating the growth of online transaction volumes. Currently, with digital transformation, the contribution of branch transactions is only 0.3%, while the contribution from digital transactions has reached 99.7%. Throughout 2023, digital transactions reached 27,884 million transactions (an increase of 25.5%) with a value of Rp27,138 trillion (an increase of 7.9%) compared to the previous year. The positive impact of digitalization is apparent, not only increasing financial access for the public but also reducing the carbon footprint of paper and energy usage, as well as fuel consumption from customers' transportation to BCA branch offices.

To strengthen the CASA franchise, BCA continues to build delivery channel infrastructure, including branch offices, mobile & internet banking, POS & merchant apps, CRM & ATMs, and the 'Halo BCA' contact center to serve the various needs of a wide spectrum of consumers (customers, suppliers & principals, as well as distributors & retailers). This year, BCA launched a new version of the myBCA app with more comprehensive features, and has continuously added new features such as Paylater, wealth management, and cross-border QRIS. We are confident that BCA customers will enjoy an improved experience and the benefits of the BCA digital ecosystem in accessing various services.

Facing the year 2024, we believe the government will continue to play a crucial role in addressing the uncertainty of the global landscape and the domestic "political year". The Indonesian banking sector continues to strive to maintain healthy performance in these conditions, with a high Capital Adequacy Ratio (CAR) and continued positive growth in third-party funds (DPK) and financing. To support sustainable economic growth, BCA is optimistically targeting an 8% increase in Sustainable Business Activities (SBA) financing with a minimum contribution of 20% from the bank's portfolio in 2024.

Sustainable Performance Achievements and the Implementation of Sustainable Finance

Performance of Sustainable Business Financing

In supporting the transition to a green economy, BCA puts significant emphasis on financing Sustainable Business Activities (SBA). In 2023, sustainable business financing exceeded the set target of 9%, with a portfolio growing by 10.6% YoY to reach Rp202.6 trillion, and contributing 24.8% to the total portfolio. Sustainable Business Financing consists of financing for Environmentally Friendly Business Activities (green financing) and financing for Micro, Small, and Medium Enterprises (MSME), with a portfolio composition of 42.7% green financing and 57.3% MSME.

The green financing portfolio reached Rp86.6 trillion, including sustainability-linked loan (SLL) schemes with an outstanding amount of Rp304.8 billion, and green bond instruments reaching Rp1.6 trillion. The majority of green financing was channeled to debtors whose business activities involve managing natural resources and sustainable land use (78.3%), followed by environmentally friendly transportation (9.3%) and eco-efficient products (6.2%).

Most of the financing for natural resources and sustainable land sectors was allocated to certified palm oil sector financing, reaching Rp40.4 trillion. The total number of ISPO and/or RSPO certified debtors amounted to 63, an increase of 6.8% compared to the previous year, a number that represents 72.4% of total financing borrowers in the palm oil sector.

Growing awareness of sustainability and environmental impact among the public has led to an increase in the use of electric vehicles. In 2023, BCA's financing for electric vehicles saw a significant increase to Rp1,275 billion, growing by 365.8% YoY.

To support MSME growth, BCA continues to increase its portion of financing, which in 2023 reached Rp116 trillion, growing by 13.4% YoY. In addition to disbursing People's Business Credit (KUR) financing, BCA also organized various programs such as Bangga Lokal, UMKM Fest, MSME loans for ESG-based business activities and women entrepreneurs MSME. The UMKM Fest 2023 event was conducted in a hybrid format with the theme "Jadi #Andalanlokal" in which ± 1,400 sellers participated, generating over 79.7 thousand transactions. This year's event also saw the onboarding of 1,209 sellers to the online platforms (Grab and Blibli), and export training (Go Export) was provided as part of BCA's commitment to continuously support MSME to level up. In response to the challenges of mandatory halal-certified products, BCA facilitated >1,500 MSME businesses under its guidance to undergo training and self-declared halal certificate registration.

The participation of women in the MSME sector improve the quality of women's lives economically, socially, and culturally. By increasing women's access to financing, BCA continues to promote justice and equality in society. In 2023, the disbursement of women entrepreneurs MSME reached Rp14.8 trillion, increasing by 20.2% YoY with 44,465 debtors.

We continue to enhance the assessment of ESG performance in the loan approval process, in line with the principles of responsible banking. Current policies include the implementation of an exclusion list, environmental document requirements, Environmental Impact Assessment (AMDAL) studies, assessment of the Environmental Performance Rating Program (PROPER), ownership of environmental and social management certificates, and the implementation of policies for sectors potentially at high risk of environmental damage.

Bringing positive Impact on the Environment

BCA has undertaken several initiatives to create an environmentally friendly banking operation. These initiatives are focused on four (4) main activities, including waste management and recycling, digitalization of products and banking solutions, implementation of green building and green lifestyle, as well as environmental conservation and biodiversity preservation. In 2023, BCA contributed to avoid carbon emissions that was equivalent to 3,021 tCO_2eq, marking a 51.4% increase from the level of avoidance observed in 2022.

Through waste management and recycling activities, BCA handles operational waste such as expired archives, unused calendars, electronic equipment (ATM cartridges, EDC machines, UPS, hard disks), plastics (unused cards, money wrappers), and unused uniforms. With this initiative, BCA successfully managed 589 tons of waste in collaboration with third parties. Through these initiatives, BCA has the potential to reduce greenhouse gas (GHG) emissions by 844 tCO_2eq and support the principles of a circular economy. Waste management and recycling not only have a positive impact on the environment but also create positive social impact by providing job opportunities for informal waste pickers. Additionally, the proceeds from recycled waste, amounting to Rp531 million, were donated to the Bakti BCA Foundation as educational funds for the children of BCA employees in need.

Through the development and implementation of digitalized products and banking solutions, as well as digital workplace processes, BCA has successfully reduced total GHG emissions by 1,772 tCO_2eq. This has become the dynamic at BCA to enhance banking services, optimize operations, create a better customer experience, and be part of the sustainability transformation.

The environmentally friendly building initiative has been carried out by implementing green building features, such as installing solar panels, which are estimated to reduce GHG emissions by 360 tCO_2eq. Wisma BCA Foresta has achieved Platinum certification as a green building. The achievements of Wisma BCA Foresta as a green building include winning 1st place in the Subroto Award for Energy Efficiency (PSBE) from the Ministry of Energy and Mineral Resources for energy efficiency in 2022 and the ASEAN Energy Awards for the Energy Efficient Building category in 2023. Continuing the green building program, BCA will submit Wisma BCA BSB Semarang for green building certification to the Green Building Council Indonesia. To support the development of the electric vehicle ecosystem and public interest, BCA has provided two public electric vehicle charging station (SPKLU) locations to instill public confidence and facilitate the use of electric vehicles.

Continuing its responsibility to maintain environmental sustainability, the bank has planted 60 thousand trees in various locations through Bakti BCA. Furthermore, BCA collaborated with external institutions to care for and monitor tree growth, as well as calculate the potential absorption of GHG emissions and carbon storage. The potential absorption of GHG emissions from trees planted by BCA and other biodiversity conservation initiatives in 2023 amounted to 45 tCO_2eq.

Involving and Providing a Positive Impact on Society

BCA manages social aspects related to employment, customer privacy, and information protection and contributions to community development. BCA ensures equal opportunities for both men and women to pursue careers without discrimination. In 2023, we recorded that 61.1% of women have occupied managerial positions out of the total managers. BCA has successfully maintained retention with a recorded employee turnover rate 3.6%, lower than the previous year. In managing human resources, we respect human rights and strive to provide work-life balance to employees. BCA provides a grievance system for labor issues, and in 2023, there were no cases of harassment or human rights violations.

Social aspects of management in the banking sector include the Bank's ability to address customer issues. The presence of the Halo BCA contact center in Semarang aims to improve the quality of service to customers. BCA continues to monitor and measure service quality excellence using the results of surveys conducted by independent parties, such as Gallup, which in 2023 achieved the score of 4.75 in customer engagement survey and 4.88 (on a scale of 5) on branch service quality survey.

In 2023, BCA recorded no data breaches. We strengthened our information and privacy security management systems, as well as cyber risk management, to maintain customer trust. We apply various quality standards (ISO) including 27001:2013 and most recently additional scope of ISO 9001:2015. BCA continuously educates employees and customers through BCA's official social media accounts to remain cautious in the face of cybercrime threats.

To positively impact the broader community, BCA consistently organizes community engagement and development programs under the Bakti BCA Program. Bakti BCA activities cover various fields such as education, health, financial literacy, cultural preservation, community empowerment, and philanthropy. Throughout 2023, Rp153.2 billion in Environmental and Social Responsibility (CSR) funds were distributed through this program.

Another Bakti BCA flagship program is the Business & Banking Education Program (PPBP) and the Informatics Engineering Education Program (PPTI). Both programs are non-degree education programs focusing on the banking sector. The PPBP had 265 participants, and the PPTI had 307 participants. The total number of alumni joining BCA as of December 2023 reached 191, or 99.5%.

Additionally, BCA has developed the SYNRGY Program, which divided into two activities: the accelerator and the academy. A total of 7 startups qualified to be nurtured by the SYNRGY Program. By introducing an accelerator program and collaborative platforms like SYNRGY, BCA participates in developing digital talent potential and strengthening Indonesia in terms of its digital economy.

BCA has 14 assisted tourism villages and has been entrusted by the Ministry of Tourism and Creative Economy to assist 12 partner villages. This reflects BCA's role in community empowerment, supporting local tourism development, and conducting financial literacy and inclusion. BCA indirectly contributes to the economy through village assistance programs, which are synergized with SME financing collaborations as well as the development of digital marketing to enhance the competitiveness of the assisted villages.

Holding strong to BCA's commitment to build a meaningful presence in the community, the Bakti BCA program continues to strengthen its care for, and contribution to, community social welfare. This year's Bakti BCA program awarded scholarships to 900 students, conducted financial literacy and inclusion programs for 296,022 students/community, provided health assistance through affiliated clinics as well as cataract surgery for 15,735 patients, nutritional interventions for 1,725 toddlers, and implemented various cultural programs for the preservation of Indonesia's cultural heritage.

> This year, BCA awarded a certificate of appreciation from the Ministry of Law and Human Rights of the Republic of Indonesia for business actors who have fulfilled the protection, respect and restoration of human rights according to the Business and Human Rights Risk Assessment (PRISMA) indicator standards.

Building Strong Sustainability Governance

Carrying out good corporate governance allows BCA to respond to the challenges faced in the future. Our appreciation is expressed for the ratings and awards bestowed upon BCA, including Asiamoney Asia's Outstanding Companies Poll 2023 for the Best for ESG in Indonesia category, reflecting BCA's hard work in fulfilling our commitment to uphold the company's principles and business management standards regarding sustainability that positively impact the environment, social, and corporate governance.

Responding to Challenges in Sustainable Finance and Strategy for Target Achievement

We greatly appreciate the policies of regulators and the Indonesian government in bringing all business actors, the financial services sector, and national interests towards a low-carbon economy. As such, opportunities remain open to expand financing to environmentally friendly sectors. BCA has supported credit facility expansion for debtors supporting the green economy, developed sustainability-linked loan financing schemes, and invested in green bonds. Furthermore, we continue to increase financing for the MSME sector, which is one of the pillar for Indonesian economy.

As part of climate action efforts, in 2023 OJK issued guidelines on Climate Risk Stress Testing (CRST) for banks, including those in the OJK Task Force on Climate-Related Financial Risks. The government strives to create early awareness among Financial Institutions regarding the impact of climate and environmental risks on banks' financial performance, and contribute to the transition towards a low-carbon economy. To support the pilot implementation of CRST, BCA joined the Partnership for Carbon Accounting Financials (PCAF), using their methodology to identify and calculate greenhouse gas (GHG) emissions from financing activities in stages.

The rapid development of technology and digitalization must be supported by reliable protection systems, such as biometric technology, to safeguard personal data privacy. The development of these systems reflects BCA's mission to conduct responsible business, strengthen cybersecurity, and protect the personal data of customers, which is also a crucial sustainability principle in banking.

In addition, the rapid increase in digital transactions (more than 99.7% of customer transactions are conducted over digital channels) poses its own challenges for BCA, particularly in terms of identifying what is useful from the excessive data collected. As a result, technology is needed for real-time data acquisition and utilization to enhance BCA's digital services. We use open-source confluent technology to move the data, using modernized infrastructure to unlock new value from the data and thereby bring together the entire organization towards building intelligent, real-time applications. Real-time data usage for companies contributes to the success of

modern companies, enabling agile and strategic decision-making while alleviating pressure on legacy infrastructure. Additionally, real-time data acquisition is also key in detecting and analyzing cyber threats as they occur, enabling accurate decision-making to mitigate such risks.

It is critical that the Board of Directors takes an active role in integrating sustainability principles into the Bank's policies and business activities. Monitoring and implementing sustainable finance are done through analyst meetings and board meetings, held regularly at a minimum of four times a year. The Board of Directors also monitors and evaluates every Key Performance Indicator (KPI) achievement related to ESG aspects and the realization of the Sustainable Finance Action Plan (SFAP) each year. Overall, the Board assesses that BCA's sustainability performance in 2023 to be excellent and an improvement on the previous year's achievements.

Leveraging Opportunities and Business Prospects

Amidst uncertain global economic and geopolitical conditions, BCA conducts business with prudence, taking into consideration the balance of ESG impacts. An in-depth understanding of geopolitical conditions and economic dynamics is key to identifying potential risks and opportunities. Facing these challenges, collaboration between sectors and stakeholders has become increasingly significant for sustainable business operations in the future.

The growing interest of investors and the public in sustainable investments has encouraged the banking sector to provide sustainable investment products. This trend presents an opportunity for the Bank to increase green financing and collaborate with other banks as well as government institutions to finance environmentally friendly and sustainable projects.

In line with the Sustainable Finance Phase II (2021 - 2025) roadmap, in 2022 OJK issued the Indonesian Green Taxonomy (THI) to encourage sustainable financing. This year, OJK updated THI to become the Indonesian Sustainable Taxonomy (TBI), focusing on Nationally Determined Contribution (NDC) related sectors in stages. BCA welcomes and understands the importance of this document in creating a better understanding and facilitating banks in classifying green activities when developing products and/or financial service portfolios.

The International Sustainability Standards Board (ISSB) has issued IFRS S1 and S2 in response to rising demands for transparency and accountability in sustainability reporting. BCA is committed to preparing material information disclosures regarding all sustainability-related risks and opportunities in the short, medium, and long term referring to IFRS S1 and S2.

Challenges in achieving Net Zero Emissions (NZE) will impact business prospects. With establishment of government policies that aim to achieve NZE and a low-carbon economy, the bank requires support from regulators to jointly expand awareness regarding the implementation of sustainable finance, green financing, circular economy, and the achievement of Sustainable Development Goals (SDGs).

We increasingly observe that ESG activities focus on environmental and social issues such as climate change, the environment, labor, human rights, and others. However, in the transition to a green economy, Indonesia needs policies that can build bridges and compromises that allow business prospects to remain

open for all parties, accompanied by the opportunity to comply with ESG requirements. Therefore, educating customers and debtors is key to building a sustainable, competitive, and responsible business. BCA plans to enhance education and awareness among stakeholders more aggressively in the coming year.

Empowering Each Other

We express our gratitude and appreciation for the hard work and collaboration of all BCA Management and Employees, as well as the support of all other stakeholders. Thanks to the collaboration that was established, BCA successfully creates added value for the common good and contributes to the Sustainable Development Goals.

We realize the importance of long-term sustainability for BCA's business activities. We continue to instill a sustainability culture as part of BCA employees' lifestyles. BCA is committed to continue delivering positive impact in line with the existence and aspirations of BCA and with its business strategy to contribute to economic growth in Indonesia by supporting financial inclusion, maintaining environmental sustainability, and achieving sustainability in the future. We will continue to maintain good relationships with stakeholders and carry on this year's sustainability report theme of 'Live to Empower'. We believe that the ultimate goal of every business activity should be improvements to human quality of life and the preservation of the environment, both now and in the future.

Let's protect our planet together, because
'Sustainability is Our Next Life'

On behalf of the entire Board of Directors of BCA,
we express our gratitude.

Jakarta, February 2024



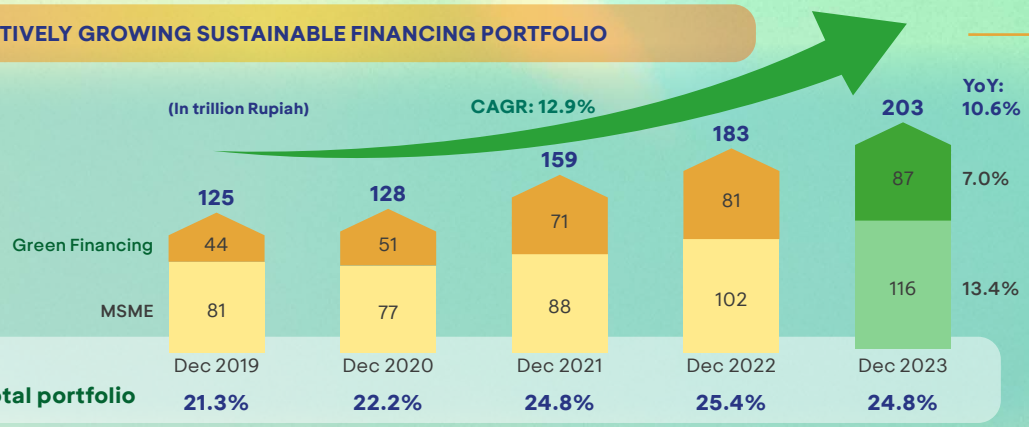
Jahja Setiaatmadja
President Director

Performance Highlights in 2023

Economic Aspect

SOLID & POSITIVELY GROWING SUSTAINABLE FINANCING PORTFOLIO





I. GREEN FINANCING & INVESTMENT





Green Bonds

Rp1,635 billion

332% YoY



Sustainability-Linked Loan Disbursement 2023

Rp319 billion

Responsible palm oil financing to support national economic growth



Palm Oil Sector Certification

Total Company	2023	2022
ISPO & RSPO certified companies	13	13
ISPO certified companies	28	30
RSPO certified companies	22	16
Total Company	**63**	**59**

Taking part in the development of Indonesia's electric vehicle ecosystem



Outstanding

Rp1,275 billion

nearly 5x YoY

Renewable Energy Financing



212.8 MW



Outstanding

Rp2.1 trillion

II. CONTINUOUSLY SUPPORT MSME AS A PILLAR OF THE NATION'S ECONOMY



KUR Disbursement

Rp598.8 billion

25.2% YoY



PROMOTING WOMEN'S EMPOWERMENT

Women MSME debtors

44 thousands

24% YoY

Outstanding

Rp14.8 trillion

20% YoY

Bangga Lokal Program

2,161
total merchant

Rp727 billion
total sales

UMKM Fest Program

- Coaching
- Business Solutions
- Accessibility & exposure

±1,400
total MSME participated

Development of MSME Business Actors

963
Halal certification for MSME

220 Local inhabitants
MSME workforce in Bakti BCA Villages

1,209 MSMEs
Onboarding to online platform

1,521 MSMEs
Training Participants in halal certification

60 MSMEs
Training Participants in Export-Learning

Environmental Aspect

I. MANAGING OUR OPERATIONAL EMISSIONS

Total emission from operational activities

309,024 Tons CO_2 eq

- **4,840** Tons CO_2 eq — Scope 1
- **143,260** Tons CO_2 eq — Scope 2
- **160,924** Tons CO_2 eq — Scope 3

II. PARTICIPATING IN INDONESIA'S FIRST CARBON TRADE

IDXCarbon
Indonesia Carbon Exchange

71,500 tCO_2eq
Carbon units purchased

III. COMMITMENT TO PROTECT ENVIRONMENT & EFFORT TOWARDS ENVIRONMENTALLY FRIENDLY OPERATION

A Digital Banking Products & Solutions
1,772 Tons CO_2eq

B Waste Management & Recycling Initiatives
844 Tons CO_2eq

Estimated Total Reduction of Carbon Emissions
3,021 Ton CO_2eq

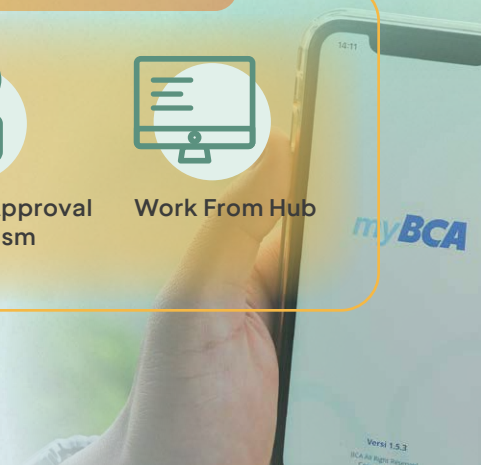
C Green Building Initiatives
360 Tons CO_2eq

D Biodiversity Conservation
45 Tons
Tons CO_2eq

A DIGITAL BANKING OPERATION

99.7% of total transactions in 2023 conducted through digital channels

- Digital Internal Administration
- Online Internal Event
- Digital Approval Mechanism
- Work From Hub



B WASTE MANAGEMENT & RECYCLING INITIATIVES

589 tons
Total waste managed

Rp530.8 million
100% proceeds from internal are donated for Bakti BCA scholarship funds

BCA EDC & KeyBCA Token Waste	61.7 Tons, 2x YoY	Recycled: Plastic seeds & Iron raw material	
Inorganic Waste	41.1 Tons, 15% YoY	Recycled: Plastic seeds, pulp, etc	
Card Waste	13.9 Tons, 3x YoY	Recycled: Paving Block	
Electronic Waste	31.1 Tons	recycled: Plastic Flakes	
Archival Waste	425.4 Tons, 2% YoY	Recycled: Pulp	
Uniform Waste	12.2 Tons, 23 x YoY	Recycled: Recycled fabric	

Employees involvement in preserving environment

3.3 Tons
Total waste managed

13.5 tCO_2eq
Potential emission reduction

179 users
Employees participation

C GREEN BUILDING INITIATIVES



Winner
ASEAN Energy Awards
Best Energy Efficient Building in Southeast Asia

1st Winner
Subroto Awards
Energy Efficient Building

D BIODIVERSITY CONSERVATION



60,000 trees
Planted in 2023

7,122 employees
involved in Walk & Bike for Tree Program

Social Aspect

bakti BCA

Rp153.2 Billion

Environment & Social Responsibility Activity Funds Realization

Bakti BCA Village

14
BCA Assisted Tourism Villages

12
Ministry of Tourism and Creative Economy Assisted Partner Villages

Scholarship

900
Students

Rp6.1
Billion

Culture Preservation
(since 2012)

18,458
Participants in the preservation of wayang

> 900
Competition of arts, culture and traditions

Empowerment of Tourism Village

403
Local workforce absorption

>263,000
Tourist

Rp8.4 Billion
Revenue from tourism spot

FInancial Literacy

253,623
Students

42,399
Public

1,120
Volunteers

Public Health

1,036
Cataract Surgery Patients

1,971
Blood Donor (Bags)

14,699
Assisted Clinic Patients

Supporting National Stunting Reduction Program

USD 1 Million
Commitment to support government's program to accelerate stunting reduction in 2023 - 2026

1,725
Toddlers received nutritional support in 2023



CUSTOMER SERVICE AND EMPLOYMENT



16.7%
Female Directors



100%
Employees received Sustainable Financing training

61.1%
Female managers of total managers

4.7
Employees Engagement Score (scale 5)

60.8%
Female employees of total employees

3.6%
Turn over rate

53.6%
New female employees of total new employees

1.4%
Absentee rate



4.75/5.0
Customer Engagement (CE) Index



4.88/5.0
Branch Service Quality (BSQ) Index



RESPECT FOR HUMAN RIGHTS

Human Rights Training

By Foundation for International Human Rights Reporting Standards (FIHRRST) to all board of commissioners & directors of BCA and subsidiaries.

PRISMA

BCA has met the standard indicators of Business Risk Assessment and Human Rights (PRISMA) indicators from the Ministry of Law & Human Rights

Sustainability Governance Aspect

ASEAN Corporate Governance Scorecard
ASEAN Asset Class PLCs

Corruption Incident
ZERO

Data Breach
ZERO

Established Specialize Unit IT Security Group to process cyber resilience in all business areas

Established specialized Cyber Security Risk Management unit to implement risk policies & procedures

ESG RATINGS

MSCI Indonesia Index
Top 10 Constituents

MSCI ESG RATINGS A

Thomson Reuters - Refinitiv
ESG Scores
Rating **A**
Score **87/100**

REFINITIV

Dow Jones Sustainability Index
S&P Global CSA
Score **50**
Rank percentile **83th**

S&P Global

FTSE4Good ASEAN 5 Index
Top 10 Constituents

FTSE4Good

IT & DATA SECURITY CERTIFICATION

1. **ISO 27001:2013** for Enterprise Security
2. **ISO 20000-1:2018** for IT service management & data center
3. **ISO 27001:2013** for data center network & operation
4. **PCI DSS 3.2.1 Certification** for BCA data center (global data security)
5. **ISO 9001-2015** for data center operations & quality management system

PROACTIVELY CAMPAIGNED ON FINANCIAL FRAUD TO CUSTOMERS





BCA's campaign won:
- **YouTube Works Award Southeast Asia 2023**
- **Marketing Excellence Award 2023.**

Appreciation of BCA's Achievement

Forbes
World's Best Bank 2023
#1 in Indonesia

THE ASIAN BANKER
The Asian Banker Leadership Achievement Award 2023
Bank of the Year in Asia Pacific 2023 : Bank Central Asia, Bapak Jahja Setiaatmadja

ASIAMONEY
Asiamoney Asia's Outstanding Companies Poll 2023
Overall Most Outstanding Company in Indonesia

FinanceAsia AWARDS 2023
FinanceAsia Award 2023
Best Bank in Indonesia

Newsweek WORLD'S MOST TRUSTWORTHY COMPANIES
Newsweek: World's Most Trustworthy Companies 2023
No.1 World's Most Trustworthy Companies 2023 in Banking Sector

INSTITUTIONAL INVESTOR
Institutional Investor 2023 Asia Executive Team
- **Most Honored Company**
- **#1 Best ESG** (Sell – side)
- **#1 Best IR Program** (Sell – side)

PRIVATE BANKING AWARDS 2023 ASIAMONEY
Asiamoney: Private Banking Award 2023
Best for High Net Worth in Indonesia

THE STEVIE® AWARDS
The World's Premier Business Award Competitions
Stevie Awards for Great Employers
Best Results of a Learning Program

Qorus
Qorus Reinvention Awards - APAC 2023
Gold Winner - APAC Innovator of The Year

QuBisa Aku bisa, Kamu bisa | ONE GML Digital Learning Solutions
Stellar Workplace Award 2023
Stellar Workplace Recognition in Employee Satisfaction



GALLUP
Gallup Customer Engagement Survey
Customer Engagement (CE) Recognition - CE Score di atas rata-rata global

KANTAR
2023 BrandZ Most Valuable Global Brand
2023 Most Valuable Southeast Asian Award
- **Top Most Valuable Brands in Indonesia (Peringkat I)**
- **Top 30 Most Valuable Southeast Asian Brands 2023**
- **Top 100 Most Valuable Global Brands (Peringkat 74)**

MARKPLUS.INC BEYOND PROFESSIONAL SERVICE
WOW Brand Festive Day 2023
The Best Digital Lounge-myBCA

CONTACT CENTRE WORLD
Global Contact Center World Awards Asia Pasific 2023
Company Award - GOLD
Best Mega Contact Center

Brand Finance®
Indonesia's Strongest Brand 2023
AAA+ (92.9) - Rank #1

ASIAMONEY
Asiamoney Asia's Outstanding Companies Poll 2023
Best for ESG in Indonesia

Fortune Indonesia:
Change the World Award (Bakti BCA)

IICD Indonesian Institute for Corporate Directorship
IICD: The 14th IICD Corporate Governance Conference and Award
Best Overall

Sustainability Highlights

Economic [FN-CB-000.A, FN-CB-000.B]

Description	Unit	2023	2022	2021
Internal Performance				
Operating income	Rp billion	99,945	87,476	78,473
Net income	Rp billion	48,658	40,756	31,440
Loan - Gross [1]	Rp billion	810,392	711,262	636,987
Infrastructure financing (including non-cash loan)	Rp billion	58,679	56,179	54,882
Third Party Funds [2]	Rp billion	1,101,673	1,039,718	975,949
Total frequency of internet and mobile banking transactions	Million times	25,589	20,079	14,361
Total taxes paid	Rp billion	11,522	9,711	7,401
Economic Performance related to Sustainable Finance				
Nominal products and/or services that meet Sustainable Finance (SF) business activities criteria	Rp billion	202,606	183,225	159,486
MSME loan disbursements	Rp billion	116,038	102,316	88,206
KUR disbursements	Rp billion	599	478	206
Percentage of total Sustainable Finance business categories (SF) financing portfolio to total financing portfolio	%	24.8	25.4	24.8

Notes :
1) Including asset related to sharia transaction, consumer financing receivables and finance lease receivables.
2) Including sharia deposits.

Financing for Sustainable Business Activities [FS6, FS8][FN-CB-000.B]

Description	2023		2022		2021	
	Rp billion	%	Rp billion	%	Rp billion	%
Total Sustainable Financing Portfolio	**202,606**	**100.0**	**183,225**	**100.0**	**159,486**	**100.0**
a. Renewable energy	2,057	1.0	2,094	1.1	2,334	1.5
b. Energy Efficiency	74	0.0	-	-	182	0.1
c. Management of biological natural resources and sustainable land use	67,760	33.4	66,146	36.1	57,910	36.3
d. Eco-friendly transportation	8,030	4.0	6,948	3.8	5,987	3.8
e. Sustainable water and wastewater management	1,379	0.7	818	0.4	885	0.6
f. Eco-friendly and Eco-Efficient Products	5,326	2.6	4,448	2.4	3,901	2.4
g. Green buildings that comply with national, regional, and international standards and certification	99	0.0	77	0.0	81	0.1
h. Sustainable Business and/or Other Activities	1,843	0.9	379	0.2	-	-
i. MSME activities	116,038	57.3	102,316	55.8	88,206	55.3
Non-MSME Sustainable Finance Portfolio based on Segment	**86,568**	**100.0**	**80,909**	**100.0**	**71,280**	**100.0**
Corporate	82,398	95.2	78,903	97.5	70,052	98.3
Commercial	1,500	1.7	1,354	1.7	1,208	1.7
Consumer	1,035	1.2	274	0.3	20	0.0
Corporate Green bonds	1,635	1.9	379	0.5	-	-
Infrastructure Financing Portfolio (including non-cash loan)	**11,090**	**100.0**	**9,510**	**100.0**	**8,804**	**100.0**
Toll roads	1,233	11.1	1,248	13.1	889	10.1
Electricity	2,764	24.9	2,019	21.2	1,945	22.1
Railroads	2,956	26.7	2,667	28.0	2,318	26.3
Airports and ports	2,757	24.9	2,759	29.0	2,760	31.3
Drinking water and sanitation	1,379	12.4	818	8.6	892	10.1

Note:
The overall financing portfolio by industry sector is presented in the 2023 BCA Annual Report.

Environmental Performance

Description	Unit	2023	2022	2021
Internal Performance				
GHG emissions generated (scope 1, 2, 3) [a]	tCO_2eq	309,024	142,783	104,487
Electricity consumption [b]	kWh	172,492,313	156,040,072	118,611,628
Electricity consumption intensity	kWh/m^2	154	139	159
	kWh/transaction	0.006	0.007	0.007
	kWh/employee	6,408	8,038	6,030
Paper consumption [c]	Ton	478	296	57
Paper waste reduction	Ton	+182	+239	6
Water consumption [d]	m^3	403,748	302,646	47,823
Branch offices adopting green office	Offices	77	74	71
Environmental Responsibility Activities				
Environmental responsibility activity funds realization	Rp million	8.1	1.5	1.1
Reintroduction of orangutan in Kalimantan	Individuals	5	5	5
Orangutan rehabilitation	Individuals	5	5	5
Tree seeds	Seed	60,000	24,631	14,700
Environmental education	participants	682	939	148
	Schools	5	8	4
BCA offices' participation in Earth Hour	Offices	864	544	125

Note:
a) Data in 2023 covered all of BCA's Head Office, Data Center, and Branch Offices (KCU, KCP, and KCP Kas). The calculation was extrapolated on January-October 2023 data.
b) Data in 2023 covered all of BCA's Head Office, Data Center, and Branch Offices (KCU, KCP, and KCP Kas). Data in 2022 covered Head Office, Data Center, 120 KCUs, 742 KCPs. 2021 covered Head Office, Data Center, and 603 KCP.
c) Data in 2023 covered all of BCA's Head Office, Data Center, and Branch Offices (KCU, KCP, and KCP Kas). Data in 2022 covered the Head Office and Main Branch Offices, 2021 covered the Head Office.
d) Data in 2023 covered all of BCA's Head Office, Data Center, and Branch Offices (KCU, KCP, and KCP Kas). Data in 2022 covered the Head Office and 100 Branch Offices, in 2021 only covered the Head Office.

Social Performance

Description	Unit	2023	2022	2021
Internal Performance				
Females occupying director positions	%	16.7	16.7	16.7
Total female employees to total employees	%	61.7	61.4	61.6
Number of training hours	Hours	1,183,950	950,297	673,040
Employee training and education expenses	Rp billion	372.8	263.2	193.4
Number of participants in financial literacy education (CSR)	People	296,022	155,769	117,058
Customer Engagement (CE) index	Scale 1-5	4.75	4.73	4.73
Branch Service Quality (BSQ) Index	Scale 1-5	4.88	4.86	4.87
Customer complaint settlement level	%	97.3	98.1	99.5
Percentage of (whistleblowing) complaints investigated to total complaints received	%	98.2	88.5	91.0
Social Responsibility Activities				
Social responsibility activity funds realization	Rp billion	145.1	143.1	136.2
Number of PPA/PPBP and PPTI education graduates	people	192	199	174
Number of assisted general clinic patients	people	12,802	13,734	16,074
Number of assisted Family Planning clinic patients	people	1,897	1,978	2,040
Number of cataract surgery patients	people	1,036	803	529

Sustainability in BCA



“Implementation of the Sustainability Pillar has become a culture of BCA employees at all levels of positions and work units as a tangible step to protect the earth and our lives together”

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Employee Welfare in BCA

Sustainability Strategy [2-22]

BCA carries out sustainable practices in its business activities to support a low-carbon economy in the future. BCA's sustainability strategy encompasses the implementation of Sustainable Finance, Sustainability Pillars, and other initiatives to support the achievement of the Sustainable Development Goals (SDGs).

Sustainable Finance Vision

To be the Bank of choice and a major pillar of the Indonesian economy, that aligns with Indonesia's sustainable development.

Sustainable Finance Mission

To align all our corporate activities with the principles of Sustainable Finance.

Sustainable Finance Core Values

- Customer Focus
- Integrity
- Teamwork
- Continuous Pursuit of Excellence

Sustainability Pillars [2-22]

Sustainable Banking Pillar

This pillar covers the key material topics for the bank to conduct responsible business and support sustainable development goals achievement.

Sustainability Culture Pillar

This pillar covers the implementation of sustainability values and responsible operational activities.

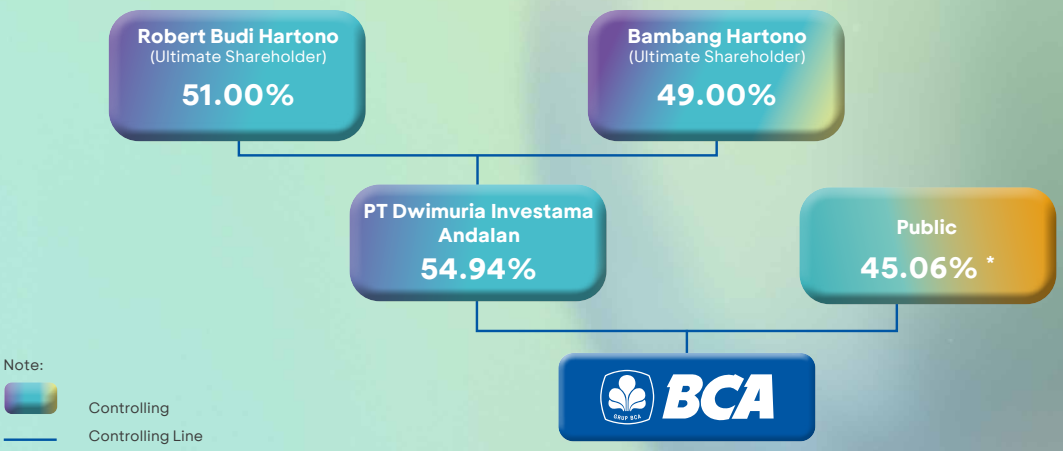
Social Value Creation

This pillar covers community involvement and empowerment programs through:
- Bakti BCA Program
- Financial literacy and inclusion programs

Company in Brief [2-1]

PT Bank Central Asia Tbk or commonly known as BCA, has the legal form of 'Limited Liability Company' and was founded based on Company Establishment Deed No. 38 with the Deed of Notary Raden Mas Soeprapto dated 10 August 1955, which was approved by the Minister of Justice with Decree No. J.A.5/89/19 dated 10 October 1955. BCA's main business activity is providing banking solutions. BCA business sector provisions are stated in Article 3 of the Articles of Association, while a complete description of business activities and banking support is presented in the 2023 Annual Report and https://www.bca.co.id/en/Individu/produk. BCA's operational activities are spread across the regions of Indonesia.

Shareholding Percentage [2-1]



* As of 31 December 2023, the portion of shares belonging to public shareholders, 2.46% is owned by affiliated parties of PT Dwimuria Investama Andalan. Commissioners (Independent Commissioner not included) and Board of Directors have 0.14% BCA shares.

Company Name [2-1]

PT Bank Central Asia Tbk (BCA)

Legal Form [2-1]

Limited Liability Company

Deed of Establishment

Deed of Establishment No.38 with Notary Deed made before Raden Mas Soeprapto dated August 10, 1955. Approved by the Minister of Justice through Decree No. J.A.5/89/19 dated October 10, 1955.

Lines of Business

A commercial bank engaged in banking activities. BCA's lines of business are in accordance with Article 3 of the Articles of Association as presented in the 2022 Annual Report. The financial products and services can be accessed at https://www.bca.co.id/en/Individu/produk.

Operating Location [2-1]

Indonesia

Head Office [2-1]

Menara BCA, Grand Indonesia
Jl. M.H. Thamrin No. 1, Jakarta 10310
(+62 21) 2358 8000
(+62 21) 2358 8300

Website

www.bca.co.id

Call Center

Halo BCA 1500888
+6281 1150 0998 (WhatsApp)
halobca@bca.co.id (e-mail)

Scale of Business [2-1]

Total Asset

2023	Rp1,408.1 trillion
2022	Rp1,314.7 trillion
2021	Rp1,228.3 trillion

Total Liability

2023	Rp1,165.6 trillion
2022	Rp1,093.6 trillion
2021	Rp1,025.5 trillion

Total Equity

2023	Rp242.5 trillion
2022	Rp221.2 trillion
2021	Rp202.8 trillion

Net Profit

2023	Rp48.6 trillion
2022	Rp40.7 trillion
2021	Rp31.4 trillion

Total Operating Revenues

2023	Rp99.9 trillion
2022	Rp87.5 trillion
2021	Rp78.5 trillion

Total Current Accounts

2023	Rp348.5 trillion
2022	Rp323.9 trillion
2021	Rp285.6 trillion

Total Saving Accounts

2023	Rp536.2 trillion
2022	Rp524.0 trillion
2021	Rp481.4 trillion

Total Time Deposits

2023	Rp217.0 trillion
2022	Rp191.8 trillion
2021	Rp208.9 trillion

Total Loan - Gross

2023	Rp810.4 trillion
2022	Rp711.3 trillion
2021	Rp637.0 trillion

Number of Transactions

2023	27,978 Million times
2022	22,337 Million times
2021	16,423 Million times

Total employee and management

2023	2022	2021
26,917 People	24,508 People	23,952 People

Number of office branch (KCU, KCP, Cash KCP)

2023	2022	2021
1,258 Offices	1,247 Offices	1,242 Offices

Number of ATM

2023	2022	2021
19,047 Units	18,268 Units	18,033 Units

Number of accounts

2023	2022	2021
37.6 Million Accounts	34.7 Million Accounts	28.5 Million Accounts

Served Markets, Value Chain, and Business Relationships [2-6]

BCA is engaged in the banking sector and offers financial solutions for the wider community, including individuals, institutions/organizations, corporations, commercial, to micro, small and medium enterprises (MSMEs). BCA also serves a number of sectors including the private sector, governments, State-Owned Enterprises (SOEs), and foreign parties. Information on banking products and services as well as other financial solutions can be accessed at https://www.bca.co.id/en/Individu.

BCA's main operating location is Indonesia. As of the end of 2023, BCA operated in 1 Head Office, 138 Main Branch Offices (KCU), 899 Sub-Branch Offices (KCP), as well as 221 Cash Offices spread across Indonesia. Even though BCA's main operational location is in Indonesia, overseas customers can still make financial or non financial transactions through digital banking solutions.

BCA has 9 subsidiaries with various lines of business. Stakeholders can access information regarding BCA's business relationships with subsidiaries via https://www.bca.co.id/en/tentang-bca/korporasi/Perusahaan-Anak.

In addition, the presence of BCA and its subsidiaries has contributed to economic development and the Sustainable Development Goals (SDGs). BCA also involve local parties in the BCA supply chain. In 2023, BCA recorded expenditure on local partners at 98% of the total cost of goods and services procurement. BCA also complied with regulators and participated in financing government projects.

Significant Changes [2-6]

BCA noted there were no significant changes, such as those related to branch closures or openings, business models, supply chains and majority shareholder structure.

Association Membership [2-28]

These days, implementing sustainability practices is a strategy for all businesses, with a growing number of stakeholders paying more attention to ESG practices. Therefore, BCA continues to observe developments in sustainability issues by joining associations that support sustainable finance implementation.

Association Membership

No.	Name of Association
1	National Bank Association (PERBANAS)
2	ACI Financial Market Association (ACI FMA)
3	Indonesian Payment System Association (ASPI)
4	Communication Forum for Director of Banking Compliance (FKDKP)
5	Sovereign Debt Securities Trader Association (HIMDASUM)
6	Indonesia Contact Center Association (ICCA)
7	The Institute of Internal Auditors (IIA)
8	Indonesia Chapter - Indonesia Audit Committee (IKAI)
9	Indonesia Sustainable Finance Initiative (IKBI)
10	Indonesian Public Listed Companies Association (AEI)
11	Indonesian Chamber of Commerce and Industry (KADIN)
12	Partnership for Carbon Accounting Financials (PCAF)

Building a Sustainability Culture [2-22, 2-24]

Commitment to implementing sustainability practices is outlined in the vision, mission, core values and pillars of sustainability, to allow BCA personnel contribute to sustainability target achievement. The Sustainability Pillar consists of three main focuses, namely Sustainable Banking; Sustainability Culture; and Social Value Creation.

Implementation of the Sustainability Pillar has become the culture of BCA personnel at all levels of positions and work units aiming at optimizing all potentials to provide a sustainable impact on stakeholders and the environment. BCA continually build synergy among all employees to carry out the sustainability pillars, one of which is by encouraging every employee to become an agent of change.

BCA's efforts to build a sustainability culture internally include organizing sustainability campaign which consists of three phases, namely awareness, engagement and retention such as through the Sustainability Awareness Month program, Green Champion Challenge, and dissemination of the sustainability culture is conducted regularly and periodically through e-learning, BCA's internal Instagram account @bcasemuaberes and other internal communication media.



BCA employees take part in maintaining sustainability culture as agent of change.

Contribution to the Sustainable Development Goals (SDGs)

BCA supports and contributes to all SDGs achievements. However, BCA has significant primary support according to its business lines and capacity.



Primary Support to SDGs

Goal	2023 Achievement	Strategy	2024 Target
3 GOOD HEALTH AND WELL-BEING	• Zero major workplace accidents • 14,699 people received general medical & contraceptive services through BCA assisted clinics • 1,725 toddlers received nutrition intervention through PASTI and "Ayo Cegah Stunting" Programs • 1,036 cataract surgery patients • 1,971 blood bags collected at employee blood donation event	• Providing health education through health campaigns • Conducting social service activities • Educating the public about health through seminars or webinars	• Zero major accidents in the workplace • Ensuring all employees have become members of BPJS and private health systems • Conducting regular health education and campaigns • Conducting social services for cataract surgery and assisted clinics • Conducting employee blood donations
4 QUALITY EDUCATION	• 75.9 % employees received training • 94 employees received scholarships for Bachelor and Master's degrees • All employees have attended Sustainable Finance training • 900 students received Bakti BCA Scholarship • 572 PPBP and PPTI participants • 275 school principals participated in the Transformational Leadership training dissemination program in 4 cities • 296,022 residents (including students and college students) received financial literacy education • 830 students and 272 teachers from 268 schools participated in the Semarak Literasi program • BCA Berbagi Ilmu a) 3,103 students at 5 state universities attended Public Lecture of the BCA Berbagi Ilmu program b) 993 students from 18 schools participated in the Student Banking Tour c) 39 people with disabilities participated in the I'm Capable	• Developing e-learning programs, in-class training, and collaborating with other educational institutions • Organizing selection and awarding scholarships to qualified students and providing soft skills training • PPBP strategy: recruiting and organizing dissemination to leading Senior High Schools/ Vocational Schools across Indonesia • Organizing intensive training on blended learning and soft skills training for teachers using the competitive method • Organizing financial literacy education nationwide that has a positive impact in accordance with the OJK Indonesia's National Financial Literacy Strategy (SNLKI) by prioritizing employee volunteer programs	• 20% of BCA employees receiving advanced SF training • Implementing the BCA Bakti Scholarship Program • Implementing PPBP and PPTI programs • BCA employees receiving training and education programs • Organizing the Cultural Preservation Award Program regularly • Organizing the annual Indonesia Knowledge Forum

Goal	2023 Achievement	Strategy	2024 Target
5 GENDER EQUALITY	• 61.7% of female employees from total employees were promoted • 16.7% of women occupied director positions • 61.1% of female employees occupied middle-up manager positions • 43 craftswomen received training and guidance in market access expansion through Bakti BCA	• Implementing the Preamble of the Collective Labor Agreement and article 59 paragraph 2 letter i concerning equal rights and prohibition of discrimination in any form against employees • Providing equal opportunities in career advancement to managerial level or higher • Providing training and assignments to women weavers to improve their skills and wellbeing	• No remuneration gap between female and male employees • Zero cases of violation of equal rights and discrimination against employees • Zero reports of discrimination against customers • Maintaining a fair percentage of female and male employees in opportunities to occupy managerial positions.
7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	• 10.6% average portfolio increase in Sustainable Finance, including environmentally conscious debtors • 9 BCA buildings use solar panels • Greenhouse gas emission (GHG) measurements now cover all Head Offices, Data Centers, and Branch offices • 77 Branch offices implemented environmentally friendly building features • 2 Bakti BCA-supported tourism villages manage bottle waste from tourists through reverse vending machines.	• Mapping out the mitigation strategy to gradually reduce CO_2 emissions in BCA Building • Developing adaptive behavior in smart buildings, applying environmentally friendly technology, sustainability culture, and educating employees through agents of change • Providing loans to environmentally friendly business	• Conducting Climate Risk Stress test for 50% of financing portfolio • 8% increase in Sustainable Financing portfolio, including non-MSME sector • Replacing R22 to R32 air conditioners in branches • Installation of solar panels in BCA-owned buildings
8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	• 4,950 people were recruited as BCA employees • 403 full and part-time workers in 14 villages • 220 local MSME actors from Bakti BCA assisted villages • The basic salary of BCA's lowest level employees is higher than the Provincial Minimum Wage (UMP) applicable in all branch offices in Indonesia. • 3,915 interns were recruited through the Bakti BCA program • MSME financing increased by 13.4% • Rp599 billion KUR realization • ± 1,400 MSMEs participated in the UMKM Fest • 23 assisted and partnered tourism village received 20 trainings on sustainable tourism • More than 1,500 businesses in Bakti BCA's community and villages received trainings on halal certification, export and increasing market access	• Creating job opportunities to support BCA digitalization and relationships • Developing BCA frontliners' roles and capabilities to provide more comprehensive solutions to customers • Increasing the channeling cooperation with anchors • Providing guidance and assistance for branches in KUR disbursements • Expanding the line of business for KUR financing • Mapping the banking services for unbankable community • Collaborating with village administrators, local communities, and local governments • Recruiting prospective interns for Bakti BCA	• 11% increase in KUR disbursement • 8% increase in MSME financing • Consistent implementation of Occupational Health and Safety (no major incidents in the work environment) • Recruitment for employees and Bakti BCA interns • Organizing UMKM Fest 2024
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Branch Service Quality (BSQ) index: 4.88 from a scale of 5 • Customer Engagement index (CE): 4.75 from a scale of 5 • 4.7 million new accounts opened via digital banking bringing the total accounts to 37.6 million • Financing in infrastructure reached Rp11.1 trillion	• Developing digital innovations • Implementing machine learning and artificial intelligence • Implementing data loss prevention (DLP) and two-factor authentication for electronic information security • Financing infrastructure development • Educating and disseminating data security and digital banking to customers	• Minimum BSQ index 4.50 • Minimum CE Index 4.50 • 5.5 million new account openings through digital banking • Zero major frauds • Zero complaints related to data privacy and security

Goal	2023 Achievement	Strategy	2024 Target
	• Meeting compliance indicators, such as Minimum Capital Adequacy Ratio (CAR), Net Non-Performing Loan (NPL), Maximum Legal Lending Limit (LLL), Minimum Statutory Reserve Requirement (SSR) for Rupiah & Forex, Macroprudential Liquidity Buffer (MLB), Net Open Position (NOP), Macroprudential Inclusive Financing Ratio (RPIM), and Liquidity Coverage Ratio (LCR) • Bank soundness level at 1 • All employees have signed the integrity pact • Zero cases of corruption • All employees have signed the code of ethics • All employees of echelon 5 and above have signed the annual disclosures • Conducting the business and human rights risk assessment (PRISMA) of the Ministry of Law and Human Rights	• Evaluating all business activities in accordance with regulations • Effective implementation of whistleblowing system • Implementing good corporate governance • Complying with capital market laws and regulations • Adopting relevant best practice standards	• Fulfilling compliance indicators • Zero reports of corruption committed by the company • Minimum bank soundness level at 2 • No material and significant legal cases and/or disputes with customers • Conducting business risk and human rights due diligence with independent parties • Issuing a policy of non-discrimination in the workplace • Zero corruption cases/reports • Compliance risk at "low to moderate" level • All employees sign an integrity pact and code of conduct • All employees of echelon 5 and above must sign an annual disclosure

Contribution to Other SDGs

Goal	Supporting Activities
	• Providing wages/salaries in accordance with government regulations • Providing interest-free loan facilities for a certain nominal amount to BCA workers • Opening job vacancies for worker and internship positions in the Bakti BCA program • Enrolling employees in BPJS Employment
	• Disbursing financing to people's agricultural businesses • Supporting the stunting reduction program (Partnership with the government and philanthropic to accelerate the reduction of stunting rates in Indonesia)
	• Disbursing financing to clean water management and wastewater management businesses • Providing assistance for sanitation
	• Providing shuttle buses at several locations for employees attending in-class training at the BCA Learning Institute (BLI) - Sentul • Assistance for government infrastructure development programs, public and social facilities, as well as BCA assisted villages • Creating a household waste recycling program for BCA employees
	• Switching HVS paper use from 80 gsm to 75 gsm • Initiative to turn off lights in work areas during lunch break • Using digital sign and document approval office 365 applications as digital document approval applications to reduce paper usage • Working with vendors to manage solid waste
	• Planting a total of 54,500 Multi-Purpose Trees (MPTS) in Tanggamus Regency, Lampung and Buleleng Regency, Bali with a total area of 87.2 ha • Total planting of 9,000 trees in critical land area totaling 22.5 ha • Planting 5,500 mangrove seedlings in Kertasari Village, West Sumbawa Regency, West Nusa Tenggara Province
	• Collaborating with WWF to learn about opportunities/potentials related to Sustainable Finance • Collaborating with BOSF to protect orangutans, as well as monitoring tree planting • Collaborating with the Nusantara Institute and SENA WANGI for activities to preserve Indonesian art, culture and traditions • Collaborating with SPBK Perdami, Health Agency, Bakti Media Clinic, and North Duri Clinic for community health promotion • Collaborating with the Indonesian Natural Dyes Association (WARLAMI) to develop natural dyeing • Collaborating with PCAF (Partnership for Carbon Accounting Financials) for financed emission calculation

Sustainability Governance [2-13, 2-24]

The implementation of sustainable finance and ESG management is the responsibility of all work units and directorates at all levels. BCA involves the Board of Directors and Board of Commissioners in sustainability governance, sustainability performance monitoring and ESG performance management.

Structurally, BCA sets the Environment Sustainability Governance (ESG) Group as a group that is separate from other work units. Under the Planning & Finance Directorate, the ESG Group reports to the Senior Executive Vice President CFO Office. Meanwhile, the Senior Executive Vice President CFO Office is responsible for reporting sustainability performance to the Finance & Corporate Planning Director to further submit it to the President Director.

In the Board of Directors' Key Performance Indicators (KPIs), there are indicators of ESG and Sustainable Finance performance achievements. Likewise, all related work units also have KPIs concerning ESG and sustainable finance, which are integrated into every daily work activity.

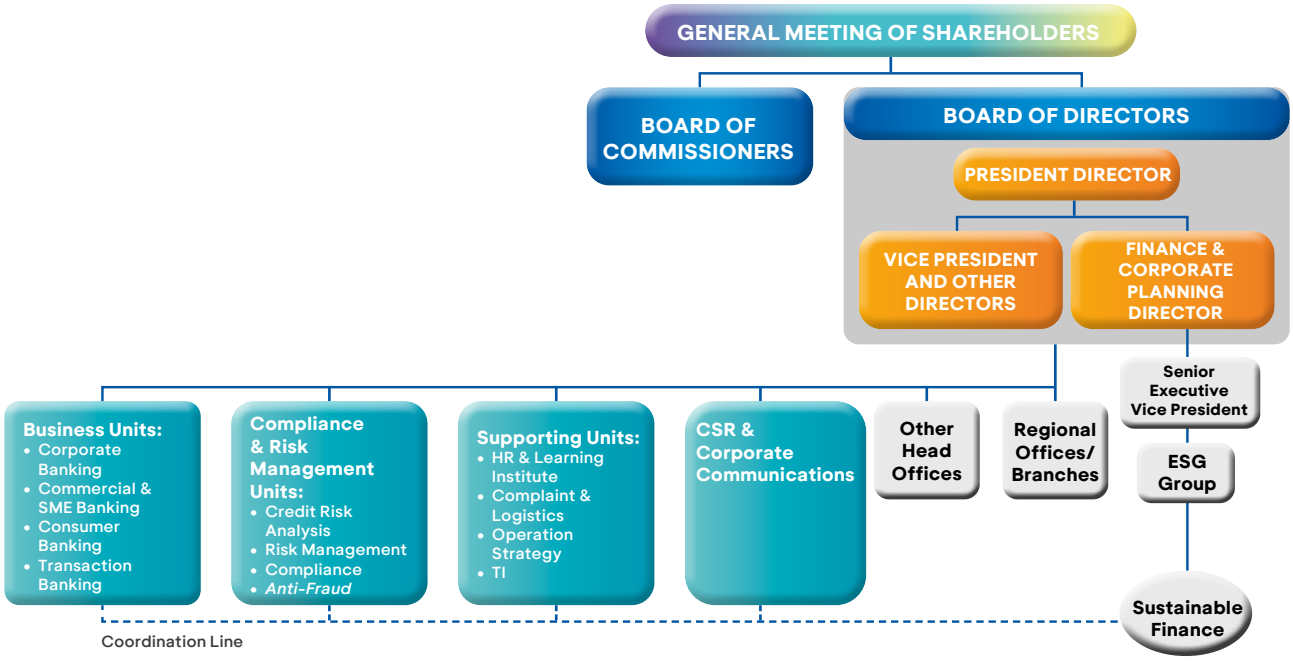




2023 Annual General Meeting of Shareholders

Sustainability Governance [2-9]

The sustainability governance structure is described as follows:



Notes:
- The coordination line describes the mechanism for reporting progress on Sustainable Finance

Complete information regarding the composition of the highest governance bodies and company committees can be accessed at https://www.bca.co.id/en/tentang-bca/tata-kelola/Struktur-Organisasi, as well as performance evaluations of the company's highest organs can be accessed at https://www.bca.co.id/-/media/Feature/Report/File/S8/Kebijakan-GCG/20190712-Final-Kebijakan-Self-Assessment-EN.pdf, as well as being presented in the 2023 Annual Report.

Duties of the Board of Commissioners, Board of Directors and Officers Responsible for Sustainable Finance Implementation [2-12, 2-24]

The roles of Board of Commissioners as a supervisory body in implementing sustainable finance, are:

- Approve the Sustainable Finance Action Plan (SFAP) and Sustainability Report prepared by the Board of Directors, to be submitted to the OJK;
- Ensure that the preparation of business strategies and implementation of Bank activities by the Board of Directors has considered and harmonized economic, environmental, social and governance aspects;
- Provide feedback on sustainability and/or Sustainable Finance performance submitted by the Board of Directors;
- Provide advice on the preparation of the SFAP according to the Bank's business strategy.

The Board of Directors as a management body plays a strategic role in directing and leading the company to achieve Sustainable Finance goals including:

- Preparing SFAP and Sustainability Report to be submitted to OJK after obtaining approval from the Board of Commissioners;
- Developing business strategies and implement the Bank's activities by considering and aligning economic, environmental, social and governance aspects;
- Ensuring the overall sustainability strategy aligns with the Bank's strategy;
- Giving approval to policies on Sustainable Finance;
- Implementing SFAP and Sustainable Finance principles according to the scope of the directorate's duties;
- Conducting regular evaluations of Sustainable Finance performance.

Meanwhile, the main functions of the ESG Group are:
- Protecting stakeholder interests and increase compliance with laws and regulations through implementing good corporate governance (GCG);
- Building a sustainable finance culture and conducting dissemination to all related parties in the company to achieve sustainable performance (environment, sustainability, governance/ESG).

Risk Identification, Monitoring and Control Procedures for the Implementation of Sustainable Finance [2-12, 2-14, 2-23, 2-24] [FS9]

In particular, the Director of Planning and Finance which oversees the ESG group was appointed as a supervisor, monitor and person in charge of implementing sustainable finance. The Finance & Corporate Planning Director acts as a coordinator and has the main responsibilities and duties as follows:
- Building and implementing a sustainable finance culture in various aspects of the organization;
- Leading the preparation of the SFAP and Sustainability Report;
- Ensure the application of Sustainable Finance principles, implementation of the SFAP, publication of the Sustainability Report and keep abreast of Sustainable Finance issues;
- Regularly supervise, evaluate and follow up the implementation of the SFAP;
- Supervise and ensure the implementation of Sustainable Finance activities/initiatives/programs in line with the Bank's strategy and applicable regulations.

In implementing sustainable finance, all directors synergize with each other to achieve KPIs, coordinated by the Finance & Corporate Planning Director. The President Director, other members of the Board of Directors, and senior executives are also involved in supervising and evaluating the formulation of policies related to economic, social and environmental aspects. Monitoring and evaluation activities are incidental, which is adjusted to the implementation of related policy making. Monitoring of the sustainable finance implementation is carried out every three months and is presented in analyst meetings taking into account the achievements of the SFAP.

In managing risks in implementing sustainable finance, BCA optimize functions related to Risk Management. ESG risk management in financing is carried out from the beginning of the screening process for loan applications by prospective debtors. BCA has a sectoral credit policy for sectors that have potential high risks to the ESG aspect.

The Risk Management Division periodically monitors the loan portfolio and ensures diversification in accordance with the Bank's risk appetite. Monitoring results are submitted to the Director of Risk Management and/or the Director of each business unit. In response to sustainability risks, BCA regularly conducts short-term and long-term stress testing. [FN-CB-550a.2]

Management of sustainability risks, sustainability performance achievement and sustainable finance implementation are discussed at regular Board of Directors meetings at least four times a year. At the end of the year, BCA prepares an Annual Report and Sustainability Report which are then uploaded to the website that can be accessed by all stakeholders. Specifically to shareholders, BCA management presents sustainability performance through analyst meetings, public exposures, investor calls, GMS, and others.

At the Annual GMS, BCA's Directors and Board of Commissioners will present financial performance, operational performance, GCG implementation and sustainability performance. BCA does not yet have a specific policy regarding granting voting rights to shareholders to discuss ESG issues at the GMS. This does not reduce the voting rights of shareholders to express opinions at the GMS. [FS12]

Sustainable Finance Competency Development [FS4]

Until the end of 2023, all employees (100%) have received training and dissemination related to sustainable finance. In the reporting period, BCA has published two mandatory e-learning ESG-related topics, encompassing Introduction to Climate Change and Green Office & Green Lifestyle. The introduction of sustainability topics is also part of the learning curriculum in certain promotion preparation programs at BCA. To improve the competency of BCA personnel, other training methods related to sustainable finance are also provided, including forums, webinars, FGDs, workshop, sharing sessions and various training media tailored to needs. The training are carried out online with a variety of topics such as ESG & Climate Change Impact, Voluntary Carbon Market, Human Rights in Business, and so on. External parties involved to support sustainable finance related training including experts, practitioners, business actors, consultants, GRI, CDP, IDX, and OJK.

BCA consistently implements ESG and sustainable finance refreshments for the Board of Directors and Board of Commissioners every year. In addition, refreshment was also given to committee members including all members of directors/commissioners of BCA Group subsidiaries.

Sustainable Finance Training Data by Level of Position

Level of Position	Number of Participants (people)		
	2023*	2022	2021
Board of Commissioners	4	1	4
Directors	10	9	11
Senior Manager	1,549	63	171
Middle Manager	8,972	147	4,607
Line Manager	14,988	221	6,847
Staff	25,809	561	10,921
Non-staff	19,110	0	495
Total	**70,442**	**1,002**	**23,056**

*) Consisting 34,765 Climate Change e-learning participants, 34,936 Green Office & Green Lifestyle e-learning participants, 525 Sustainable Finance e-learning participants, 103 career development program participants, 99 workshop participants, 14 ESG Refreshment participants.

Sustainable Finance Action Plan

In 2023, BCA had completed Phase I of its long-term Sustainable Finance Action Plan (SFAP) for 2019-2023 period with excellent achievement of targets in the SFAP's three priority activities. In the first priority, Sustainable Financing growth reached an average of 13%, exceeding the set target of 8%. On the second priority, internal capacity building, BCA has conducted training programs related to Sustainable Finance, including in-person training, workshops, seminars, FGDs and e-learning for all permanent employees and management. As for the third priority, BCA has made adjustments to the organization, risk management, governance, and standard operating procedures, including the establishment of the ESG Group in the company's organizational structure, the establishment of BCA's vision, mission and sustainability governance structure, adjustments to the risk management framework, alignment of KPIs and the issuance of various new ESG-related policies.

As a continuation of Sustainable Finance implementation, BCA has developed the SFAP Phase II for 2024-2028 period, which includes three main priority activities. For the first priority, the plan to provide sustainable finance, BCA has set targets for the sustainable financing growth, developing special programs for MSMEs, exploring the development of ESG-based products, and encouraging debtors or potential debtors to improve ESG practices. For the second priority, internal capacity building, BCA plans to provide advanced Sustainable Finance training to all employees, providing regular ESG training to all BCA permanent employees, and conducting ESG refreshment training for employees in managerial level every year. For the third priority, BCA will continue to adjust its organization, risk management, governance and standard operating procedures to improve the overall effectiveness and efficiency of the organization in implementing Sustainable Finance.



One of the disbursements of sustainability financing for biomass power generation in PT. Rezeki Perkasa Sejahtera Lestari

BCA has submitted SFAP Phase II which contains achievements for 2019-2023 and a five-year plan (2024-2028) to the Financial Services Authority (OJK) on 30 November 2023. Periodically, the ESG Group receives reports and communicates with work units related to sustainable finance as forms of supervision. BCA also conducts regular audits at least once every three years to ensure that sustainability policies, procedures and performance are set out in the SFAP.

Challenges and Opportunities in Implementing Sustainable Finance

As sustainability issues and ESG risks increase, BCA has been observing several challenges and opportunities for the next few years that need to be managed from now on.

Challenges

- Increasing cyber attacks.
- Acceleration of information technology and competition from the financial technology (fintech) industry.
- The importance of complying with green financing policies.
- Many rating agencies require ESG implementation with different standards.
- Increased environmental risks, especially weather changes that affect debtors' businesses.
- Implementation of climate risk stress testing (CRST).
- GHG emission reduction initiatives/projects and contribution to zero carbon emissions.



Opportunities

- Increasing attention from the government and investors regarding the implementation of sustainable business in order to create environmentally friendly products and projects.
- Many businesses are starting to pay attention to environmental aspect in conducting their business.
- Opening of financing opportunities to support a low-carbon economy, including the new and renewable energy (NRE) sector, electric vehicles and batteries, as well as waste management.



Responsible Banking



BCA manages a sustainable financing portfolio, including green financing and MSMEs, and increases loan disbursement to environmentally friendly sectors with the aim of supporting the creation of a low-carbon economy

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MSME in Kakaskasen Dua, Bakti BCA Partner Tourism Village

Economic Performance

In 2023, BCA has recorded solid financial performance and has increased green financing disbursement.

Material Topic Management: Economic Performance [3-3]

Why it Matters	Economic performance is a material and significant topic for the Bank to manage. It is supported by the Bank's commitment to implement sustainable finance practices and support the achievement of the SDGs.
Impact Management	BCA implements its strategies based on the Bank Business Plan (RBB) which is made every year to achieve economic and monetary performance. The bank manages the economic aspects with a strategic and systematic planning to achieve the optimal working performance, thus provides a positive impact and an added value.
Commitment and Target	Carry out financial strategies and manage economic aspects in accordance with RBB targets.
Policy	BCA's commitment to managing economic aspects and financial performance is supported by the following internal policies: - Board of Directors' Decree No. 070/SK/DIR/2012 dated 26 April 2012 concerning Commercial Bank Periodic Reporting; - Board of Directors' Decree No. 193/SK/DIR/2015 dated 29 December 2015 concerning the Issuance of Transparency Policy and Publication of Bank Reports; - Circular Letter No. 282/SE/POL/2017 dated 30 November 2017 concerning Mechanisms for Preparing and Submitting Self-Assessment Reports on the Implementation of Integrated Governance; - Circular Letter No. 327/SE/POL/2020 dated 4 December 2020 concerning Integrated Commercial Bank Reports to Bank Indonesia; - Circular Letter No. 050/SE/POL/2022 dated 7 February 2022 concerning Submission of Customer-based Deposit Insurance Data Reports;
Evaluation on Material Topic Management Effectiveness	BCA carries out financial strategies and manages economic aspects under the direction of the Finance and Corporate Planning Director. The related parties involved in monitoring and evaluating economic performance are the Internal Audit Unit, Audit Committee, Director and Board of Commissioners. The Bank also audits financial reports by external auditors from the KAP Tanudiredja, Wibisana, Rintis & Rekan - a member firm of the PwC global network. Financial statements and economic performance disclosures are presented in the Annual Report which can be accessed by stakeholders via the BCA website.

Economic Performance Achievement vs Target

BCA's presence in Indonesia has contributed a positive impact to the Indonesia's economic growth. This is supported by the upward trend of economic performance compared to last year's achievements and the targets set for 2023.

Achievement vs Target 2023

Description	2023		2022	2021
	Target	Achievement		
Loan Growth	10% - 12%	13.9%	11.7%	8.3%
CASA Growth	7% - 9%	4.3%	10.4%	19.1%
Net Interest Income	5.5% - 5.6%	5.5%	5.3%	5.1%
Cost to Income (CIR)	36% - 37%	33.8%	33.9%	34.9%
Return on Asset (ROA)	3% - 4%	3.6%	3.2%	2.8%
Return on Equity (ROE)	19% - 22%	23.5%	21.7%	18.3%

Economic Value Generated and Distributed (Rp million) [201-1]

Description	2023	2022	2021
A. Economic Value Generated			
Interest Income and Sharia - Net	87,397,774	72,241,191	65,626,976
Other Operating Income	24,816,551	23,486,808	22,337,794
Other Comprehensive Income (Expense)	(1,106,209)	(3,322,718)	426,906
Total Economic Value Generated	**111,108,116**	**92,405,281**	**88,391,676**
B. Economic Value Distributed			
Interest Expenses and Sharia	12,268,952	8,251,682	9,491,401
Other Operating Expenses (Manpower Costs and General & Administrative Expenses)	37,502,567	32,482,665	30,308,200
Allowance for Impairment Losses on Assets	2,263,049	4,526,619	9,323,995
Dividend Payments	26,195,948	19,107,633	13,732,840
Payments to Government	11,521,662	9,711,461	7,401,015
Community (Environmental) Investment	153,156	143,096	136,205
Total Economic Value Distributed	**89,905,334**	**74,223,156**	**70,393,656**
C. Economic Value Retained (A-B)	**21,202,782**	**18,182,125**	**17,998,020**

Responsible Financing

BCA incorporates ESG aspects in its business strategy to support long-term business performance. In line with this, BCA manages a sustainable financing portfolio, both for green financing and MSMEs. Increasing financing to environmentally friendly sectors is expected to accelerate the transition to a low-carbon economy.

Material Topic Management: Green Financing Portfolio [3-3]

Why It Matters	The topic of green financing portfolio is a material and significant topic for the Bank to manage. This is reinforced by the Bank's commitment to implement sustainable finance practices and support the achievement of the SDGs.
Impact Management	In managing the green financing portfolio, the Bank reports sustainable financing and carries out ESG risk mapping. It aims to minimize the Bank's ESG risks in financing and increase contributions to financing in environmentally friendly sectors to have a positive impact on stakeholders and the environment.
Commitment and Target	Managing environmental and social risks in financing and aims to achieve green financing targets in accordance with SFAP.
Policy	BCA's commitment to implementing sustainable finance and managing ESG risks in financing activities is supported by the following internal policies: • Board of Directors' Decree No. 196/SK/DIR/2019 concerning Sustainable Finance Provisions; • Board of Directors' Decree No. 169/SK/DIR/2020 concerning Review of the Basic Bank Credit Policy (KDPB) of PT. BCA, Tbk; • Board of Directors' Decree No.198/SK/DIR/2020 concerning Changes to AMDAL Provisions and Prohibitions on Providing Credit (exclusion list). • Board of Directors' Decree No. 179/SK/DIR/2021 concerning Environmental Policy of PT Bank Central Asia Tbk; • Board of Directors' Decree No. 268/SK/DIR/2021 concerning Financing Policy for Palm Oil Plantations and Industry; • Board of Directors' Decree No. 198/SK/DIR/2022 concerning Environmental, Social and Governance (ESG) Policy for Coal Mining Sector Financing; • Board of Directors' Decree No. 203/SK/DIR/2022 concerning Environmental, Social and Governance (ESG) Policies for Financing the Toll Road Development Sector; • Board of Directors' Decree No. 212/SK/DIR/2022 concerning Environmental, Social and Governance (ESG) Policies for Financing the Timber and Forest Products Industrial Sector; • Board of Directors' Decree No. 213/SK/DIR/2022 concerning Environmental, Social and Governance (ESG) Policies for Financing the Cement and Basic Steel Industries.
Evaluation on Material Topic Management Effectiveness	Monitoring and evaluation of the green financing portfolio is carried out simultaneously with supervision of the sustainable finance implementation. Supervision is carried out every three months through analyst meetings which discuss reports on the results of the sustainable finance implementation in accordance with the SFAP to the Board of Directors and Board of Commissioners. In particular, the management of the green financing portfolio is under direct supervision of the Finance & Corporate Planning Director.

Realization of Sustainable Finance Implementation

A comparison between portfolio targets and performance, financing targets, or investments in financial instruments or projects that are in line with the implementation of sustainable finance during 2023 is presented in the following tables:

Sustainable Financing Portfolio

Description	Unit	2023	2022	2021
Number of products meeting the sustainable financing categories				
1. Funding	Number of Products	-	-	-
2. Lending*	Number of Products	3	2	3
Total earning assets for sustainable business activities				
3. Total SF Loans/Financing	Rp billion	202,606	183,225	159,486
4. Total Non-SF Loans/Financing	Rp billion	613,640	536,906	484,856
Total Bank's Portfolio	**Rp billion**	**816,246**	**720,131**	**644,342**
Percentage of total sustainable loans/financing to total Bank portfolio	**%**	24.8	25.4	24.8

*) The product used for channeling SF funds is integrated with existing loan products at BCA.

Composition of Sustainable Financing Portfolio Outstanding By Business Segment [FS6]

Description	2023		2022		2021	
	Rp billion	%	Rp billion	%	Rp billion	%
Non-MSME sustainable financing portfolio	86,568	42.7	80,909	44.2	71,280	44.7
- Corporate	82,398	40.7	78,903	43.1	70,052	43.9
- Commercial	1,500	0.7	1,354	0.7	1,208	0.8
- Consumer	1,035	0.5	274	0.2	20	0
- Green Bonds/Sukuk	1,635	0.8	379	0.2	0	0
MSME sustainable financing portfolio	116,038	57.3	102,316	55.8	88,206	55.3
Total Sustainable Financing	**202,606**	**100.0**	**183,225**	**100.0**	**159,486**	**100.0**

In 2023, BCA recorded a Sustainable Financing portfolio of Rp202.6 trillion or an increase of 10.6% from Rp183.2 trillion last year. The percentage exceeds the Sustainable Financing target of 9%. Sustainable financing portfolio consists of non-MSME (green financing) amounted to 42.7% and MSME amounted to 57.3%. Total Sustainable Financing portfolio was equivalent to 24.8% of total portfolio in 2023. [FS10]

Non-MSME Sustainable Loan Portfolio based on Business Sector (Rp billion) [FS6, FS8]

Green Business Sector	2023	2022	2021
Renewable energy	2,057	2,094	2,334
Energy Efficiency	74	-	182
Management of Bioresources and Sustainable Land Use	67,760	66,146	57,910
Eco-friendly Transportation	8,030	6,948	5,987
Sustainable Water and Wastewater Management	1,379	818	885
Products That Can Reduce Use of Resources and Generate Less Pollution (Eco-efficient)	5,326	4,448	3,901
Environmentally Friendly Buildings that Meet National, Regional, or International Standards or Certifications	99	77	81
Sustainable Business and/or other Activities	1,843	379	-
Total	**86,568**	**80,909**	**71,280**

To continue increasing Sustainable Finance portfolio, BCA uses the Sustainability Linked Loan (SLL) scheme. In the SLL scheme, BCA and the debtor agree on Key Performance Indicators (KPI) and sustainability performance targets (SPT) which have been aligned with the debtor's main business sector. With this mechanism, debtors will receive incentives if they meet a series of agreed SPTs. In 2023, financing with the SLL scheme that has been disbursed reached IDR 319 billion, and as of December 2023 the outstanding amounted to IDR 304.8 billion.

A complete explanation regarding the financing portfolio divided by business sector and segment (corporate, commercial & SME, and consumer) can be accessed in the 2023 Annual Report. [FN-CB-000.B]

Financing for Renewable Energy Sector [FS8]

The government has encouraged the Bank to support a low-carbon economy, including providing financing to NRE projects. In 2023, BCA recorded disbursement of financing for NRE projects at Rp2.1 trillion. Some of the projects that have been funded including solar, water, mini hydro, biogas and biomass power generation projects.

Financing for the Sustainable Bioresource Sector

By the end of 2023, one of the largest sustainable financing was for business activities related to the sustainable bioresource and land use management with a total of Rp67.8 trillion. BCA requires certifications of the Indonesian Sustainable Palm Oil (ISPO) or Roundtable on Sustainable Palm Oil (RSPO) for palm oil companies; Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) for timber or forest processing companies; UTZ Certification for coffee and cocoa products.

In particular, the Bank has a policy to supervise and manage financing in the palm oil sector as stated in Board of Directors' Decree No. 268/SK/DIR/2021 concerning Financing Policy for Palm Oil Plantations and Industries to prevent financing to prospective debtors who commit deforestation and human rights violations.

Financing for Certified Palm Oil Industry Companies [FS10]

Certification Status ISPO & RSPO	2023		2022		2021	
	Number of Companies	Outstanding (Rp billion)	Number of Companies	Outstanding (Rp billion)	Number of Companies	Outstanding (Rp billion)
ISPO Certified	28	12,562	30	11,846	25	9,659
RSPO Certified	22	22,405	16	19,848	15	19,624
ISPO and RSPO Certified	13	5,477	13	7,728	13	6,088
Total	**63**	**40,444**	**59**	**39,422**	**53**	**35,371**

Note:
All certified companies are corporate debtors, with a total of 63 companies or approximately 72.4% of the total corporate debtors with 65.9% of the total outstanding engaged in the Palm Oil Plantation and Palm Oil Industry sectors. [FS11]

Financing for the Environmentally Friendly Transportation Sector

The second largest distribution of financing in the green portfolio is the environmentally friendly transportation category. In realizing a sustainable city, the government is promoting electric and battery powered transportation projects. In this sector, BCA disbursed financing of Rp8.0 trillion up to the end of 2023.

Financing for Other Environmentally Friendly Projects

In addition to financing in the categories of Renewable Energy, Bioresources and Sustainable Land Management, and Environmentally Friendly Transportation, in 2023 we also distribute financing in the following categories:

- Energy efficiency;
- Sustainable water and effluent management;
- Eco-efficient products using less resources and causing less pollution;
- Green buildings that meet nationally, regionally, or internationally recognized standards or certifications; and
- Business activities and/or other green activities.

The total financing in the 5 sectors as of the end of 2023 was Rp8.7 trillion.

BCA has also invested in green bonds/sukuk as a form of sustainable financing diversification since 2022. Investment in green bonds/sukuk reached Rp1.6 trillion in 2023.

Financing for Micro, Small and Medium Enterprises (MSME) Sector [FS6, FS7, FS8][FN-CB-240a.1]

BCA supports the MSME sector through financing amounted up to Rp116.0 trillion or 57.3% of total financing in 2023. As compliance with the government, the Bank follows the Macroprudential Inclusive Financing Ratio (RPIM) reference in disbursing financing to the MSME sector. At of the end of 2023, the distribution ratio in the MSME sector still met the ratio threshold set by the government.

Description	2023		2022		2021	
	Rp billion	%	Rp billion	%	Rp billion	%
MSME portfolio	116,038	57.3*	102,316	55.8	88,206	55.3

* Percentage of total sustainable financing

People's Business Credit [FS6, FS7][FN-CB-240a.1]

People's Business Credit (KUR) is part of the MSME sector. In 2023, KUR disbursement was recorded at Rp598.8 billion, up 25.2% from Rp478.1 billion in the previous year. KUR disbursement aims to help small and micro businesses managed by the community. Through KUR, BCA contributes to providing a direct economic impact on the community. Types of people's businesses that receive KUR include handicraft, processed agricultural products, animal husbandry and nurseries.

KUR Disbursements [FS6, FS7][FN-CB-240a.1, FN-CB-240a.2]

Type of KUR	Number of Debtors	Disbursed Loans (Rp billion)	Composition (%)
Micro	306	25.2	4.2%
Retail	1,830	573.6	95.8%
Total	**2,136**	**598.8**	**100%**

As of the end of 2023, BCA recorded there were arrears from KUR. The value of KUR loans in arrears was Rp0.5 billion. [FN-CB-240a.2]

In disbursing KUR, BCA applies procedures for debtors to meet loan requirements, including screening for the social and environmental management. BCA supports people's business actors who have not met loan requirements through mentoring and training related to business development and ESG management. When they have become assisted partners and are deemed to have met the loan requirements both financially and non-financially, then the Bank will grant the loan. [FS5]

Currently, BCA KUR applications can be made by visiting the nearest branch or online at the bca.co.id web form. To make it easier for business actors to apply for KUR, BCA developed a digital application, LOUISE (Loan Origination Unified System for Enterprise), which is an application that is integrated with the bca.co.id site. On the other hand, the Bank remains consistent in implementing off-taker and channeling schemes to reach people-scale productive businesses and increase the KUR portfolio.

Support to Increase the Capacity of MSME Players [FS5]

Micro, small and medium enterprises (MSMEs) are one of the pillars of Indonesia's economy. Therefore, the government encourages loan disbursement to the MSME sector to support their business development and capacity to level up. BCA's support for the MSME sector is not only through lending, but also various synergies and collaborations aiming at raising the competitiveness of MSMEs. BCA collaborated with the Ministry of Cooperatives & SMEs and the Halal Product Assurance Organizing Body to conduct the Halal Certification workshop, free for all BCA's assisted MSMEs. Furthermore, together with the Ministry of Trade, BCA has held the Export Trade Training for MSMEs. BCA consistently organizes Bangga Lokal and UMKM Fest events annually. In addition, BCA also held various activities throughout 2023 involving a total of ± 1,400 MSME tenants, with more than 79.7 thousands transactions.

Support for Women in Developing MSMEs [FS5]

Aside from supporting MSMEs that run environmentally friendly businesses, BCA also supports the management of social aspects, including women's empowerment. The Bank provides special offers for businesses owned, founded, led and/or developed by women. It aims to support gender equality and women's capacity in running a business. Some of the benefits offered include lower interest rates.

Bangga Lokal

To encourage business development and capacity of domestic MSMEs, BCA organizes Bangga Lokal Program. MSMEs who pass the selection will receive promotional, marketing, mentoring, even the opportunity to win working capital financing. During the reporting period, there were 681 new MSMEs joining this program.

In 2023, Bangga Lokal held workshops for MSMEs in collaboration with Sekolah Bisnis dan Manajemen Institut Teknologi Bandung (SBM ITB).

BCA continuously develops Bangga Lokal activities. This year, Bangga Lokal has designed a business matching scheme to bring together MSMEs who need partnership and specific products/services, both from the sellers and potential buyers.

UMKM Fest

In 2023, the UMKM Fest was held again with the theme #AndalanLokal. The BCA UMKM Fest event has been attended by thousands of MSME sellers across Indonesia, consisted of BCA's debtors and customers, as well as MSME partners of the Ministry of Cooperatives and SMEs. They sell various types of products ranging from food and beverages, fashion and beauty, arts and crafts, and hobbies. MSMEs are invited to onboard onto Grab/Blibli platform which aims to educate UMKM Fest merchants, whether or not they have been selling online in the marketplace. A total of ± 1,400 MSMEs, who are BCA debtors and customers as well as MSME partners from the ministry were involved in this event.



UMKM Fest 2023 at Gandaria City Mall, DKI Jakarta

Positive and Negative Impacts of Sustainable Finance Implementation

The implementation of sustainable finance aims to realize a low-carbon economy and support the achievement of the SDGs. To date, BCA has consistently implemented sustainable finance in its business practices by paying attention to several positive impacts that need to be optimized and negative impacts that need to be managed, including:

Positive Impact

1. Increased understanding of bank employees and customers about sustainable finance.
2. Development of awareness of environmentally friendly and social practices by debtors and sustainable financing disbursement.
3. Business development for marginalized groups, women and people with disabilities.
4. Contribution to the SDGs achievement.
5. Adjustment of governance, procedures and policies to improve management of ESG aspects.
6. The emergence of new banking initiatives, products and services to support the sustainable finance implementation.

Negative Impact

1. Different levels of understanding on the sustainable finance implementation and many bank employees still find difficulties in mapping green financing
2. Mapping of the environmental and social risks of the debtor's business has not yet covered all segments financed.
3. Implementation of the Indonesian Green Taxonomy is still a challenge.

Strengthening ESG Risk Management

ESG Risks in Financing Activities [2-23, FS1, FS2, FS3][FN-CB-410a.2]

The scope of ESG risk management at BCA includes risk management in financing activities in all segments (corporate, commercial, and SME). BCA has a set of requirements for credit applications that must be met by (prospective) debtors from all segments (corporate, commercial, and SME), including in fulfilling all required qualifications that have been determined, all required documents, and every spacial requirements in accordance with the type of loans product requested. These terms and conditions are part of the risk assessment of governance aspects, such as legal business licenses, management structure, as well as social aspects, such as ensuring that there is no child labor or forced labor practices. For the Corporate and Commercial segments, BCA will further assess social and environmental aspects using Environmental & Social Risk Assessment (ESRA) criteria.

In the credit approval process, an escalation mechanism is applied and involves several work units, the credit committee and the Board of Directors in accordance with the policies and regulations established by BCA. The involvement of the credit committee is in accordance with one of its main functions, which is to provide direction in the event of the need for a more in-depth and comprehensive credit analysis, and to provide decisions or recommendations on proposed credit decisions on large debtors or debtors in specific industries.

Since 2022, BCA has classified its debtors based on their support for environmental protection and management as well as mitigation and adaptation to climate change in accordance with the government's Green Taxonomy Indonesia (THI) guidelines. This classification process is carried out in stages in line with the THI roadmap. As a follow-up to BCA's concern for industrial sectors with high potential ESG risks, in 2023 BCA began the pilot of ESRA on limited debtors through the application in the palm oil sector, coal mining, toll road construction, timber and forest products, cement and basic steel.

BCA also has a Risk Management Division (MRK) with one of the main functions of identifying, measuring, monitoring, controlling and reporting all risks arising from the bank's business activities or in an integrated manner according to risk appetite, including credit risk and/or risks related to ESG and climate change to the Board of Commissioners and Board of Directors.



Establishment of a Solar Drying Dome as a fish cleaning and packaging facility for Bedetan products to support the operations of MSMEs in Bakti BCA Village.

ESG Risk Management (ESRM) Integration in Financing Activities

Implementation	Duties of Officers in Mitigating Economic Aspects and ESG
Marketing	• Conducting due diligence on prospective debtors through Know Your Customer and paying attention to the AML-CTF principles. • Providing loans only to individuals and companies that have a healthy business, trustworthy governance, the ability to repay their loans, and are not in the exclusion list. • Determining one of the sustainable business activities categories to debtor with sustainable financing classification (for SME and small commercial segments).
Credit Analyst	• Analyzing debtor/prospective debtor proposals (corporate and large commercial), related to environmental, social and governance (ESG) risks that can affect credit quality. • Determining the relevant Sustainable Business Activity Categories (KKUB) for debtors (corporate and large commercial) with sustainable financing classification. • Developing and implementing a credit risk control methodology in the lending process. • Ensuring that the lending process is in accordance with the applicable credit provisions. • Take into account the efforts made by the debtor to preserve the environment through the Environmental Impact Analysis (AMDAL) document submitted by the debtor and the results of the Corporate Performance Rating Program in Environmental Management (PROPER) assessment issued by the Ministry of Environment, if any.
Compliance Unit	Ensuring the company's compliance with the applicable banking laws and regulations including loan restructuring.
Decision Maker	Responsible for making loan decisions, considering both business development and the credit risk analysis aspects
Branch/Credit Unit	Monitoring the business, portfolio, loan quality and profitability of customers and establish anticipatory measures against the decline.
Supervision	Monitoring and detecting potential non-performing loans at early stages and takes action to avoid losses. Supervision is carried out by the Internal Audit Division and the Risk Management Division

BCA always uses a prudential lending approach in analyzing the loan approval process in accordance with the Credit Condition Expert/Manual. ESG risk mitigation activities refer to the ESG Integration Implementation Guide for Banks issued by OJK in 2015; BCA Basic Bank Credit Policy (KDPB); Law No. 32 of 2009 concerning Environmental Protection and Management; and other internal policies related to ESG risk management in financing activities.

The Bank's mitigation measures against ESG risks are carried out through the following efforts:



Environment

- Taking into account the efforts made by debtors to preserve the environment through Environmental Impact Analysis (AMDAL) documents, Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL), the results of the assessment of the Corporate Performance Rating Program in Environmental Management (PROPER) issued by the Ministry of Environment.
- Requiring submission of AMDAL documents for large-scale and/or high-risk debtors.
- Requesting follow-up information from debtors if PROPER assessment results do not meet environmental requirements and monitoring subsequent PROPER results.
- Monitoring commitments and risk mitigation plans for debtors with significant risks of climate change, forest destruction, and biodiversity, through improvement reports submitted periodically.



Social

- Implementing employment policies, at the minimum in accordance with the company's regulation and/or the Collective Labor Agreement (CLA)
- No child labour
- No forced labour



Governance

- Implementing the Three Lines of Defense concept in the internal control system and risk management, involving all lines of the organization.
- Monitoring all credit quality on a regular basis.
- Implementing an internal credit risk rating/scoring system consisting of eleven risk rating categories ranging from RR1 to RR10, and the worst (loss).

Environmental Credit Policy [2-23, FS1, FS2, FS3, FS10, FS11] [FN-CB-410a.2]

In conducting sustainable business, BCA recognizes the importance of compliance with environmental regulations and standards as a form of corporate social responsibility and sustainability commitment. Therefore, BCA is committed to pay attention to and manage the environmental impacts of its business activities, and to put in efforts into minimizing these negative impacts. To date, BCA has issued several policies, including policies on environment, responsible financing, and a financing for sectors with potentially high ESG risks, such as palm oil plantation and industry, coal mining, toll road construction, timber and forest products industries, as well as cement and basic steel industries.

BCA requires and/or encourages debtors to implement sustainable business practices on various ESG criteria in financing with high ESG risk potential, including:

No	Sector	Criteria
1	Agriculture	- Hold complete documents for Industries that utilize and manage wood sources, legality of wood sources, business activities, as well as environmental and social permit documents in accordance with applicable laws and regulations. - Comply with laws, government regulations, and government policies applicable to the (prospective) debtor, especially those related to occupational health and safety, manpower, the environment, and social responsibility. - Have clear policies and management systems related to environmental management. - Hold certificates related to environmental aspects, as well as occupational health and safety aspects. - Prevent and not conducting illegal logging in its business processes, as well as implementing prevention and control of forest and land fires. - Manage and improve environmental conditions from industrial activities, either through land rehabilitation, implementation of sustainable forest management practices, or other efforts. - Use raw materials from certified sustainable forests. - Making efforts to reduce the impact of environmental, water, air, and soil pollution by adopting the best management techniques in managing air emissions, water, solid waste, hazardous materials, and effluent. - Respect human rights, the rights of surrounding and/or indigenous communities and ensure all land used for activities is free from conflict and minimize other social risks in the company's operating areas. - Conduct empowerment and development programs for surrounding communities to improve their quality of life. - Implement FPIC (Free, Prior, and Informed Consent) with surrounding and/or indigenous communities before conducting operational activities. - Requires no clearance by burning.
2	Biodiversity	- Hold complete documents related to readiness criteria, legal documents for land used for business, and relevant environmental and social permit documents, such as Principle License, Location Permit, Plantation Business Permit (IUP), Environmental Impact Analysis (AMDAL) permit or Environmental Management and Monitoring Efforts (UPL-UKL) in accordance with applicable laws and regulations. - Comply with laws and regulations, government regulations, and government policies applicable to (prospective) debtors, especially those related to human rights, manpower, the environment, and social responsibility. - Complete the process of obtaining land certificates (Cultivation Right/Right to Build) for uncertified land. - Obtain certification (ISPO/RSPO/other similar certifications) in accordance with applicable regulations. - Adopt the principles of No-Deforestation, No-Peat, No-Exploitation (NDPE) and Free, Prior, and Informed Consent (FPIC). - Take into account high conservation value (HCV) and high carbon stock (HCS) in new planting activities. - Have a Standard Operating Procedure (SPO) for Land Fire Prevention and Handling. - Implement best practices in peatland and water management, circular economy, low carbon energy use, climate change adaptation and mitigation efforts. - Establish good relationships and improve the quality of life of local communities, including through effective and efficient social and economic empowerment.
3	Mining	- Hold the required documents according to the industry, based on applicable laws. - Comply with laws and regulations, government regulations, and government policies applicable to the (prospective) debtor, especially those related to occupational health and safety, labor, the environment, and social responsibility. - Have clear policies and management systems related to environmental management. - Hold certifications related to environmental aspects, as well as occupational health and safety aspects. - Have clear and transparent grievance channels and processes related to ESG aspects. - Conducting empowerment programs and mentoring for surrounding communities to improve their quality of life. - Make efforts to reduce the impact of environmental, water, air, and land pollution in accordance with applicable laws and regulations. - Manage and improve environmental conditions from the impact of the company's business activities, including through biodiversity conservation or land rehabilitation and other efforts. - Implement utilization and management practices by minimizing the risk of occupational health and safety aspects, minimizing and controlling the impact of environmental damage and respecting and protecting the rights of surrounding and/or indigenous communities and employees.

Note:
Complete information on BCA's policy on ESG and sustainability can be accessed at https://www.bca.co.id/en/tentang-bca/keberlanjutan/kebijakan-dan-standar

BCA's basic credit policy emphasizes that BCA prohibits the loan provision to businesses that pose environmental, social and governance (ESG) risk (exclusion list), including:

- Illegal logging, production and trade of timber or other forest products from forests with unsustainable management.
- Activities involving any form of forced labor or exploitation of minors or human rights violations (such as: prostitution, trafficking, labor smuggling).
- Production, trade, shipping and import of weapons outside of authorized business entities/institutions that have received special licenses/legality from the government.
- Production, trade of narcotics, psychotropic substances and addictive substances outside of authorized business entities/institutions that are licensed/legal by the government.
- Activities that affect UNESCO World Heritage Sites or national and/or international protected areas.
- Activities that violate the rights of local communities, such as activities that take over land ownership from indigenous peoples without their consent.
- Activities of trading wildlife or wildlife products (e.g. ivory, horns, shark fins).

BCA encourages debtors who have complied with basic credit requirements, but have only met the minimum threshold for ESG aspects, to continue improving their performance through time-bound action plan. This action plan contains the debtor's commitment to improve and enhance ESG performance within a specific timeline that has been adjusted to the conditions of each debtor. BCA oversees the implementation of debtor commitments using established procedures. The credit unit conducts supervision at least once a year in conjunction with the extension process and/or review of credit facilities.

Credit unit is required to examine carefully the mandatory environmental documents, and consider environmental management achievements beyond those required, such as PROPER, ISPO or RSPO certificates for palm oil companies; FSC and PEFC for timber or forest product processing companies; International Sustainability and Carbon Certification for renewable energy products, including biofuels and bioenergy; UTZ Certification for coffee and cocoa products; and a Green Building certificate issued by GBCI.



Towards Climate Resilience [201-2]

BCA has developed a Climate Strategy to guide our steps in carrying out decarbonization towards climate resilience. This effort is part of BCA's support for the government's target to achieve net zero emission (NZE) by 2060. The evidence of board-level engagement on climate-related risks, particularly by the Board of Directors and Board of Commissioners, is carried out by giving approval to the Climate Change Strategy and monitoring our every action. Discussions on sustainable finance including climate-related risk management and ESG are presented in the form of quarterly reports.

Material Topic Management: Climate Action [3-3, 201-2]

Why It Matters	The risk of climate change can disrupt business activities in the long term. Therefore, the Bank needs to mitigate climate risks in financing activities because debtor business activities contribute to GHG emissions.
Impact Management	Climate risk assessment is part of credit assessment, especially for sectors that produce high GHG emissions and encourages debtors to carry out decarbonization. BCA manages sectors that are vulnerable to the impacts of climate change and seeks to increase financing for NRE development projects, producing less pollution, energy efficiency and waste management.
Commitment and Target	• Managing GHG emissions • Increasing energy efficiency in bank operational activities • Contribute to achieving SDGs - Goal 13 on Climate Action in 2030 and supporting Indonesia to achieve Net Zero Emissions by 2060.
Policy	BCA's commitment to climate risk mitigation is supported by the following policies: • Board of Directors' Decree No. 179/SK/DIR/2021 dated 22 September 2021 concerning Environmental Policy of PT Bank Central Asia, Tbk • Board of Directors' Decree No. 197/SK/DIR/2021 dated 6 October 2021 concerning Community Empowerment Policy of PT Bank Central Asia, Tbk • Board of Directors' Decree No. 212/SK/DIR/2022 dated 29 November 2022 concerning Environmental, Social, and Governance (ESG) Financial Policy for the Timber and Forestry Products Industry Sector
Evaluation on Material Topic Management Effectiveness	The Finance and Corporate Planning Director is responsible for leading the integration of climate action supported by work units involved in implementing sustainable finance. From the financing aspect, BCA is gradually assessing debtors based on their environmental protection and management efforts as well as mitigation and adaptation to climate change using the Indonesian Green Taxonomy guidelines. The Bank continues to increase its green portfolio and consistently implements a green lifestyle, inventorizing GHG emissions from scopes 1, 2 and 3.

Climate-Related Risk Mitigation [201-2]

Climate-related risk mitigation actions refer to the Climate Change Strategy Roadmap which has four main parts, namely:

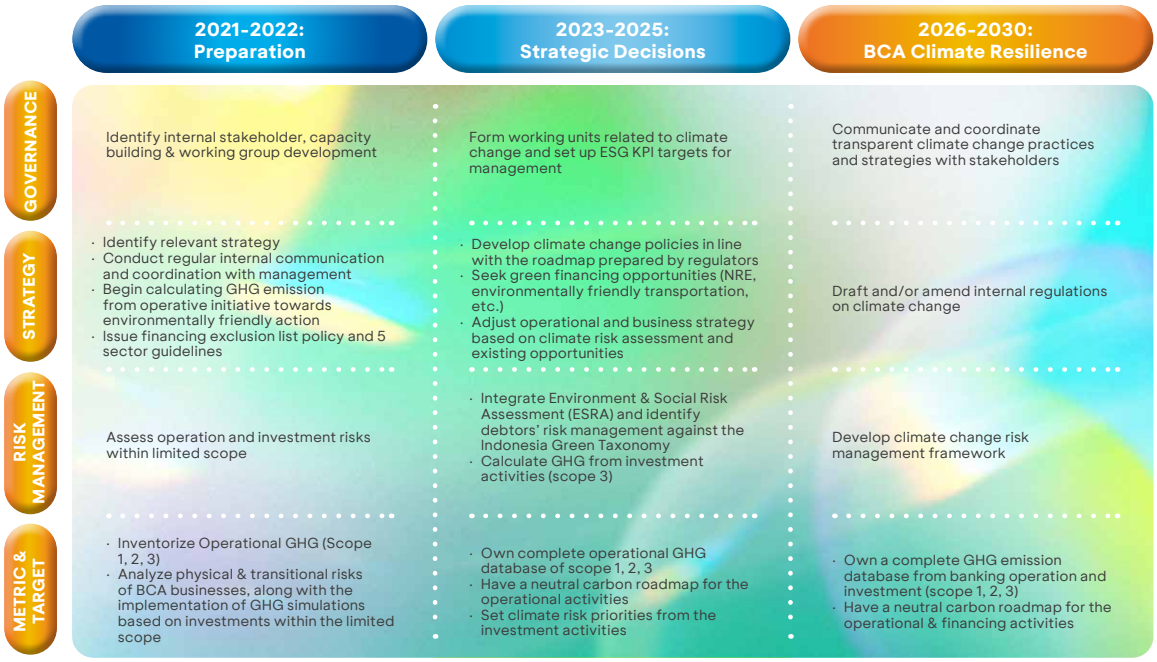
- The assessment process is aligned with the Task Force on Climate-related Financial Disclosures (TCFD).
- Aligning initiatives or programs with aspects of governance, strategy, risk assessment, as well as metrics and targets.
- Analyzing possible adaptations to transition and physical risks.
- Implementing the Climate Change Strategy Roadmap.

The adoption of the TCFD framework aims to integrate aspects related to climate change into risk management and its impact on finance. The following is a description of the implementation of the TCFD framework at BCA:

1. **Climate Governance**
   BCA maps out management responsibilities for assessing climate-related risks. Departments involved in analysis related to climate change and strategic developments are: GBKF, DBKK, DBKM, DLOG, POL, DCP, GARK, MRK, and ESG Group. Institutionally, the climate change initiative is under the Director of Planning and Finance, who is tasked with integrating climate change as one of the main aspects of ESG into strategy and regular reporting.

2. **Strategy**
   BCA identifies and analyzes the actual and potential impact of climate-related risks and opportunities on its business, business strategy, organizational financial planning; as well as other material aspects. Management of climate-related risks and opportunities refers to the Climate Change Strategy Roadmap. BCA's Climate Change Strategy is also a manifestation of our support for the government's net zero emission target.

BCA Climate Change Roadmap



3. **Financial Risks of Climate Change Management**
   BCA has identified and analyzed climate-related risks, both physical and transition risks. Assessments of these two risks are conducted in BCA operations and in the financed industrial sector which is vulnerable to climate change. The next stage, BCA will map the financial risks due to climate change from its credit portfolio.

   From the transition risk analysis, BCA has underlined and gradually analyzed industrial sectors in the financing portfolio that are sensitive and vulnerable to changes in government policy, technological transition, market demand and reputation caused by climate change.

4. **Metrics and Targets**
   BCA began identifying transition risks, collecting data and conducting climate scenario analysis, especially in industrial sectors that are vulnerable to the impact of changes in climate policy, technology, markets and reputation that support low-carbon development. BCA is projected to be able to update data related to the risk of climate change transition annually.

Climate-related Risk Analysis in Financing Activities [201-2]

The Bank has carried out physical risk analysis and mapping of the credit portfolio according to geographical areas and business sectors. BCA conducted a preliminary analysis of high-risk industrial sectors such as the palm oil industry, coal mining, as well as timber and forestry products.

1. **Physical Risk**
   Increasing temperature has the potential to affect businesses in the palm oil plantation sector which is vulnerable to rising temperatures (triggering fires and drought) and the coal mining sector is vulnerable to rainfall (landslides and floods).

2. **Transition Risk**
   Preliminary analysis of climate-related risks in the financed sector is carried out using a sectoral approach and stress testing. The results of the transition risk assessment show that the palm oil plantation and industry will still be able to compete in the future as long as they meet the ISPO and/or RSPO certification requirements.

Implementation of Climate Risk Stress Testing (CRST) [FN-CB-550a.2]

Climate risk mitigation has become the government's concern, therefore OJK issued Climate Risk Stress Testing (CRST) guidelines in 2023 in the initial phase of bottom-up Climate Risk Stress Testing (CRST) for 11 banks included in the OJK's Climate Related Financial Risk Task Force. In this initial phase, the banks are expected to submit report of initial bottom up CRST results. BCA is one of the banks selected to carry out the initial phase of CRST and has submitted the results to OJK.

BCA uses several simple approaches to simulate the the climate's physical and transition risks to the loan and investment portfolios, while identifying potential vulnerabilities and taking measures to mitigate them for a short-term period. CRST implementation for physical risk (1-year time frame; 2023) on credit risk is carried out quantitatively on the productive loan segment portfolio (Corporate, Commercial, and SME) which is assumed to be affected by drought/forest fires and consumer loans (KPR) which are assumed to be affected by floods. Meanwhile, the CRST for short-term transition risk (3-year time frame; 2023-2025) is also implemented for productive credit segments (Corporate, Commercial, and SME) and consumer loans (KPR).

The method for short-term CRST and the scope of risk measured is market risk assumed from the ownership of corporate bonds on the list of Corporate credit debtors affected by transition and/or physical risks. The CRST of transition risk or physical risk to operational risk is implemented using a qualitative method. Moreover, we take into account complexity, uncertainty for very long time horizons, and limited resources, for long-term transition risks (2030, 2040, and 2050) is also done qualitatively in the narrative form. We use the Network for Greening the Financial System (NGFS) method which includes orderly, disorderly, and hot house world scenarios for the long-term of 2030, 2040 and 2050.

BCA has analyzed the impact of climate risk on credit risk. In general, the Bank's capitalization under stress conditions, both from transition risk and physical risk in the climate risk stress test, is still adequate as it is still above the CAR required by OJK. Furthermore, BCA is developing the framework in line with the roadmap or timeline established by OJK.

BCA Follow-Up in Line with OJK CRST Timeline

2024	2025	2026
Continuing risk analysis on property ownership consumer loans and productive loans sectors up to 50%.	Analyzing up to 88.7% of the financing portfolio in the main productive loan sector.	Analyzing up to 100% of the financing portfolio.

Digital Innovation for Ease of Transactions

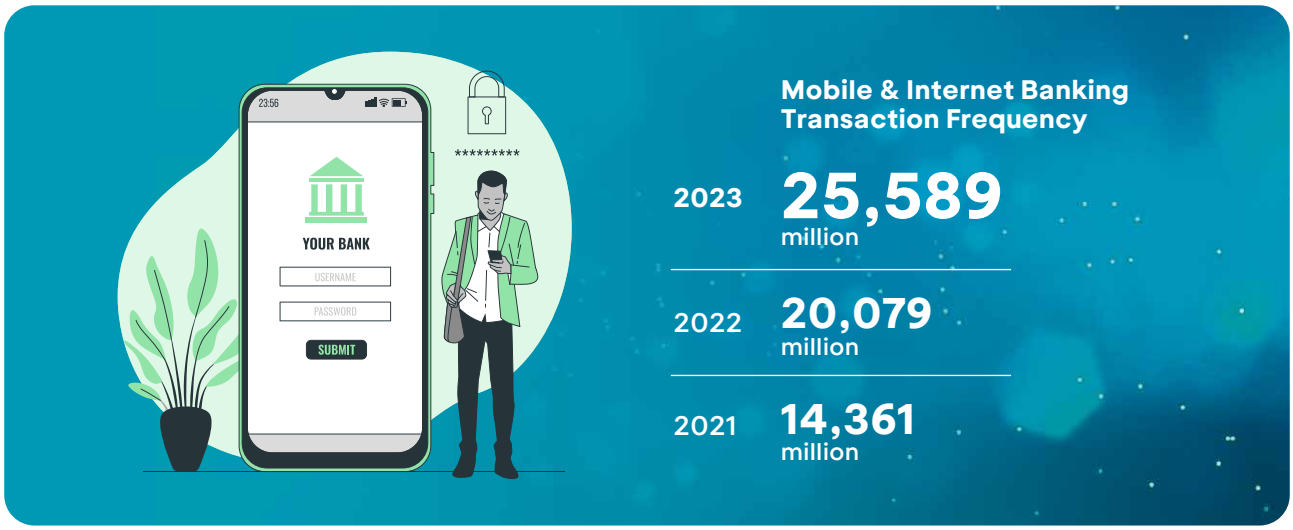
Innovation and Development of Digital Banking

The use of the cutting edge technology is believed to make it easier for customers to conduct financial and non financial transactions. Through innovation and development of digital banking, BCA has not only increases time efficiency in transactions, but also provides a positive impact on the environment by reducing the use of paper and mobility in transportation to branch offices.

BCA provides various forms of digital payments such as QRIS, OneKlik, Sakuku, and Virtual Account, so that customers can still carry out transactions more safely and easier. Financial solutions can also be accessed easily through e-channels, including KlikBCA, BCA Mobile, MyBCA, and BCA KlikPay. Information regarding digital banking can be accessed at https://www.bca.co.id/en/Individu/layanan/e-banking.

BCA branch offices are currently equipped with a variety of digital services such as ATMs, CS Digital, eService, and Video Banking. The customers can make various transactions, including opening accounts, printing and replacing ATM cards, registering electronic banking products, withdrawing and depositing money, up to providing solutions. These digital services aim to provide convenience for customers to do self-service transaction and provide other positive impacts such as reducing the use of printed forms.

In addition to the BCA application and branch visit, innovation in the B2C credit payment system enables customers to pay through retail stores and post offices, as part of the development of branchless distribution channels. This partnership not only improves access and convenience for customers, but also supports financial inclusion and our commitment to sustainable and innovative services.

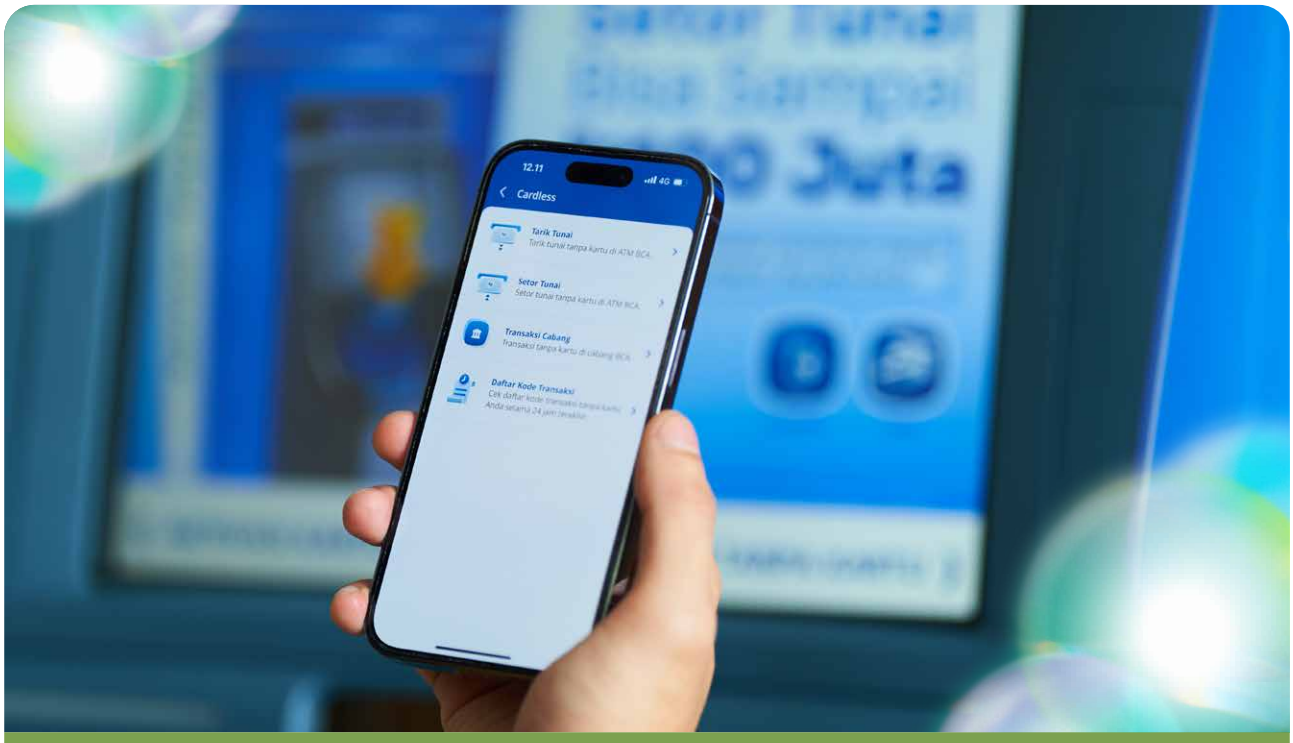


The Role of Information Technology in Digital Banking

Until now, BCA continuously increases its competitiveness by responding to the acceleration of information technology (IT) and digitalization development. Therefore, the Bank is conducting more reliable, scalable and flexible digital transformation. Internally, BCA's digital transformation is supported by involving all BCA employees through a digital factory-project based program, which encourages employees to deliver ideas, innovations and develop IT-based programs.

BCA's efforts in IT and digital banking development, include:

1. **Creating innovative digital products.**
2. **Building capability and capacity of reliable infrastructure and technology systems.**
3. **Modernizing legacy system components and supporting devices that are considered no longer relevant to current conditions.**
4. **Recruiting and training expert staff to meet dynamic needs and retaining reliable human resources.**
5. **Improving data analytics capabilities to identify diverse customer needs accurately.**
6. **Enhancing supervision and security over the entire IT development and management process.**
7. **Conducting automation of various aspects of work, both at the head office and branches to increase effectiveness in operational lines.**
8. **Collaborating with fintech companies in the technology cooperation for easier customer transactions and getting new customers.**



Use of the MyBCA application to support BCA's digital transformation and make it easier for customers to make transactions through their mobile phones.

Data Security and Customer Privacy

BCA is committed to maintaining data security and privacy protection for customers in accordance with the banking code of ethics, internal policies and government regulations. BCA manages data security and privacy through an adequate information technology (IT) system.

Material Topic Management: Data Security and Customer Privacy [3-3][FN-CB-230a.2]

Why It Matters	Data security and privacy are the rights of every customer, debtor and client of BCA which must be fulfilled to maintain stakeholder trust.
Impact Management	Efforts to manage the security of customer data, information and privacy are a form of BCA's commitment to respecting human rights. Customer privacy protection includes personal data, savings data and financial security. The personal data protection policy applies to all Bank operational activities, including collaboration with business partners/ suppliers/vendors. The implementation of a data security management system aims to minimize the impact of weak systems that have the potential to cause data breach, scams, fraud, phishing and cybercrime.
Commitment and Target	BCA always puts effort in preventing data theft, thus the Bank continuously improves its data security management and IT systems. The Bank's target is zero data breach.
Policy	BCA's commitment to maintaining data security and protecting customer privacy refers to the following internal policies: • Board of Directors' Decree No. 175/SK/DIR/2017 dated 30 November 2017 on the Issuance of Risk Management Basic Policy Manual in the Use of Information Technology; • Board of Directors' Decree No. 011/SK/DIR/2019 dated 25 January 2019 concerning Revision of Head Office Information Security Policy and Regional Office - Branch Information Security Policy; • Board of Directors' Decree No. 100/SK/DIR/2022 dated 19 July 2022 concerning Consumer Protection Provisions; • Board of Directors' Decree 141/SK/DIR/2022 dated 16 September 2022 concerning Operational Risk Management Policy; • Board of Directors' Decree No. 075/SK/DIR/2023 dated 6 April 2023 on Information Technology Implementation Policy; • Circular Letter No. 257/SE/POL/2015 dated 11 December 2015 on Transparency of Product Information and Use of Customer Personal Data; • Circular Letter No. 154/SE/POL/2016 concerning Offering Financial Products and/or Services by Observing Consumer Protection Principles; • Collective Labor Agreement (CLA). • Code of Ethics.
Evaluation of Material Topic Management Effectiveness	To strengthen the management system for data security and customer privacy, BCA has built a monitoring system at various levels. The function involved in monitoring and evaluating data security and privacy is Information Technology Security Group (ISG) which has the duty and responsibility to carry out monitoring and report it to the Vice President Director. During the reporting period, there were no data breach and no reports of data misuse. The Bank also made sure the effectiveness of the implementation of cyber security policies and practices.

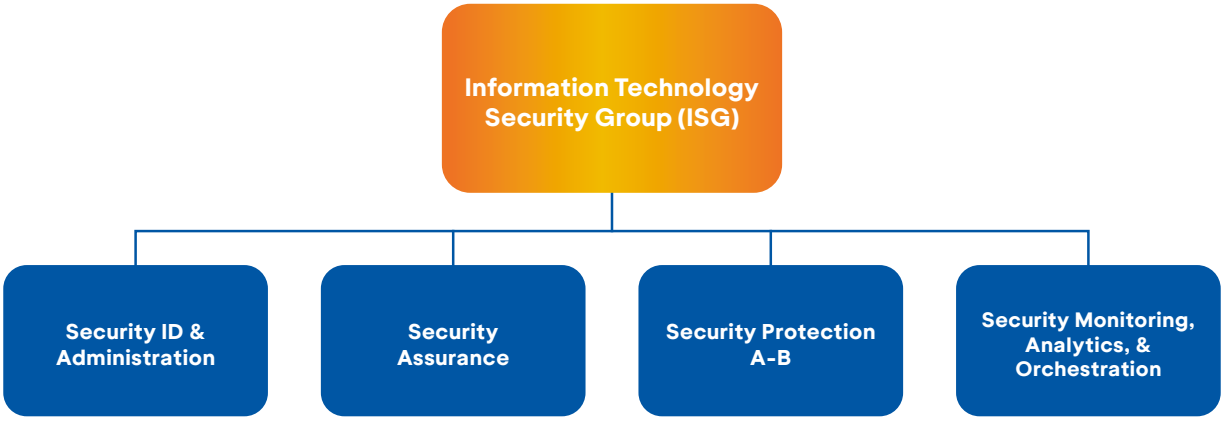
Information Security Management System [FN-CB-230a.2]

The Bank realized that the risk of data breach and misuse of customer information is a significant issue in the era of accelerated technology and digitalization. To prevent data theft and privacy violations, BCA is committed to complying with OJK Regulation No. 1/POJK.07/2013 concerning Consumer Protection in the Financial Services Sector and Law No. 27 of 2022 concerning Personal Data Protection. The Bank has implemented an information and data security management system by adopting international frameworks and standards, and has been verified by external parties. The assessment is part of the control and audit of the information security management system. BCA's certifications have been fully implemented at the head office, including:

- ISO/IEC 27001:2013 for network systems, Data Center and Enterprise Security team;
- ISO/IEC 27001:2022 for the IT Security Group team;
- ISO 9001:2015 to guarantee and improve service quality;
- ISO 20000-1:2018 for IT service management system;
- Payment Card Industry Data Security Standard (PCI DSS) 3.2.1 for global security standard

Company's Executive Body Responsible for Data Security and Privacy

Organization Structure Information Technology Security Group (ISG)



BCA's policy to maintain data confidentiality and protect customer privacy is applied to all employees at all levels. In the Collective Labor Agreement (CLA) Chapter 20 Article 58 paragraph 1.e states that employees are obliged to maintain the confidentiality of the company and customers, which is obtained because of their position or in their association in the company environment. Referring to the Code of Conduct, BCA employees must maintain the confidentiality of customer and bank data. Therefore, BCA employees are prohibited from disclosing company secrets, either intentionally or unintentionally, including customer information, management information systems, company personnel data, supplier/partner information, and information on agreements with the government. In accordance with the Code of Conduct, BCA prohibits all employees from trading/sharing customer data to external parties. If a violation occurs, it can be submitted to the whistleblowing system and will be received directly by its administrator. The administrator will validate the report and if it meets the criteria, it will be forwarded to the Anti Fraud Bureau (BAF).

The Bank has established the Information Technology Security Group (ISG), a special division that manages information security management systems related to operational activities. The information security management system implementation at BCA is supported by a strong IT infrastructure. The following are application of IT systems to secure customer information and data covering all Branch Offices, Head Office and Data Centers:

1. Applying Data Loss Prevention (DLP), Database Activity Monitoring (DAM), data encryption, database masking, Information Rights Management (IRM), and data classification to protect sensitive information from unauthorized access.
2. Developing network security technology and increasing web secure gateway capability that can integrate with DLP, detect and prevent access to dangerous sites.
3. Utilizing machine learning and artificial intelligence technology.
4. Improving remote access security starting from implementing multi-factor authentication, securing the endpoints used, network security, and securing the server being accessed, as well as securing the data being accessed and monitoring remote session activity.
5. Implement a one-time password code (One Time Password/OTP) and two-factor authentication in digital applications to ensure that the application is used by the rightful account owner/customer.
6. Installing data traffic monitoring devices on the BCA network to anticipate indications of cyber attacks including the risk of data breaches and advanced persistent threats and be able to respond quickly and effectively which is monitored by a team operating 24/7 at the Security Monitoring Center (SMC)
7. Employing application security through the use of Obfuscation technology, Web Application Firewall, API Security, and BOT & anomaly detection.
8. Securing transaction traffic and data exchange through end to end encryption with TLS technology.
9. Implementing data breach monitoring on the dark web through the use of Cyber Threat Intelligence technology and follow up by taking down fake accounts and blocking e-channel user IDs and credit cards that have indicators of compromise (IOC).
10. Conducting monitoring compliance security from the application of information technology at BCA.
11. Implementing comprehensive security validation and testing before launching new applications or features to customers.
12. Securing employee devices used to access email and BCA internal applications with Enterprise Mobility Management.
13. Application of log analysis, event correlation, User Behavior Analytics (UBA) technology to be able to monitor security anomalies that occur from employee activities and in the IT system.

Face Biometric Feature

In order to prevent cyber crimes, the Bank has implemented multiple layers of security to prevent customer information/accounts from changing hands, such as using one time password (OTP) codes, two-factor authentication, and most recently the face biometric feature. BCA utilizes the face biometric feature to minimize fraud and cases of scam or misuse of data that occur through social engineering activities which become an additional authentication factor for new provisioning devices for the BCA mobile banking application.



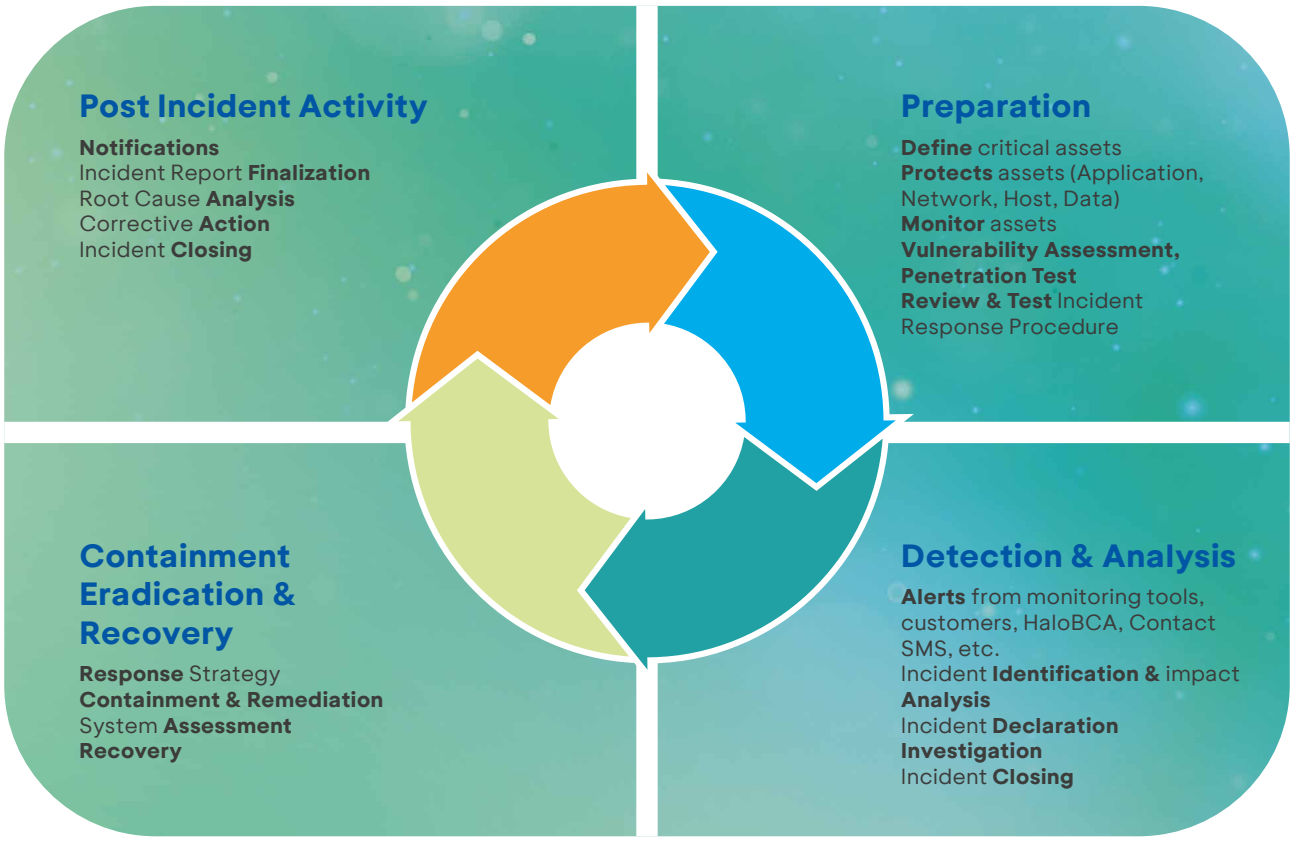
Cyber Risk Management [FN-CB-230a.2]

BCA's cyber security governance encompasses cyber security risk management processes and cyber resilience processes in all areas of its business. BCA also has an internal policy on Cyber Risk Management as a reference. The work unit that handles cyber security risk management is the Cyber Security Risk Management (CSM) subdivision which is under the Risk Management Division, while the cyber resilience process is carried out by the IT Security Group (ISG). CSM's duties and responsibilities include preparing, reviewing and implementing cyber security risk management policies and procedures in the Bank's operational activities, while for ISG carries out cyber resilience processes which include identification, security, detection, response and recovery processes. Periodically, the Cyber Security Risk Management subdivision submits the results of reviews of the cyber security risk management effectiveness to the Head of the Risk Management Division and the Board of Directors.

Cyber security governance is the responsibility of all directorates. The implementation of the cyber security system is also monitored by the Risk Management Committee and Integrated Risk Management Committee which are under the Board of Directors, as well as the Risk Monitoring Committee and Integrated Governance Committee, which are under the Board of Commissioners. Monitoring and evaluation of cyber security implementation is discussed in coordination meetings held quarterly. The implementation of cyber risk management at BCA refers to OJK Circular No. 29/SEOJK.03/2022 concerning Cyber Resilience and Security for Commercial Banks.

Cyber Resilience and Security Process

As part of the cyber risk management, the IT Security Group team has implemented mitigation controls for resilience management and cyber security at the operational level, including mitigation of potential virus attacks, malware, vulnerability exploits, as well as internal controls that might cause data breach. As part of implementing controls to mitigate cyber risks, the Bank has procedures for handling information security incidents, and has established an Information Security Incident Response Team (ISIRT) and a Security Monitoring Center (SMC) which operates 24 hours.



Adversarial attack simulation exercise and table-top exercise programs are regularly carried out to prepare the IT Security team and the entire Information Security Incident Response Team (ISIRT) in handling incidents and emergency situations that may arise from cyber incidents. The SMC team will do a threat hunting process to analyze methods, techniques, tactics, procedures, impacts and trends of cyber attacks on IT systems. To improve the security posture of BCA and subsidiaries as a whole, BCA has also provided Security Information Technology Service Provider (PJTI) services to subsidiaries so that the entire cybersecurity attack surface can be protected, monitored and mitigated to improve the cybersecurity posture holistically for BCA and the entity.

BCA has carried out a regular information security strategy and review the process minimum every three years by bouth internal and external auditors through collaboration between IT Security and IT Procurement by conducting cyber security measures for parties related to information assets at BCA. To ensure that the information security system is adequate, BCA has carried out a regular information security strategy and review process by both the internal audit team and external auditors. The external audit of information security systems in 2023 is carried out by KAP Tanudiredja, Wibisana, Rintis & Rekan - a member firm of the PwC global network, with the focus of asset management, safeguarding of assets, penetration tests and vulnerability scans, access controls, detection controls, security breaches or incidents, and backup and recovery.

BCA has also carried out a cybersecurity maturity level according to OJK standards, both for assessing the quality of the implementation of risk management related to cyber security and the quality of implementing cyber security and resilience with the result “Strong/Very Adequate”. In addition, BCA also regularly carries out assessments of information security involving security consultants to obtain a security development roadmap for the next 3 years. In addition, BCA is also building internal collaboration involving Operation Strategy & Development Group (POL), Legal Group (GHK), Risk Management Division (MRK), and Information Technology Security Group (ISG) to protect customer personal data.

Developing HR Capacity related to Cyber Security

All BCA employees, from staff, executive officers, up to Board of Directors and Board of Commissioners, regularly receive e-posters on cyber security, such as how to identify potential cyber threats and knowledge about information security systems via email and other internal communication media. In 2023, a mandatory e-learning was published with the main theme of social media’s cyber security. Every BCA employees are constantly informed about any updates regarding the upward trend of cyber security incidents and prevention tips.

To ensure the success of the awareness and knowledge related to cyber security that has been carried out, BCA also performs tests on all BCA employees in the form of phishing campaigns throughout the year and measures the level of cybersecurity culture of all employees through a cybersecurity culture assessment.

BCA also marks the cyber security month, which is celebrated internationally every October, as the peak of the cybersecurity awareness program to assess the entire series of awareness activities that have been carried out throughout the year, as well as presenting awards to work units and individuals. This appreciation is part of efforts to encourage the establishment of cyberculture at BCA.

BCA also provides its cyber security team with various forms of certified cyber security training and encourages the cyber security team to actively participate in various cyber security competitions to hone the team’s abilities in maintaining BCA’s cyber resilience and security.

Total Cybersecurity E-Learning Participant

2023	2022
32,625	28,292

Customer Privacy Protection [2-25, 418-1][FN-CB-230a.1]

All BCA employees are required to implement privacy policy to the entire operations, including suppliers in accordance with the Code of Conduct. BCA also implements an internal policy that prohibits sharing customer data and/or information to third parties, unless with the customer's written consent and/or required by laws and regulations.

Privacy risk is part of the Bank's operational risks, therefore BCA has established a privacy protection policy and implemented adequate mitigation efforts. The Bank also has a policy that gives individuals/subscribers/customers the rights in controlling access to their data, correction, and/or submit requests to update data. On the account opening form, the Bank provides an approval column for the customer's consent to share their data with a third party according to the needs and permission of the relevant party. Meanwhile, the use of BCA information for a third party's interest needs to be approved first by the customer concerned.

BCA has a policy related to the provision of archives (hardcopy and softcopy) with storage retention. Softcopy archives stored in the database of each applications are managed by the application owner in the Strategic Information Technology Group (GTI) Division; while for hardcopy archives, the management is done by centralization or non-centralization. For customer's personal related data, BCA does not erase customer data. However, the data will still be stored (without archive retention). We guarantee the security of customer data.

The Consumer Data and/or Information Protection Policy can be accessed by the public via https://www.bca.co.id/-/media/Feature/Report/File/S8/Kebijakan-GCG/20230731-consumer-data-and-privacy-protection-policy.pdf, meanwhile the Privacy Policy can be accessed by the public via https://www.bca.co.id/en/informasi/Kebijakan. To maintain collective security, BCA regularly educates customers to be aware of cyber attacks and data theft through the #AwasModus campaign which is regularly disseminated through digital media, webinars, social media and other channels that can be accessed freely.

Anyone can report data breach through HaloBCA which is managed by the Contact Center & Digital Services (CDG) work unit and/or submit it through the whistleblowing system managed by the Anti Fraud Bureau (BAF) work unit. In the reporting period, there were no cases of breach or misuse of customer data and privacy that were material and had a significant effect on BCA's business continuity. In addition, there were no complaints related to privacy violations and data breach. All reports of privacy breaches will be reviewed by the BAF and reported to the President Director.

If there are employees who commit violations of misusing customer privacy information, they will be processed in accordance with employment provisions, civil law, criminal law and other relevant laws and regulations. BCA has issued Board of Directors' Decree No. 021/SK/DIR/2012 concerning Guidelines for Handling Cases of Violations, which stipulate procedures for handling violations committed by employees, responsibilities for imposing sanctions, the role of the Personnel Settlement Committee (KPKK), civil lawsuits, and the legal process for violations that may lead to dismissal, and authority to hand down sanctions. BCA manages reports on cases of violations by employees through the Operational Risk Management Information System-Loss Event Database (ORMIS-LED) application for further follow-up in accordance with provisions by the Risk Management Division (Operational Risk Management Sub-Division). BCA does not tolerate employees who violate customer privacy, and will give a sanction of termination of employment.

BCA has conducted an audit to assess compliance with its internal privacy policy by the Internal Audit Division, the which was last conducted in 2023.

Responsible Products and Services

BCA upholds business ethics and integrity in running its business activities. Every banking solution that will be launched has gone through a series of evaluation and approval processes from the authorities.

Material Topic Management: Service Excellence [3-3]

Why It Matters	BCA provides equal service to all its customers through direct service by frontliners at branch offices and through digital banking services. We provide service excellence by taking into account customer convenience in transactions, consultations regarding banking solutions, and customer satisfaction
Impact Management	Service excellence supported by digital innovation will have a positive impact on customer convenience in transactions, increase time efficiency and reduce environmental footprint. The transformation into digital branches is supported by the development of employees in branch offices to focus more on relationships with customers, in order to provide more personalized services. Digital branch transformation and improved customer relationships will be the two main pillars of BCA's service development at the branch office. BCA continuously provides comprehensive information and education to all customers through the introduction of BCA products, services, and fee terms and conditions on the BCA website and other communication media. To improve customer services in dealing with customers' complaints, BCA has guidance on Complaint Handling Monitoring and complaint handling procedures for all products and services, ensuring that every complaint can be resolved appropriately and swiftly.
Commitment and Target	By providing service excellence, BCA is committed to maintaining customer trust and always being the first choice in banking solutions, with the target of maintaining customer satisfaction level every year.
Policy	BCA's commitment to providing service excellence is supported by the following policies: • SMART SOLUTION service standards; • Board of Directors' Decree No. 080/SK/DIR/2015 dated 18 June 2015 concerning Publishing Products/Activities and Providing Supporting Information Technology Systems. • Circular Letter No. 181/SE/POL/2009 dated 1 December 2009 concerning Guidelines for Monitoring Complaint Handling; • Circular Letter No. 115/SE/POL/2019 dated 11 June 2019 concerning Handling Customer Complaints; • Circular Letter No. 328/SE/POL/2023 dated 6 November 2023 concerning Summary of Product and/or Service Information (RIPLAY).
Evaluation of the Material Topic Management Effectiveness	BCA employees periodically receive refreshment training in the form of dissemination of policies, procedures, and service standards to customers. BCA measures and maintains service quality by conducting customer engagement and branch service quality surveys. Operation Strategy & Development Group (POL) and Contact Center & Digital Services (CDG) are responsible for implementing service excellence, under the supervision of the Vice President Director.

New Product Reviews Procedures

The Banking Transaction Product Development Division (DPD) and Operation Strategy & Development Group (POL) have the duties and responsibilities to manage and develop financial products and/or services. BCA ensures that all financial products and/or services launched have received approval from Bank Indonesia and the OJK. Product owner evaluates every new financial product and/or service that will be launched, through a risk assessment process by the Risk Management Division (MRK), compliance testing by the Compliance Division (DCP), which is reviewed and supervised by the Compliance Director. In addition, the Bank also implements user acceptance tests and certification. To date, no financial products and/or services have been suspended or withdrawn after launch.

Discontinued Financial Products and/or Services [2-6]

In 2023, BCA discontinued BCA BIZZ and BCA KlikPay as of November 2023. The discontinuation of these services was based on business considerations. However, BCA will continue to meet customer needs through existing services. Information on product and/or service discontinuation can be found on BCA website and other external communication media.

Fair Advertising Policies/Procedures

Policies governing marketing communications and advertising are stipulated in the Board of Directors' Decree No. 100/SK/DIR/2022 concerning Consumer Protection. The policy states that quantitative and qualitative information on products and/or services is delivered honestly based on actual information about benefits, costs, and risks. Referring to the policy, the Bank does not convey misleading information on products and/or services, does not cause differences in interpretation of consumers and/or the public and the bank on the agreement provisions.

In addition, all product and/or service information is expressed to the public in an ethical manner in accordance with generally accepted ethics and common decency. During the release of advertisements, BCA continues to observe and protect the interests of customers and the general public to minimize the potential for future disputes due to matters beyond its control. Materials for marketing banking products and/or services through digital media are always adapted to the advertising code of ethics and based on applicable regulations. In the reporting period there were no incidents of non-compliance related to marketing communications.

Innovation and Development of Sustainable Financial Products and/or Services

Along with the development of the digital era, the Bank keeps up by continuously developing innovative solutions to meet customer needs. Internally, BCA gathers innovative new ideas from employees through the BCA Innovation Award (BIA) event. All employees are free to contribute creative and innovative ideas in developing and refining various banking solutions that are more efficient, support ease of access, convenience, and are environmentally and socially friendly.

Every development of innovation and sustainable financial products and/or services will have an impact on the Bank and its stakeholders. The positive impact is in the form of reducing the environmental footprint and increasing added value for the Bank and its stakeholders. Meanwhile, the negative impact arising from sustainable financial products and/or services is the community's unpreparedness in supporting sustainable financial practices, which may cause unoptimized performance in achieving sustainable finance targets. BCA mitigates the negative impacts by continuing to provide education about sustainable finance for customers, debtors and the wider community; approach debtors to encourage them to carry out environmentally friendly projects and improve ESG management.

Service Excellence

Every BCA employee is responsible for providing solutions to customers with service excellence in accordance with BCA service standards called SMART SOLUTION, an Indonesian abbreviation for Alert, Attractive, Enthusiastic, Friendly, Thorough, Attentive, Open-minded, Complete, Prioritizing customer needs, Telling solutions, Initiative, and on-time follow-up). SMART Solutions is one of BCA's efforts to consistently increase customer trust and satisfaction with BCA services, thus creating customer engagement between BCA and customers. The implementation of SMART Solutions covers all BCA employees in Branches, Regional Offices, and Divisions, as an integral and continuous

chain with each other. In addition, BCA applies 'know your customer' (KYC) to learn about customer profiles and explore their needs to offer the right solutions.

In serving customers, all BCA employees are required to provide equal service and respect human rights, which applies to anyone who visit the bank. In order to improve the service skills of each employee, BCA equips them with various types of training, including those related to communication ethics, product and service knowledge, customer financial protection, and other relevant materials. The Bank regularly holds refresher training every year to enhance employees' service skills.

BCA recognizes that branch offices, employee services, and digitalization must go hand in hand to deliver the best services to meet various needs of customers. BCA consistently implements the hybrid banking concept to continue serving its growing customer base, both in the online and offline ecosystems. In principle, we believe that branch offices still play an important role in providing services to customers because not all transactions can be completely replaced with digital transactions. Therefore, we continue to develop frontliners, from those who serve to help customers with their transactions to security officers, in providing optimal services to customers. The transformation into digital branches is supported by the development of employees in branch offices to focus more on relationships with customers, in order to provide more personalized services. Digital branch transformation and improved customer relationships will be the two main pillars of BCA's service development at the branch office.

The services available at branch offices have been designed to increase time efficiency in transactions and queuing. Customers can make reservations via eBranch to shorten their waiting time. Branch offices are not only equipped with Cash Recycling Machines (CRM) but also CS Digital for printing cards and replacing ATM cards. Supported by these facilities and technology, customers who visit the branch can do self-service transactions. Thus, bank officers can fulfill their role in building relationships with customers and assisting customers if they find any difficulties with these facilities.

Customer Satisfaction Survey

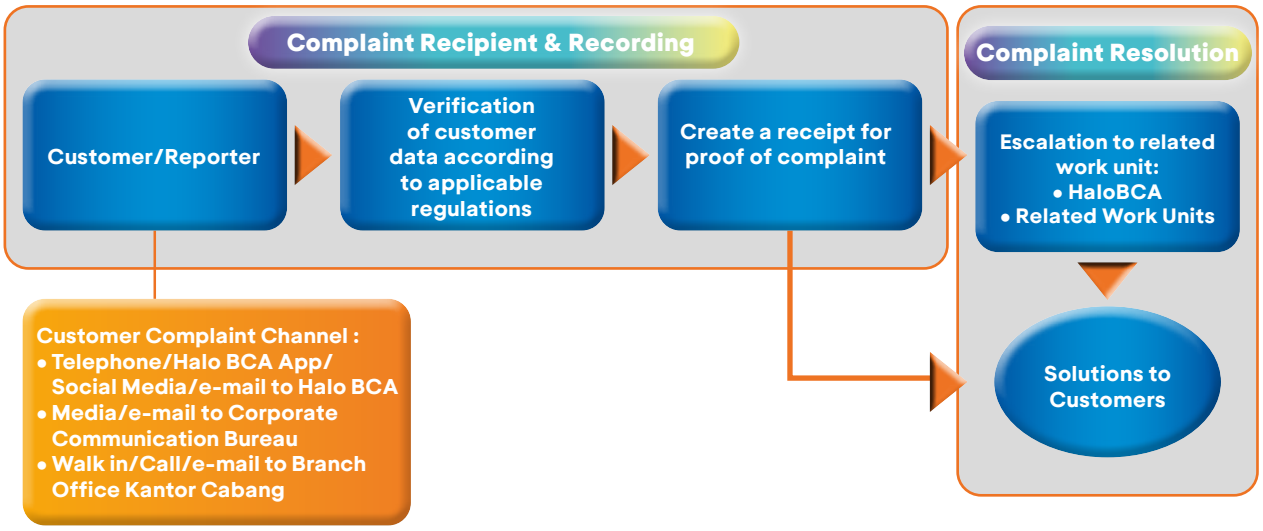
BCA is committed to providing customers with excellent service quality by prioritizing service excellence and customer engagement. According to a survey conducted by Gallup International, BCA's customer engagement has reached above the global average score or 90th percentile, earning BCA its third Gallup Global Customer Engagement Award. In addition, BCA also measures Branch Service Quality (BSQ) in collaboration with an independent third party.



Process for Handling Complaints [2-25]

In order to establish good relations and maintain customer trust, BCA implements a customer complaint handling mechanism. Complaints can be submitted verbally such as through the BCA call center (HaloBCA), or other channels available. Each complaint will be handled according to the service level agreement (SLA) of the type of complaint. BCA records and follows up on each complaint using the BCA Customer Relationship Management (CRM) application. Complaint resolution will be monitored and evaluated by the customer complaint handling coordinator work unit. All complaints followed up by the relevant work units will be monitored and evaluated by the Contact Center & Digital Services (CDG) and under the supervision of the Vice President Director.

Complaint and Resolution Mechanism



Complaint Settlement

Year	Number of Complaints (in thousand)	Complaints Resolved based on the SLA (in thousand)	Percentage Resolved (%)
2023	1,261	1,226	97.3%
2022	1,082	1,061	98.1%
2021	1,772	1,763	99.5%

Throughout 2023, BCA recorded incoming complaints consisted of 6.3% complaints, 44.1% requests, 49.7% needs for information on banking solutions, and 0.01% suggestions. There were no complaints regarding privacy violations or data breach. To reduce customer complaints, BCA's approaches are by improving the service quality management system and continuously educating and raising customer awareness regarding the use of banking solutions, along with transaction security tips. BCA continues to encourage customers to remain alert against banking crimes. Educational tools are provided through BCA's official social media channels.

Handling Financial-Related Complaints

BCA submits quarterly reports on the handling of financial-related complaints to Bank Indonesia and the OJK. The report consists of:

- Customer Complaint Handling and Resolution Report (Antasena-BI);
- Consumer Complaint Service and Resolution Report (siPeduli-OJK);
- Report on Handling Consumer Complaints Regarding Money Deposits and/or Withdrawals (BI).

If there is a case where a customer is dissatisfied with the resolution from BCA, the customer is allowed to mediate with BI or a registered Alternative Dispute Resolution Institution (LAPS). This procedure refers to BCA Work Guide No. 183/SE/POL/2020 concerning Changes to Provisions for Handling Customer Complaints.

Access and Affordability of Banking Products and Services

BCA supports inclusive finance and is dedicated to opening access to banking products and services for the wider community, both in Indonesia and abroad. Supported by advanced technology and digitalization, digital banking is the Bank's strategy to expand access and reach.

Material Topic Management: Access and Affordability [3-3]

Why It Matters	The increasing demand for banking products and services needs to be balanced with a product and service access network with a wide coverage.
Impact Management	The positive impact of having access to extensive and affordable banking solutions will increase customer's convenience and strengthen the Bank's advantage in supporting the economy. However, the Bank needs to manage the negative impacts of the access and convenience offered, including rampant cases of social engineering fraud, cyber attacks and other technological crimes.
Commitment and Target	Providing convenience banking solutions and increasing access to financial solutions to reach more customers.
Policy	BCA's efforts to achieve access and affordability targets for banking solutions are supported by the implementation of: • Corporate Budget Plan (RKAP), • Bank Business Plan (RBB),
Evaluation of Material Topic Management Effectiveness	Management of access to banking solutions at BCA is carried out by various divisions in an integrated manner. The Banking Transaction Cooperation Solution Development Division has reported its quarterly RBB targets and realization to the OJK. Meanwhile, the Operation Strategy & Development Group (POL) and the Network Management & Regional Development Division (DJPW) are responsible for ensuring that BCA solutions can be accessed and reached by customers and the wider community. In 2023, information security and cyber attack management systems have been implemented properly under Strategic Information Technology Group (GTI) to ensure the security of digital banking access and networks. Management of access and affordability of banking solutions is monitored by the Vice President Director and Regional & Branch Network Director.

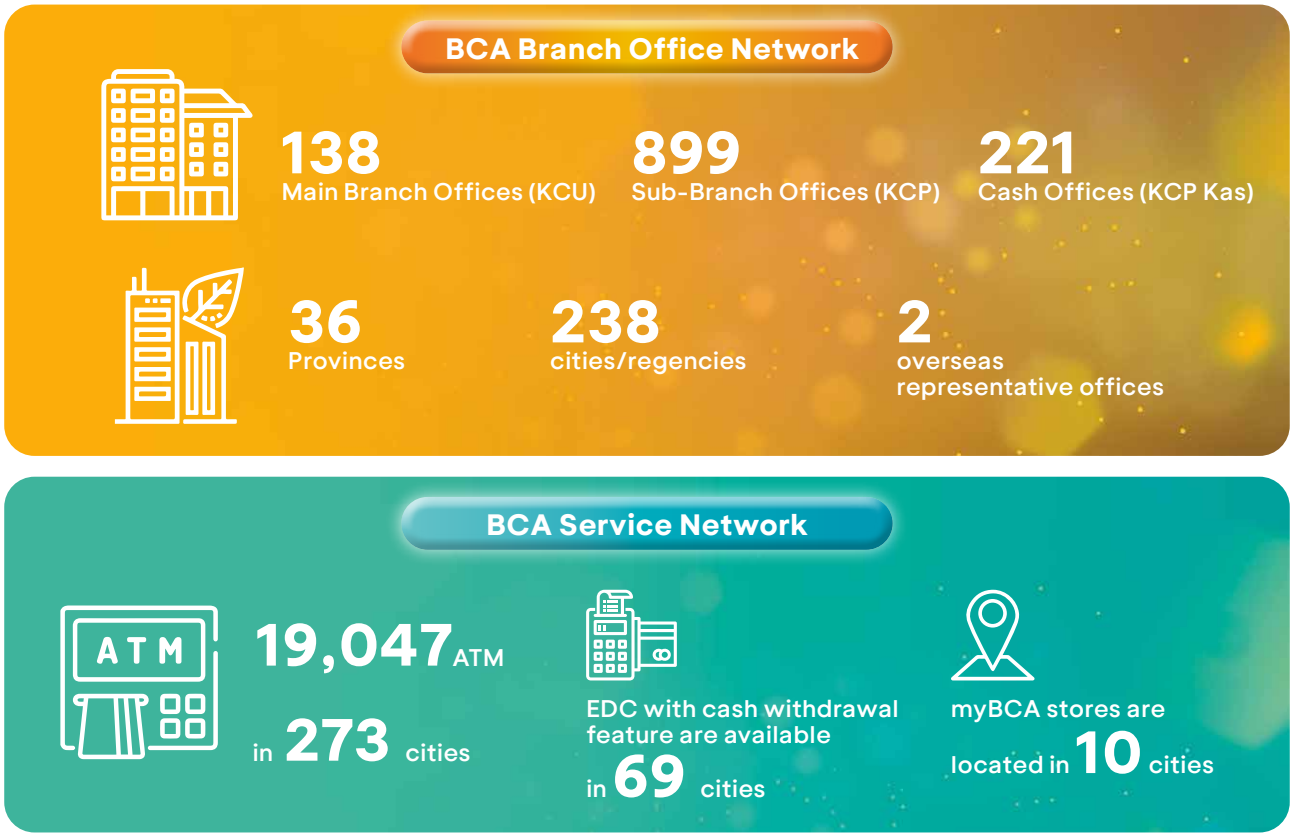
Access to Product and Service Information

Access to information on financial products and services can be found at www.bca.co.id, annual report publications, BCA offices, and digital banking applications. BCA provides complete information about financial products and services regarding product names, types, benefits, requirements, inherent costs, interest calculations, and the time period of the product and/or services.

The Bank regularly updates on the latest information through its platforms, including social media, Video Banking on myBCA, and Video Call at main branch offices. For direct interaction, anyone can contact HaloBCA to get the information. Additionally, in an effort to provide optimal services and solutions for potential BCA customers, BCA has established Solution Assistance (SOLA), which works under the Contact Center & Digital Services (CDG).

Branch Office Access and Banking Service Facilities

Access to branch offices, and BCA service facilities is available in cities across Indonesia. BCA has 2 overseas representative offices in Singapore and Hong Kong. To ensure the safety of customers visiting the Branch Office, BCA maintains the integrity of building assets and supporting infrastructure. In addition, BCA always carries out maintenance of supporting assets for customer transactions, such as ATM and EDC machines.



Access for Persons with Disabilities [FS14, FS15]

BCA continues to support people with special needs by providing access to banking services. BCA has provided talking ATMs for customers with disabilities, especially the visually impaired, to make transactions using voice features. At present, BCA has 13 talking ATMs, called ATM Wicara, in 6 major cities.

Access for Remote Areas [FS13, FS14]

As a good corporate citizen, BCA supports the Presidential Regulation No. 82 of 2016 concerning National Financial Inclusive Strategy (SNKI) by launching financial products and/or financial services aimed at reaching unbankable community. The Bank provides banking solutions by expanding and increasing the number of ATMs in remote areas of the country, in collaboration with ATM Bersama, and develop digital banking.

As of the end of 2023, BCA has operated 20 branch offices in the disadvantaged, outermost, and frontier areas (3T) in Indonesia, including Bondowoso, Pandeglang, Sampang, Ruteng, Waingapu, Sorong, Sambas, etc. BCA is also able to reach remote areas through partners using BCA EDC, such as Indomaret and Alfamart so that BCA debit card holders can make payment transactions and cash withdrawals.

In addition, opening a BCA account can be done digitally on the BCA Mobile application and through BCA partner applications such as Blibli and Fina (BCA Finance).



BCA is committed to be in the service of all Indonesian citizens.

Sustainability Culture



BCA encourages all stakeholders to implement a sustainable culture by thinking and acting responsibly, ensuring its reflection in our daily actions

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Ethical Operating Practices [2-27]

Ethical operating practices are part of corporate social responsibility implementation. The ethical operating practices at BCA is reflected in the following policies:

- Applying banking code of ethics;
- No involvement in in political activites;
- Establishing, maintaining and strengthening governance, including tax payments;
- Respecting and supporting the intellectual property protection;
- Implementing fair business practices and no monopoly;
- Enforcing anti-corruption, gratification control and anti-fraud;
- Maintaining sustainability in the value chain in various fields and formulating policies to address issues of data security, human rights and environmental conservation.

Throughout the reporting period, BCA receive no sanction or fines that impact on BCA's business continuity for non compliance as BCA has complied with all policies, regulations, and laws in Indonesia.

Maintaining Business Relationships in the Supply Chain

BCA continuously builds transparent business relationships based on mutual agreements to maintain good business relationships with suppliers and other partners, which will ease the business value chain. BCA involves many suppliers and partners/ local parties. These suppliers and partners include public accounting firms, IT development vendors, suppliers of goods and services, transportation, building/branch office repair and maintenance contractors, as well as electronic office equipment providers.

In implementing sustainability practices, BCA carries out gradual assessments of social and environmental aspects of suppliers/vendors. The Bank ensures that the suppliers/vendors and other partners are free from corruption practices and/or gratification; free from child labor and forced labor; perform occupational health and safety (OHS) management; respect human rights; and does not damage the environment. BCA requires every collaborating partner to sign an Integrity Pact and complete a BCA Partner Compliance Statement, outlining guidelines for managing ESG aspects.



Anti-corruption and gratification control training poster which is required e-learning for all BCA employees.

Procurement of Goods and Services in 2023

Type of Supplier/ Business Partner	Number of Suppliers/ Business Partner	Goods Procurement Value (Rp billion)	Procurement Value Service (Rp billion)	Total Procurement Value (Rp billion)
Local	88,980	4,129	1,742	5,871
Overseas	94	72	48	120
Total	**89,074**	**4,201**	**1,790**	**5,991**

Implementation of Anti-Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing

BCA implements Anti-Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing (AML-CFT and CPF) in banking operations. All employees, especially frontliners, will periodically receive dissemination to raise their awareness of AML-CFT and CPF. Further information regarding AML-CFT and CPF can be accessed via https://www.bca.co.id/en/tentang-bca/tata-kelola/Informasi-Lain/APU-PPT-dan-PPPSPM.

All employees have received dissemination about AML-CFT and CPF through e-mail blasts and other internal communication media. BCA also carries out AML-CFT and CPF by monitoring all financial transactions. AML-CFT and CPF practices are part of the internal control of the Bank's operational activities.

AML-CFT and CPF Training based on Position Level

Position Level	Number of Employees
Senior Officers (including the Board of Commissioners and the Board of Directors)	2
Manager	386
Staff	6,262
Non-staff	10,556
Total	**17,206**



Increasing employee awareness to AML-CFT and CPF through e-learning

Anti-Corruption, Gratification Control, and Anti-fraud Practices

BCA always upholds the principle of trust, therefore BCA does not tolerate all forms of fraud, corruption, collusion and nepotism. The anti-corruption and gratification control policies are implemented based on the Board of Directors' Decree No. 269/SK/DIR/2021 dated 31 December 2021 concerning Anti-Corruption and Gratification Control Policies, as well as anti-fraud strategy policy at BCA referring to the Board of Directors' Decree No. 114/SK/DIR/2021 dated 17 June 2021 concerning Adjustment of Anti-fraud Strategy Policy. The anti-fraud policy is part of BCA's tribute towards human rights, as BCA is fully committed to preventing fraud in its business value chain. Policy on Anticorruption and Gratification Control & Anti-fraud can be accessed on the website: https://www.bca.co.id/en/tentang-bca/tata-kelola/ACGS/Kebijakan-GCG.

Material Topic Management: Anti-Corruption Practices, Gratification Control, and Anti-fraud [3-3]

Why It Matters	Trust is the foundation of running a banking business, therefore it is very important to pay attention to anti-corruption, gratification control and anti-fraud practices.
Impact Management	The management of anti-corruption, gratification control and anti-fraud will have a positive impact on the Bank and stakeholders, particularly the trust in building business relationships. The Bank needs to enforce anti-corruption and anti-fraud policies with zero tolerance for any offenders, either management, employees or partners.
Commitment and Target	Zero fraud and corruption.
Policy	BCA's commitment to enforcing anti-corruption, gratification control and anti-fraud is supported by internal policies, including: • Board of Directors' Decree No. 778/SK/DIR/1995 dated 24 August 1995 concerning the BCA Banker Code of Ethics; • Board of Directors' Decree No. 219/SK/DIR/2003 dated 10 October 2003 concerning Provisions regarding Conflicts of Interest; • Board of Directors' Decree No. 146/SK/DIR/2017 dated 1 November 2017 concerning Implementation of the Whistleblowing System at BCA; • Board of Directors' Decree No.139/SK/DIR/2020 dated 20 July 2020 concerning Anti-Fraud Declaration and Integrity Pact; • Board of Directors' Decree No. 114/SK/DIR/2021 dated 17 June 2021 concerning Adjustment of Anti-Fraud Strategy Policy; • Board of Directors' Decree No. 269/SK/DIR/2021 dated 31 December 2021 concerning Anti-Corruption and Gratification Control Policies; • Board of Directors' Decree No. 206/SK/DIR/2023 on the Policy of AML-CFT and CPF Program Implementation; • Collective Labor Agreement (CLA).
Evaluation of Material Topic Management Effectiveness	BCA regularly provides dissemination regarding anti-corruption, gratification control and anti-fraud awareness. In addition, BCA applies a Whistleblowing System (WBS) and a three lines of defense internal control system which includes prevention, investigation and monitoring efforts. Monitoring and evaluation of the effectiveness of anti-corruption, gratification control and anti-fraud audits are carried out at least once every 3 years. The results of gratification control and anti-fraud monitoring will be reported to management periodically.

Implementation of Anti-Corruption and Gratification Control [205-1, 205-2]

BCA consistently puts its best effort to improves internal anti-corruption culture and gratification control, including through the following practices:

1. **Annual Disclosure**
   All members of the Board of Commissioners and Board of Directors, as well as BCA employee are required to make an Annual Disclosure that contains all circumstances or situations that may cause a conflict of interest to arise.

2. **Internalization of Anti-Corruption Values and Gratification Control**
   Anti-corruption values and gratification control are internalized through sharing sessions, dissemination, mandatory e-learning, plasma TV, and other internal communication media. Until the end of December 2023, the number of participants who have attended the Anti-Corruption and Gratification Control e-learning reached 35,282 people consisting of employees, Bakti BCA interns and trainees.

3. **Reporting of Corruption and Gratification Control**
   BCA has a Whistleblowing System channel as a means of violation reporting for BCA's internal and external parties. During 2023, there were no reports of corruption and/or gratification control policies received through the Whistleblowing System channel.

   The performance of gratification control is supervised by the Compliance Division as the Gratification Control Unit (UPG) which provides internal reporting facility if gratification occurs. During 2023, there were 4 reports received through this facility.

4. **Other information**
   It is BCA's culture not to accept gifts or rewards from customers, debtors, vendors, associates, partners and other third parties for our services. Every BCA employee must also comply with the Code of Conduct relating to vendors, which is stipulated in the BCA Governance Guidelines.

   In addition, BCA has never offered political funds/contributions or voluntary donations that lead to acts of corruption or bribery during 2023. Provisions regarding funds/contributions to political or social activities have been regulated in the Corporate Governance Guidelines section of the Company Code of Conduct.

Anti-fraud Enforcement [205-1, 205-2]

Anti-fraud policy encompasses prohibition against acts of fraud, giving and receiving gratification, and corruption. All BCA employees are required to enforce anti-fraud. The Board of Commissioners and Board of Directors have signed the Anti-fraud Declaration. All BCA employees at all levels of position, including the Board of Commissioners and Board of Directors, are required to sign the Integrity Pact. BCA also mitigates potential fraud from partners/vendors, by requiring them to fill out a declaration and contract not to commit corruption and fraud before collaboration is implemented.

BCA has conducted anti-fraud enforcement efforts, which are supported by the Anti-Fraud Bureau who is responsible for monitoring the implementation of anti-fraud policies or strategies bankwide. The Anti-Fraud Bureau also monitors the effectiveness of prevention, detection, investigation, reporting, evaluation and follow-up activities on fraud cases. In addition, the Internal Audit Division evaluates the implementation of anti-fraud strategies periodically based on the results of risk-based audit

assessments. All regional offices, branch offices and head office work units have their own internal monitoring units. Supervision of operational activities is prioritized on functions that have a high risk of fraud and potential corruption in branch offices, regional offices, or head offices, such as procurement, cash and valuables storage, and financial transactions directly related to customers. Supervision has been carried out by internal supervisors in each work unit.

BCA periodically provides training on anti-fraud topics. In 2023, as many as 35,172 employees or around 95.8% of total employees (including Bakti BCA interns) have received the training. Furthermore, the Bank also regularly provides dissemination of anti-fraud to all employees via e-mail blasts and internal communication media. [205-2]

Anti-fraud Training and Awareness [205-2]

Awareness and Training related to Anti-corruption and Anti-fraud	Number of Employees		
	2023	2022	2021
In Class Training	3,446	5,875	3,989
e-Learning	35,172	33,178	31,662

Incident Management and Follow-up [205-3][FN-CB-510a.1]

There were 82 cases of internal fraud with a potential loss of Rp3.8 billion. Moreover, there were external fraud cases with potential losses of Rp85.1 billion. Every incident of fraud and corruption has been followed up according to procedures on imposing termination of employment sanctions or other sanctions in accordance with the Collective Labour Agreement (CLA). All incidents have been followed up and BCA recorded no cases of fraud or corruption that had a significant impact on BCA's business continuity.

Whistleblowing System [FN-CB-510a.2]

As part of Good Corporate Governance (GCG) implementation, BCA applies the whistleblowing system (WBS). Anyone can report violations of ethics, fraud, and corruption, or other violations of the banking code of ethics via WBS. The whistleblower can submit complaints via the bca.co.id website by attaching clear data/information in accordance with the What, Who, When, Where and How (4W1H) principles. The report will be received directly by the WBS manager for validation. BCA guarantees the confidentiality of the identity of every whistleblower.

Resolution of Violation Complaint Reports [205-3]

Year	Status	Total	Remarks
2023	In process (open) Completed (closed)	1 54	Proven (5), not proven (4), incomplete data (25), customer information/complaints (20)
2022	In process (open) Completed (closed)	0 26	Proven (4), not proven (3), incomplete data and the whistleblower did not provide the additional requested data (15), incomplete data (2), customer information/complaints (2)
2021	In process (open) Completed (closed)	0 22	Proven (3), not proven (2), incomplete data (7), customer information/complaints (10)

Note:
Complete information regarding the Whistleblowing System (WBS) is presented in the 2023 Annual Report and Whistleblowing Report at https://www.bca.co.id/en/tentang-bca/tata-kelola/Whistleblowing-System.

Human Rights Practices

Respecting human rights is one of the implementations of a sustainability culture that is closely embedded in banking operational activities as it is always in direct contact with people, including customers, employees, partners, or anyone who visits the bank. BCA implements its Human Rights Commitment in all aspects of its business processes. The implementation of human rights practices has earned an award from the Ministry of Law and Human Rights of the Republic of Indonesia for fulfilling the standard indicators of Business and Human Rights Risk Assessment (PRISMA) in 2023.

Material Topic Management: Human Rights [3-3]

Why It Matters	BCA believes human rights are the basic values for all banking activities and maintaining harmonious relationships with all stakeholders.
Impact Management	BCA implements the Human Rights Policy with discipline, including sanction if violations occur.
Commitment and Target	Zero human rights violations.
Policy	The commitment to respect human rights is supported by internal policies, including: • Board of Directors' Decree No. 214/SK/DIR/2021 dated 27 October 2021 concerning Human Rights Policy; • Board of Directors' Decree No. 778/SK/DIR/1995 dated 24 August 1995 concerning the BCA Banker Code of Conduct; • Collective Labor Agreement (CLA).
Evaluation of Material Topic Management Effectiveness	The implementation of human rights policies for each scope is coordinated, monitored and evaluated by the relevant Head Office Work Unit. The performance of the Human Rights Policy implementation is annually reported by the ESG Group in the Secretariat and Corporate Communications (DCS) Division to the Board of Directors, Board of Commissioners and all stakeholders in the Sustainability Report. BCA may ask an external independent party to objectively assess human rights performance in accordance with certain standards. In 2023, BCA were not involved in cases of human rights violations.

Human Rights Mitigation & Remediation in BCA Value Chain

	As a Service Provider	As a Lender/Creditor	As an Employer	As a Buyer
Area	Banking Service Practices	Business Practices and Financing	Employment Practices	Supply Chain Management
Issues and Risks	• Privacy and data security • Banking solutions • Disproportionate service	• Social risks to debtor's business (child labor, forced labor, wages below the minimum standard, health facilities) • OHS Implementation • Unclear work and rest time arrangements	• Discrimination at work by co-workers • Workplace conditions • Freedom of expression and association • Conformity in fulfilling the normative employee rights • Determination of working conditions • Participation in the National Social Security System	• Social risks to vendor's business (child labor, forced labor, wages below the minimum standard, health facilities) • Product/service quality control practices
Mitigation Measures	• BCA guarantees data confidentiality and customer privacy by implementing a reliable data security system • Accurately explain banking solutions needed by customer to avoid mis-selling • Serve fairly	• Consider human rights in lending or placement of funds • Conduct an assessment on the placement of funds if there is a risk of a human rights incident • Respond to the negative impact on debtor if there is a human rights incident	• Exercise Human Rights Policy and upholding equality • Provide a complaint channel (whistleblowing system) • Build a healthy and comfortable work culture • Provide a comfortable, clean, healthy, and safe working facility • Support employees for self-development and express their talents/interests • No prohibition/intimidation on employees to form unions • The rights and obligations of the Company and Employees as well as working conditions have been included in the Collective Labor Agreement (CLA) • All Employees are enrolled in BPJS Health and BPJS Employment	• Carry out human rights due diligence on partners • Conduct human rights monitoring on partners/ vendors • Encourage each partner to apply OHS, management, ethical employment, and respect for human rights

Human Rights Due Diligence and Assessment

Since 2021, BCA has carried out internal human rights due diligence, in the context of the bank's social and business responsibilities, including towards vendors. Due diligence for vendors aims to avoid direct or indirect involvement of the Bank in activities that violate human rights, such as human trafficking, forced labor, prostitution and labor smuggling.

BCA has conducted human rights due diligence activities since 2021, as a form of its commitment to pay attention to the company's business risks concerning human rights violations and makes the utmost effort to prevent and minimize human rights-related risks that may occur. In 2021, BCA conducted human rights due diligence on the procurement aspect. As for 2022, due diligence activities were carried out on BCA's internal employment aspects by involving permanent, contract or non-permanent employees, outsourced employees, and BCA management. Based on the human rights due diligence process carried out on BCA's procurement and employment processes, the Bank has mitigated human rights-related risks so that these risks can be minimized.

Talent Management & Empowerment

BCA implements human capital management and empowerment with regards to the human rights principles, including equal opportunities and non-discrimination. All rights and obligations of the Bank and employees are stipulated in the CLA that has been registered with the Ministry of Manpower. The rights and obligations stipulated in the CLA include information, such as equality and fairness in performance appraisal, promotion and education policies, working time and leave procedures, remuneration policies, and freedom of association. The CLA applies to all permanent and contract employees. Meanwhile, the rights and obligations of outsourced employees refer to the applicable manpower provisions or regulations.

BCA Employees Profiles [2-7]

All BCA employees are Indonesian citizens from different ethnic groups, as Indonesia is a very diverse nation. Due to respect for ethnic diversity, BCA does not present employee data based on race, ethnicity, or class. All BCA employees are full-time workers and there are no part-time workers. Thus, the data we presented are permanent and non-permanent employees who work full time.

Total Employees and the Management based on Gender and Employment Status

Employee Status	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Permanent	9,232	14,822	8,506	13,785	8,590	13,937
Non-permanent (contract, probation, trainee)	1,328	1,535	957	1,260	595	830
Total based on gender	**10,560**	**16,357**	**9,463**	**15,045**	**9,185**	**14,767**
Grand Total	**26,917**		**24,508**		**23,952**	

Total Employees and the Management based on Gender and Position Level

Position Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Board of Commissioners	5	0	5	0	5	0
Director	10	2	10	2	10	2
Senior Manager	108	94	103	89	104	85
Middle Manager	925	934	872	863	854	811
Line Manager	3,905	6,742	3,786	6,380	3,679	6,136
Staff	5,125	8,071	4,121	7,207	3,869	7,251
Non-staff	482	514	566	504	664	482
Total based on gender	**10,560**	**16,357**	**9,463**	**15,045**	**9,185**	**14,767**
Grand Total	**26,917**		**24,508**		**23,952**	

Total Employees and the Management based on Gender and Length of Service

Length of Service	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
> 20 Years	2,932	4,730	3,369	5,139	3,860	5,537
> 15–20 Years	297	403	239	320	222	372
> 10–15 Years	815	1,446	604	956	467	695
> 5–10 Years	1,986	4,008	2,106	4,492	2,022	4,408
> 1–5 Years	2,493	3,335	1,977	2,721	1,923	2,885
≤ 1 Years	2,037	2,435	1,168	1,417	691	870
Total based on gender	**10,560**	**16,357**	**9,463**	**15,045**	**9,185**	**14,767**
Grand Total	**26,917**		**24,508**		**23,952**	

Total Employees and the Management based on Gender and Work Area

Work Area	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Greater Jakarta (including Head Office)	6,277	8,399	5,527	7,763	5,486	7,853
West Java (excluding Greater Jakarta)	1,118	1,724	892	1,563	535	1,088
Central Java and Yogyakarta	569	1,204	542	1,111	551	1,128
East Java	1,122	2,106	1,090	1,959	1,142	2,010
Sumatra	734	1,402	712	1,257	741	1,296
Kalimantan	247	513	229	476	242	475
Eastern Indonesia	493	1,009	471	916	488	917
Total based on gender	**10,560**	**16,357**	**9,463**	**15,045**	**9,185**	**14,767**
Grand Total	**26,917**		**24,508**		**23,952**	

Total Employees and the Management based on Gender and Education Level

Education Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Doctoral degree	10	4	10	4	9	3
Master's degree	589	576	547	504	530	470
Bachelor's degree	8,586	13,532	7,354	12,279	6,824	11,862
Associate degree (Diploma 1-4)	309	861	323	913	374	1,004
High School (and below)	1,066	1,384	1,229	1,345	1,448	1,428
Total based on gender	**10,560**	**16,357**	**9,463**	**15,045**	**9,185**	**14,767**
Grand Total	**26,917**		**24,508**		**23,952**	

Total Employees and the Management based on Gender and Age Group

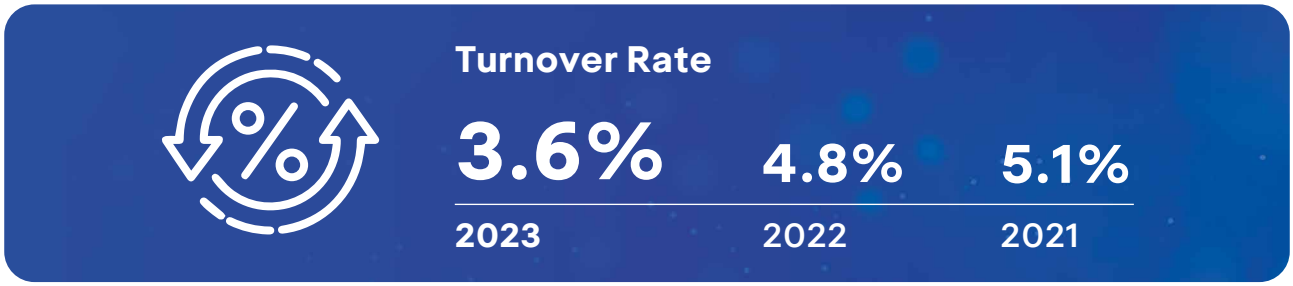
Age Group	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
< 25 Years old	2,312	2,662	1,707	2,033	1,302	1,706
> 25–29 Years old	2,375	3,599	1,949	3,438	1,885	3,696
> 30–34 Years old	1,835	3,730	1,652	3,346	1,462	2,822
> 35–39 Years old	819	1,275	574	861	476	714
> 40–44 Years old	349	650	465	997	605	1,330
> 45–50 Years old	1,023	2,009	1,292	2,383	1,527	2,588
> 50 Years old	1,847	2,432	1,824	1,987	1,928	1,911
Total based on gender	**10,560**	**16,357**	**9,463**	**15,045**	**9,185**	**14,767**
Grand total	**26,917**		**24,508**		**23,952**	

Non-Employee Workers [2-8]

In BCA's work environment, there are other employees who are not permanent employees, consisted of 2,863 people, which covers contract employees, probationers, and trainees, or equivalent to 10.6% of total permanent employees. In addition, BCA also employs outsourced workers to support its operational activities, such as security, cleaning service, sales, and collector personnel.

Recruitment, Talent Attraction & Retention and Turnover Rate [401-1]

By the end of 2023, BCA recorded 866 employees leaving the Bank for various reasons such as resignation, retirement, or death. On the other hand, BCA hired new employees consisting of 2,296 men and 2,654 women through a fair and transparent recruitment process without discrimination. With such numbers of incoming and outgoing employees, BCA recorded a turnover rate of 3.6% for fiscal year 2023, lower than the previous year.



New Employees and the Management based on Gender and Position [401-1]

Position Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Board of Commissioners	0	0	0	0	0	0
Director	0	0	0	0	1	0
Senior Manager	3	5	3	0	2	4
Middle Manager	11	5	5	3	5	1
Line Manager	34	19	23	17	18	12
Staff	2,106	2,368	1,134	1,283	568	669
Non-staff	142	257	91	180	159	255
Total based on gender	**2,296**	**2,654**	**1,256**	**1,483**	**753**	**941**
Grand total	**4,950**		**2,739**		**1,694**	

New Employees and the Management based on Gender and Age Group [401-1]

Age Group	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
< 30 Years old	2,150	2,467	1,173	1,356	659	798
30–50 Years old	135	175	77	120	89	137
> 50 Years old	11	12	6	7	5	6
Total based on gender	**2,296**	**2,654**	**1,256**	**1,483**	**753**	**941**
Grand Total	**4,950**		**2,739**		**1,694**	

New Employees and the Management based on Gender and Work Area [401-1]

Position Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Greater Jakarta (including Head Office)	1,323	1,245	755	751	683	787
West Java (excluding Greater Jakarta)	667	735	394	532	10	19
Central Java and Yogyakarta	69	119	18	31	5	22
East Java	101	203	41	67	25	39
Sumatra	59	167	25	33	2	5
Kalimantan	23	59	6	26	21	32
Eastern Indonesia	54	126	17	43	7	37
Total based on gender	**2,296**	**2,654**	**1,256**	**1,483**	**753**	**941**
Grand Total	**4,950**		**2,739**		**1,694**	

Employees and the Management Leaving based on Gender and Position Level [401-1]

Position Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Board of Commissioners	0	0	0	0	0	0
Director	0	0	1	0	2	0
Senior Manager	1	0	2	2	5	5
Middle Manager	10	13	21	14	31	19
Line Manager	97	219	169	279	193	276
Staff	205	306	327	445	286	438
Non-staff	15	0	121	157	217	181
Total based on gender	**328**	**538**	**641**	**897**	**734**	**919**
Grand Total	**866**		**1,538**		**1,653**	

Employees and the Management Leaving based on Gender and Age Group [401-1]

Rentang Usia	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
< 30 Years old	173	242	295	365	229	279
30–50 Years old	80	198	167	367	279	447
> 50 Years old	75	98	179	165	229	193
Total based on gender	**328**	**538**	**641**	**897**	**734**	**919**
Grand Total	**866**		**1,538**		**1,653**	

Employees and the Management Leaving based on Gender and Placement Area [401-1]

Wilayah Penempatan	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Greater Jakarta (including Head Office)	206	312	459	606	462	600
West Java (excluding Greater Jakarta)	61	88	41	69	52	65
Central Java and Yogyakarta	12	16	25	39	42	52
East Java	24	41	62	74	90	79
Sumatra	9	39	38	59	60	85
Kalimantan	5	18	6	22	8	13
Eastern Indonesia	11	24	10	28	20	25
Total based on gender	**328**	**538**	**641**	**897**	**734**	**919**
Grand Total	**866**		**1,538**		**1,653**	

Performance Evaluation and Appraisal [404-3]

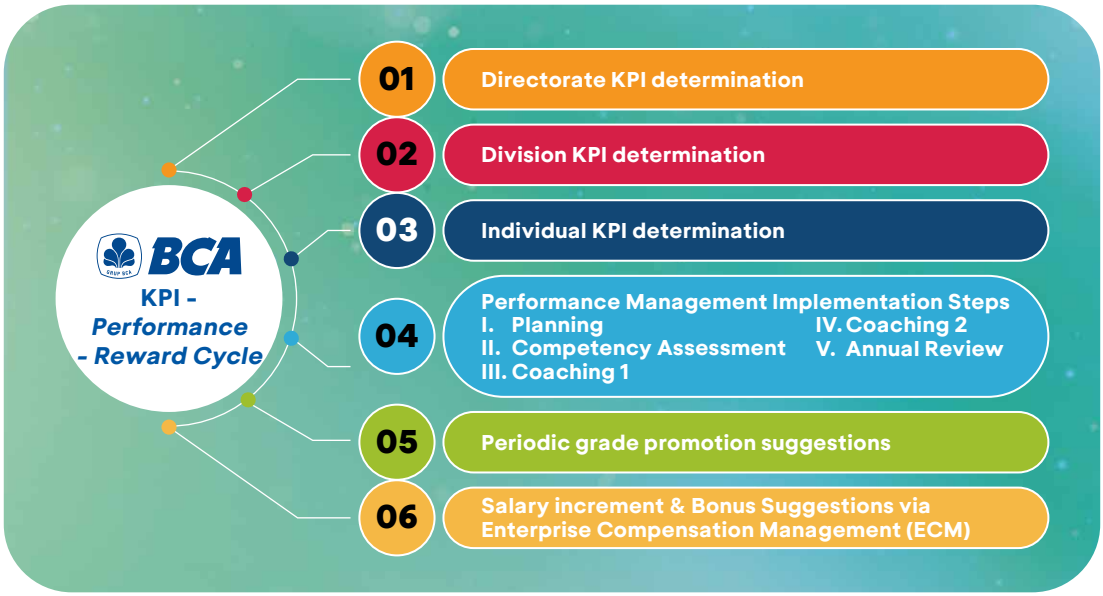
The performance of each individual will contribute to the Bank's performance. Therefore, BCA annually conducts employee evaluations and assessments. There are 2 type of employee assessment methods, namely Performance Appraisal (PA) and Performance Management (PM) which will be used based on the type of work or level of employee position. It begins with self-assessment and followed with an assessment from the immediate superior, which is then completed by the superior of the employee's immediate superior. The purpose of conducting an assessment with these two methods are to ensure the objectivity of the assessment process as well as to reduce bias and fraud in the assessment process.

BCA uses the results of performance assessments as recommendations for promotion, transfer, and remuneration adjustments, including bonuses. All eligible employees have received evaluation and performance assessment in 2023.

Employees and the Management Promoted based on Gender and Region

Region	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Head Office	605	612	574	614	408	468
Branches and regional Offices	476	1,129	569	1,225	562	1,079
Total based on gender	**1,081**	**1,741**	**1,143**	**1,839**	**970**	**1,547**
Grand total	**2,822**		**2,982**		**2,517**	

KPI - Performance Reward Cycles



Employee Engagement

BCA collaborate with Engage Rocket to conduct employee engagement survey every two years. The last employee engagement survey conducted in 2022 with a result of 4.7 out of a scale of 5. The survey results are utilized as a basis for enhancing engagement between workers and the company.

BCA believes that one of the keys to success is strong teamwork. BCA develops Team Engagement (TE) to encourage employees to work together as a cohesive unit. In 2023, BCA launched Team Engagement Action, Action, Action (TEAAA) an arrangement of activities to improve TE. The TEAAA is divided into two activities, Drive ONE BCA to improve BCA's overall TE and Drive Our Team to improve aspects of TE in each work unit.

In addition, the Bank provides the BCA Leader+ concept as stated in the Board of Directors' Decree No. 234/SK/DIR/2022 to encourage leadership culture in the work environment. The BCA Leader+ concept contains 10 leadership traits that must be possessed by leaders in BCA:



In 2023, BCA held a Leader Sharing Session to provide all employees with an understanding of BCA Leader+. This activity was carried out involving Division Heads, Work Unit Heads, Service Center Heads, Group Heads, Regional Office Heads, and Branch Office Heads as resource persons with participants consisting of more than 90% of permanent and probationary employees at the Head Office, Regional Offices, and Branch Offices.





BCA's internal social media as one of sharing channels from management or between employee teams.

Human Capital Development

BCA prepares competent talents and empowers all employees to support the achievement of the company's vision and mission. Provisions related to human capital development, including the rules for implementing the employee scholarship program, are regulated in BCA's internal policies.

The effectiveness of training programs that has been conducted is measured based on Kirkpatrick model. The Learning and Development Division is responsible for employee competency development and reports to the Human Capital Director.

Training Realization [404-1]

Description	2023	2022	2021
Training expenses (Rp million)	**372,815**	**263,243**	**193,417**
Total participants*	**59,323**	**53,294**	**47,706**
Male	24,100	21,180	19,291
Female	35,223	32,114	28,415
Total training hours per year	**1,183,950**	**950,297**	**673,040**
Male	504,320	402,624	286,573
Female	679,630	547,673	386,467
Average training hours per employee per year	**44.0**	**38.8**	**28.1**
Male	47.8	42.5	31.2
Female	41.5	36.4	26.2

* The training data displayed is participation data, in which one employee is counted as having attended more than one training program.

Employees and the Management Training based on Gender and Position Level

Position Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Board of Commissioners	2	0	2	0	0	0
Director	7	2	2	2	2	2
Senior Manager	107	93	100	86	101	81
Middle Manager	2,196	2,785	2,131	2,626	2,099	2,517
Line Manager	2,628	4,886	2,515	4,595	2,427	4,417
Staff	5,117	8,062	3,836	6,871	3,710	7,032
Non-staff	230	52	296	7	396	10
Total based on gender	**10,287**	**15,880**	**8,882**	**14,187**	**8,735**	**14,059**
Grand Total	**20,443**		**23,069**		**22,794**	

The training materials at BCA encompass knowledge of banking products and services, soft skills such as leadership and good communication, as well as other materials, such as technical skills to run systems used in banking, information and cyber security, consumer financial protection, sustainable finance implementation, risks and impacts of climate change, as well as the latest materials on ESG aspects, including ESRA and ESG Integration modules that can be accessed by all employees through BCA e-learning applications.

Employee competency development activities are carried out through various methods including webinars, face-to-face training, e-learning, video learning, video conference, gamification, and micro learning, as well as on-the-job coaching. The monitoring and evaluation of training effectiveness involve the Learning and Development Division, which then periodically reports the evaluation results to each program owner in their respective bureaus or work units to be followed up periodically. [404-2]

In addition, BCA also partners with external parties to provide material in several training activities. Some of these include experts, business people, consultants, CDP, IDX, OJK, as well as partners with educational institutions, such as BINUS and Prasetya Mulya University. BCA also collaborate with the Center for Sustainability Studies - Trisakti University, to deliver material on ESG aspects and sustainability practices.

In addition, BCA provides educational scholarships for employees who are interested in pursuing their education to undergraduate and postgraduate levels with specified requirements. A total of 94 employees receiving scholarships were active until the end of 2023.

Employee Development Program for Middle Management

In order to improve the capabilities of middle management staff, BCA holds a leadership program called P2M Madya. This program contains a series of trainings to provide employees with an understanding of the roles and responsibilities of a Middle Manager. The program includes:

1. Accelerating Business Performance to develop team skills and create a positive work environment.
2. System Thinking to understand problems more accurately before being followed up.
3. Strategic Thinking to understand the business in the big picture, discover strategic issues, and find innovative ideas that can be incorporated into business improvement or development strategies.
4. Financial Perspective to analyze the condition of the work unit or organization in financial aspects.

Training for Retiring Employees [404-2]

BCA has established a policy on retirement at a maximum age of 55. Employees who are 50 years old will be able to participate in the Ring the Bell program and the Beautiful Life program for those turning 54. Employees will receive training on health, investment, financial management, or skills to develop a business.

Despite having the retirement policy put in place, the Bank still values those who are still willing to work at BCA. BCA offers partnership opportunities, such as representing BCA in signing credit contracts, providing mentoring, motivation, and sharing knowledge to employees who are still actively working in the branch offices. In addition, retirees from managerial levels can return to work as expert staff assisting committees under the Board of Commissioners. These opportunities are provided by taking into account their work achievements, career path at BCA, and the company's needs.

Remuneration and Employee Support Programs [401-2]

Employee remuneration is provided based on level of positions and performance achievements. BCA also pays attention to the Gender Pay Indicators and does not base remuneration on gender, ethnicity, race, religion, or class. The Bank's employee remuneration complies with the minimum wage provisions applicable in all regions of Indonesia. The employee remuneration consists of salary, benefits, cash bonuses, and extra bonuses in BCA shares. The policy on employee stock ownership plan aims to increase the employees' sense of belonging in the company.

Benefits Based on Employment Status

Type of Allowance	Permanent Employees	Contract Employees	*Trainee*
Religious Holiday allowance	√	√	√
Year-end allowance	√	N/A	√
Special Religious Holiday allowance	√	N/A	√
Functional allowance	√	N/A	N/A
Other allowances	√	√	√

Note: No gender pay gap

Salary Comparison between Female and Male Employees (Rp million)

Position Level	Permanent Employees		Contract Employees	
	Male	Female	Male	Female
Staff	10.9	11.2	8.5	8.4
Non-Staff (non-managerial)	9.9	9.7	4.8	4.9
Data coverage (% of total employees)	**52.7%**			

Note: The basic salary for employees at the lowest level at BCA is higher than the Provincial Minimum Wage (UMP) which applies in all branch office areas in Indonesia.

In addition to providing adequate remuneration, BCA seeks ways to retain employees, by establishing programs that support work-life balance. The Bank provides platforms to channel employees' interests and talents, including communities for photography, handicraft, cycling, wayang enthusiasts, music, mountain climbing, as well as building a culture of appreciation and recognition among permanent employees.

Other employee support programs for wellbeing and work-life balance include:
1. Flexible working hours policy is applied to all employees at the Head Office from non-operational service work units.
2. Work from BCA Touchpoint (official work location outside the main office) which applies to employees at the Head Office from non-operational customer service work units.
3. Recreational facilities are realized in the form of a budget for recreational funds coordinated by each work unit.
4. Partnership with psychological services bureau to provide counseling services for employees' mental health support.
5. Facilitating various sports and arts activities managed by the Sports, Arts and Hobbies Coordinating Board (BAKORSENI) to support a balanced lifestyle for employees.
6. Providing tools to support employee wellbeing through the collection of points from employee participation in certain activities at BCA. These points can be redeemed on the MySaku application into goods/services that can support employee wellbeing.
7. Availability of lactation rooms to provide comfort for employees.

Access to Health Facilities [403-3, 403-4, 403-6]

Health can affect employee productivity, therefore, BCA does its best to provide a decent and safe workplace. In BCA provides various health facilities in its work environment, such as BPJS health, health insurance, counselling services with psychologists, online health consultations, and health education. The Human Capital Management (HCM) Division is responsible for providing healthcare facilities at BCA. Employees and their immediate family members also receive health benefits in the form of inpatient care, outpatient care, maternity reimbursement, glasses, dental care, laboratory examinations, periodic medical checks, and pap smears.

Employees over 40 years of age are entitled to an annual medical check-up (MCU) that can be done once a year at BCA's partner hospitals/clinics/laboratories. In addition to the health facilities that have been provided, BCA also actively promotes healthy lifestyle to the employees by joining support programs managed by the Sports, Arts and Hobbies Coordinating Board (BAKORSENI).

Every year, BCA also actively holds dissemination on health awareness, including dissemination on mental health. In 2023, dissemination of health education provided to employees included: lung health, eyes, back pain, cancer, stress management, and mental health in the work environment.

OHS Policy [403-1, 403-4, 403-7]

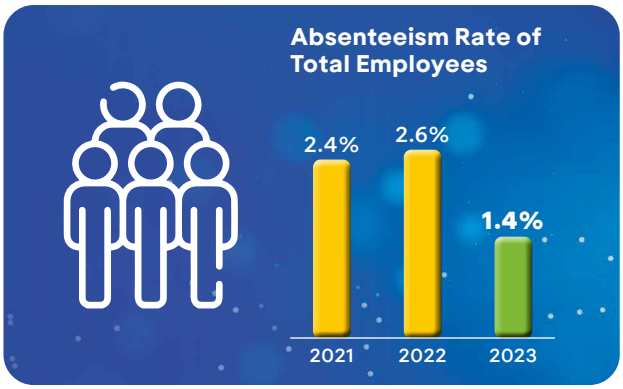
In order to support effective operational activities and business relationships, BCA has issued policy on Occupational Health and Safety (OHS) that can be accessed at: https://www.bca.co.id/-/media/Feature/Report/File/S8/Kebijakan-GCG/2023/20230727-ohs-policy.pdf. In addition, to provide a decent and safe work environment, the employee protection policy is stated in the CLA Article 42, Article 47, Article 49, Article 57 Paragraph 1, Article 58 Paragraph 2, and Article 59 Paragraph 2, and refers to Law Number 13 Year 2003 Article 86 Paragraph 2 containing information about protecting the safety of workers/laborers to realize optimal work productivity.

All BCA branch offices have implemented healthy, decent and safe work environment standards to protect the safety of all employees and stakeholders. Anyone in the BCA work environment, including all employees, customers, vendors, partners, and other stakeholders are encouraged to take responsibility for preventing incidents related to (OHS). The Risk Management Division is tasked with overseeing the OHS management system implementation and reporting to the Risk Management Director.

Although OHS risks in the banking industry are low, BCA continues to implement an OHS management system to minimize the incidence of workplace accidents and absenteeism due to illness. BCA also cooperates with the building management to ensure that the workplace building is safe from technical damage and has safety facilities, such as fire extinguishers, available. BCA and the building management of all Branch Offices regularly hold fire and natural disaster simulation drills. BCA also equipped office buildings with security facilities, such as alarms, as early warning devices to increase alertness and prevent casualties from disasters.

Employees with the tasks as expedition staff/messengers/couriers are equipped with occupational safety facilities in the form of SNI standard helmets, jackets, raincoats and bags. In addition, BCA also provides the employees with financing for the fees in making and/or extending driving licenses.

The OHS management system implementation is expected to enable the creation of a conducive, safe, productive work situation and to reduce employee absenteeism rate.



Diversity and Equal Opportunity

The percentage between male and female employees at BCA is 39.2% for male and 60.8% for female employees. BCA also carries out employment management by respecting the principle of diversity and equal opportunity without discrimination against gender, ethnicity, religion, race, or class. This practice is supported by the non-discrimination policy as stipulated in BCA Board of Directors' Decree No. 214/SK/DIR/2021 dated 27 October 2021 concerning Human Rights Policy, BCA's Code of Conduct, and CLA.

BCA also continues to increase the role of women in leadership levels of position at BCA. The composition of the governance organs reflects the diversity of its members, in terms of gender, education, work experience, age, and expertise. To maintain the inclusiveness of women, BCA continues to promote gender equality in the work environment and increase the role of women at the Senior Manager and Director levels.

Women's Representation

Position	2023	2022	2021
Director	16.7%	16.7%	16.7%
Senior Manager	46.5%	46.4%	45.0%

Employment Opportunities for Persons with Disabilities

Opportunities to work at BCA are open to those with physical limitations and people with disabilities. By the end of 2023, BCA employed 19 people with disabilities as outsourced workers to become call center officers at Contact Center & Digital Services. It is a manifestation of human rights practices and compliance with Government Regulation No. 43 of 1998 on Efforts to improve the Social Welfare of Persons with Disabilities.

Freedom of Association and Collective Labor Agreement (CLA) [2-30]

BCA management exercises freedom of association for employees to organize and assemble, as well as express their opinions. BCA has seven labor unions, one of which is the single majority Labor Union with members account for 51.7% of total employees. The labor unions together with management review the CLA contents every 2 years. All provisions regarding working conditions, rights and obligations of the company and employees are stated in the CLA of BCA.

Minimum Working Age and Working Hours Policies

BCA ensures that there is no child labor and forced labor practices in its work environment. The policy concerning the minimum age limit to work is regulated in PCA Article 7 paragraph 2 letter b. The article also explains the absence of forced labor practices as stated in the explanation related to working time, rest, and employees' leave rights. All BCA employees work full time, from 08.00-17.00 or for offices whose working hours start at 08.30 will end at 17.30, with a 1-hour break, for 5 days a week. The arrangement of working hours is BCA's form of commitment to respecting employees' rights. Provisions on working hours, overtime, rest, and leave are stipulated in CLA Article 13, Article 14, Article 19, Article 20, and Article 21.

With the development of technology and digitalization, BCA provides BCA Touchpoint for work flexibility. BCA Touchpoint is a work area outside the main office that serves as an alternative work location. Employees who will work from Hub can download the BCA Touchpoint, which is an application to register, submit and approve seat reservations, work plan information, arrange collaboration day, and team member schedule information.

Retirement Savings Policy [201-3]

One of the retirement savings policies for employees who have entered into retirement age is a pension fund program with a contribution scheme paid by the company and employees. The pension fund program applies to all permanent employees of BCA. The company pays 5% in defined contribution for the pension program, while employees pay 3%. The program is managed by a pension fund established by BCA. Information related to estimated pension fund can be found in BCA's annual report.

BCA also enrolls all employees in the BPJS Employment for Old Age Security (JHT) and Pension Security (JP) programs with a monthly payment scheme, in the form of contribution payment by the company and employees based on government regulations. The percentage of BPJS JHT contribution paid by the company is 3.7%, while employees pay 2%. Meanwhile, BPJS JP contributions paid by the company is 2% of and 1% by employees.

Parental Leave [401-3]

The CLA regulates the basic rights of all employees including leave of absence. Female employees are entitled to a 3-month maternity leave. Furthermore, for female employees who experience an unintentional miscarriage *(abortus provocatus)* due to medical reasons are entitled to up to 1.5 months of miscarriage leave. Meanwhile, male employees who accompany their legal wives to give birth are given permission to be absent from work for 3 working days without reducing their annual leave. If their wives have a miscarriage, male employees will be given permission to be absent from work for 4 working days.

Description	2023	2022	2021
Employees entitled to maternity leave	**14,347**	**14,678**	**15,207**
- Female	9,051	9,164	9,380
- Male	5,296	5,514	5,827
Employees who took maternity leave	**1,211**	**1,267**	**1,301**
- Female	882	897	972
- Male	329	370	329
Employees returning after maternity leave	**1,178**	**1,231**	**1,268**
- Female	853	868	945
- Male	325	363	323
Percentage returning to work	**97.3%**	**97.2%**	**97.5%**
Percentage of employees retained	**96.4%**	**98.9%**	**96.4%**

Communication Channel and Employment Grievance Mechanism

The employment and industrial relations grievances can be submitted to Halo SDM (6690000) which is accessible through BCA's internal telephone network or via email to halo_sdm@bca.co.id. In addition, complaints can also be submitted through the whistleblowing system (WBS). BCA guarantees the confidentiality of the complainant's information. BCA imposes strict sanctions for all cases of violation as stipulated in the CLA, including letter of reprimand, demotion, and termination of employment.

BCA prohibits and does not tolerate sexual and/or nonsexual harassment in the work environment. If there are employees who are harassed and/or intimidated or see behavior that violates the norms of decency, they can report to their immediate superior or the Human Capital work unit at the regional office/head office. For acts of harassment committed, sanctions will be imposed on the perpetrator under applicable regulations.

Cases related to discrimination, harassment, or other harassing conduct will be resolved through an escalation mechanism involving the Personnel Advisory Committee (PAC). This committee is under the supervision of the Board of Directors, chaired by the Head of Human Capital Management Division. The Committee is tasked with providing independent recommendations to the Board of Directors, regarding the settlement of cases according to principles of justice and equality, by investigating cases of violations and/or crimes committed by employees.

As of the end of 2023, there were no reports or cases related to violations of the code of conduct, norms of decency, or harassment in the BCA environment. To prevent violations of the code of conduct and acts of harassment, BCA regularly holds dissemination and education on anti-discrimination and anti-harassment to all BCA employees.

Environmentally Friendly Operation Culture

The implementation of an environmentally friendly operation culture is one of BCA's concrete actions for the Sustainability Culture Pillar which refers to Board of Directors' Decree No. 179/SK/DIR/2021 on Environmental Policy. Environmentally friendly operation culture is not only implemented within the Bank, but also involves stakeholders in BCA's value chain.

Agent of Change

BCA mobilizes all employees to become Agent of Change (AOC) in implementing a culture of sustainability. The AOC movement is directed at realizing green offices in Head Office Work Units, Regional Offices, and Branch Offices throughout Indonesia, as well as all BCA subsidiaries.



BCA employees also initiated several sustainability movements as agent of change.

Internal Initiatives to Mitigate Climate Risk

Sustainability culture is a shared responsibility for one earth and all generations. The implementation of a green office and green lifestyle is a fundamental step to mitigate climate risk. This is done through various initiatives, including utilizing the Enterprise Backoffice Integration (EBI) application to collect data covering all Branch Offices and developing dashboards to monitor the management of environmental aspects. BCA believes that well-managed data is the first step in estabilishing climate risk mitigation strategies.



Cooling Containment Optimization in Data Center

Electricity efficiency efforts in the Data Center are carried out by setting the direction of cold air to software and hardware devices and installing containment. This technique aims to isolate cold air from mixing with hot air. This effort can maximize the air cooling on IT devices. The average energy efficiency in the Data Center is 1.08 kW or 28.4% of the total energy consumption in the Data Center.

Green Office dan *Green Lifestyle*

Initiatives to reduce the GHG emission footprint have been carried out through the management of environmental aspects, including:



Implementing a digital workplace that optimizes technology and digital features in the Company's internal activities, such as work from hub, IT Hub, sharing desk, digital signature, and reduction of paper use.



Managing energy consumption in the Data Center with electricity efficiency.



Synergizing with subsidiaries through shared services to improve services.



Employing a green building concept with environmentally friendly features, such as:

- Reducing electricity consumption by using LED lights, scheduling the operation of air conditioners, lights, elevators, computers, and other electronic devices;
- Replacing R22 type air conditioners with more environmentally friendly ones;
- Utilizing renewable energy by installing solar panels in office buildings;
- Implementing recyclable waste management through collaboration with waste banks in the vicinity of BCA buildings to promote a circular economy in the surrounding area;
- Using highly efficient water cooled chillers at Wisma BCA Foresta building;
- Using potable tap water in some buildings to reduce the use of bottled water;
- Providing Public Electric Vehicle Charging Stations in several BCA buildings;
- Reusing domestic effluent from Sewage Treatment Plant (STP) and rain harvest tanks in several BCA buildings to reduce water consumption;
- Actively managing energy consumption such as electricity, water, refrigerant and fuel in BCA buildings through preventive and corrective maintenance.

Energy Intensity of Electricity based on Room Size [302-1, 302-3]

Description	2023	2022	2021
Total electricity consumption (kWh)	172,492,313	156,040,072	118,611,628
Room size (m^2)	1,122,130	1,121,385	746,672
Intensity of Energy Use (kWh/m^2)	154	139	159

Note:
There were differences in data coverage for 2021, 2022, and 2023. Data in 2023 covered all head offices, data centers, branch offices (KCU, KCP and KCP Cash). Data in 2022 covered the head office, data center, 120 main branches, and 730 sub-branches. In 2021, it covered head office, data center, and 603 main branches/sub-branches.

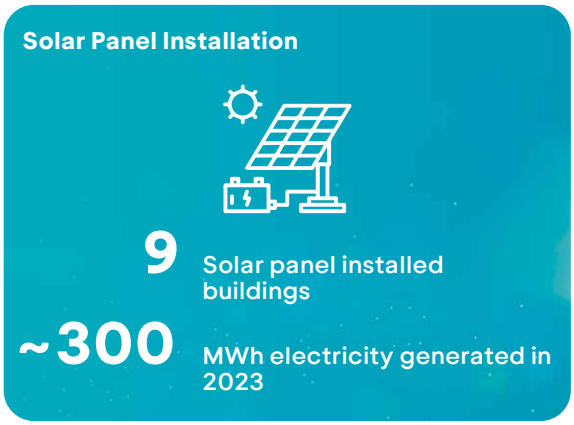
Energy Intensity of Electricity based on Number of Employees [302-1, 302-3]

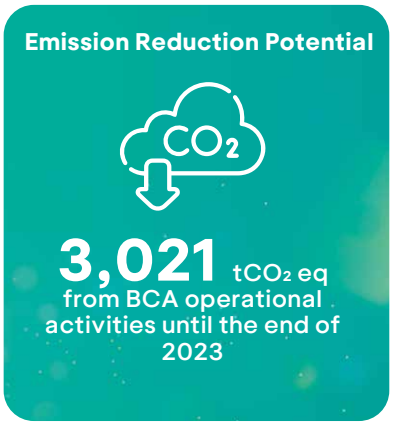
Description	2023	2022	2021
Total electricity consumption (kWh)	172,492,313	156,040,072	118,611,628
Number of employees	26,917	19,413	19,669
Intensity of energy use (kWh/employee)	6,408	8,038	6,030

Energy Intensity of Electricity based on Number of Transactions [302-1, 302-3]

Description	2023	2022	2021
Total electricity consumption (kWh)	172,492,313	156,040,072	118,611,628
Number of transactions (million)	27,978	22,337	15,876
Intensity of Energy Use (kWh/transaction)	0.006	0.007	0.007

Electricity consumption in 2023 was higher than in 2022 due to additional data coverage. Measurement of electricity consumption covered all Head Offices, data centers, and Branch Offices (KCU, KCP, KCP Kas). The intensity of electricity consumption per room area was 154 kWh/m² per year. This figure was still in the 'Fairly Efficient' category according to SNI 03-6196-2000 concerning Energy Consumption Intensity of Indonesian Buildings.





BCA Operational GHG Emission Inventory [305-1,305-2, 305-3]

BCA's GHG emission inventory for 2023 was calculated based on the Greenhouse Gas Protocol (GHG Protocol) methodology, divided into three scopes as follows:

1. Scope 1 emission includes stationary, mobile, and fugitive combustion. Stationary and mobile combustion were calculated based on BCA's fuel purchased and consumption that are in accordance with the emission factor published by DEFRA 2023. Meanwhile, fugitive emission was calculated based on the estimated unavoidable Freon leakage, aligned with IPCC AR5 references.
2. Scope 2 emission was measured based on BCA's electricity consumption, utilizing location-based methodology in accordance with the Ministry of Environment and Forestry's (MoEF) regulations.
3. Scope 3 emission is calculated based on several methodologies, depending on the categories and scope of data. These calculations utilized DEFRA 2023, US EPA Supply Chain v 1.2, and MoEF 2019 regulation as their emission factor references.

BCA implements a regular monitoring system to maintain the quality of public reporting and the establishment of GHG emission reductions. In 2023, the total emissions generated showed an increase from the previous year due to the expansion of the scope of emissions calculation and data coverage. The expansion of GHG emission's calculation scope in 2023 is a step forward to determine the emissions baseline and as a foundation to further complete the next year's emissions measurement.

GHG Emission (tCO_2 eq)	2023 [1]	2022	2021
Scope 1			
Stationary combustion	773	416	401
Mobile combustion	7	-	-
Fugitive emissions	4,060	390	-
TOTAL	**4,840**	**806**	**401**
Scope 2			
Electricity purchased	143,260	137,019	102,516
Scope 3			
Category 1. Purchased goods and services	62,314	-	-
Category 2. Capital goods	33,282	-	-
Category 3. Fuel- and energy-related activities not included in scope 1 or scope 2	21,006	-	-
Category 5. Waste generated in operations	6,511 [3]	411 [2]	382 [2]
Category 6. Business travel	12,396 [5]	4,547 [4]	1,187 [4]
Category 8. Upstream leased assets	24,747		
Category 12. End-of-life treatment of sold products	668	-	-
TOTAL	**160,924**	**4,958**	**1,570**
Total GHG Emissions (Scope 1 + 2 + 3)	**309,024**	**142,783**	**104,487**

Notes:
1) There were differences in data coverage in 2023, 2022 and 2021. Data in 2023 covered 100% of branch offices and BCA ATMs. The calculation was extrapolated on January-October 2023 data. Data in 2022 covered head office, data centers, 120 main branch offices, and 730 sub-branches. In 2021 covered the head office, data centers, and 603 main branches/sub-branches.
2) Data collected from printer pooling usage in 2022 and 2021.
3) Data covered BCA organic and inorganic waste in 2023.
4) Data collected from combined business flights and carpooling in 2022 and 2021.
5) Data collected from air travel by plane, road travel by vehicles owned by BCA's third-party partners, and hotel stays in 2023.

Furthermore, with the aim to improve the quality and scope of emissions calculation in accordance to the GHG Protocol, including as a follow-up to the regulator's program on Climate Risk Stress Test (CRST), in 2023 BCA has become a signator of the Partnership for Carbon Accounting (PCAF). BCA has inventories and calculated financial emissions based on PCAF's methodology and asset class classification.



In 2023, BCA Foresta Building was awarded as The Best Energy Efficient Building in ASEAN.

Our Green Building: Wisma BCA Foresta



Wisma BCA Foresta has used rain harvest tank system, water cooled chiller, BAS, double low-e glass, and has potable tap water, VVVF lift system, CO & CO_2 sensor, daylight optimization, internal stairs, open office space, and EV charging station. Wisma BCA Foresta is one of the green buildings that earned Platinum certification from the Green Building Council Indonesia (GBCI).

The management of this green building has won the 1st Subroto Award for Energy Efficiency (PSBE) from the Ministry of Energy and Mineral Resources for the energy efficiency category in 2022 and won the best Energy Efficient Building category in Southeast Asia at the ASEAN Energy Awards in 2023.

Total Paper Used [306-3]

Description	2023*	2022**	2021**
Paper used (tons)	478	296	57
Reduced paper consumption at Head Office (tons)	+182	+239	6
Emission reduction potential through paper reduction at Head Office (tCO2 eq)	+315	+332	21

Notes:
* Data in 2023 covered all head and branch offices
**Data in 2022 covered 9 Head Office locations and a number of main branches, while in 2021 covered 6 head office locations

Operational Waste Recycling [306-1,306-2, 306-3, 306-4]

In order to move towards environmentally friendly operations, BCA has taken a number of actions to reduce the environmental impact of its operations, including initiatives to recycle generated operational waste. BCA gradually expands the scope of waste recycling, starting from the Greater Jakarta area to other regions in Indonesia. Proceeds from various waste management efforts are donated to Yayasan Bakti BCA to provide scholarships to BCA employees' children in need.

1. **Waste Management of EDC Machines and KeyBCA Tokens**
   In 2023, BCA has collected and recycled 61.7 tons EDC machines and KeyBCA tokens. Hazardous waste components from the both machines that cannot be recycled will be further processed by vendors with license to manage hazardous waste.

2. **ATM Card Waste Management**
   Throughout 2023, BCA has collected 13.9 tons of card waste to be processed into paving blocks, which are then paved in BCA parking area. The recycling process is carried out in collaboration with licensed vendors.

3. **Uninterruptible Power Supply (UPS) Management**
   In 2023, BCA has recycled 29.9 tons of Uninterruptible Power Supply (UPS) devices that are broken and no longer in used. Each components were recycled by a verified vendor, ensuring that all components would be reused and re-purposed accordingly.

4. **Archival Waste Management**
   Archive papers from BCA operations that have expired will be processed into paper pulp. In 2023, BCA collected 425.4 tons of archival waste to be managed by vendors.

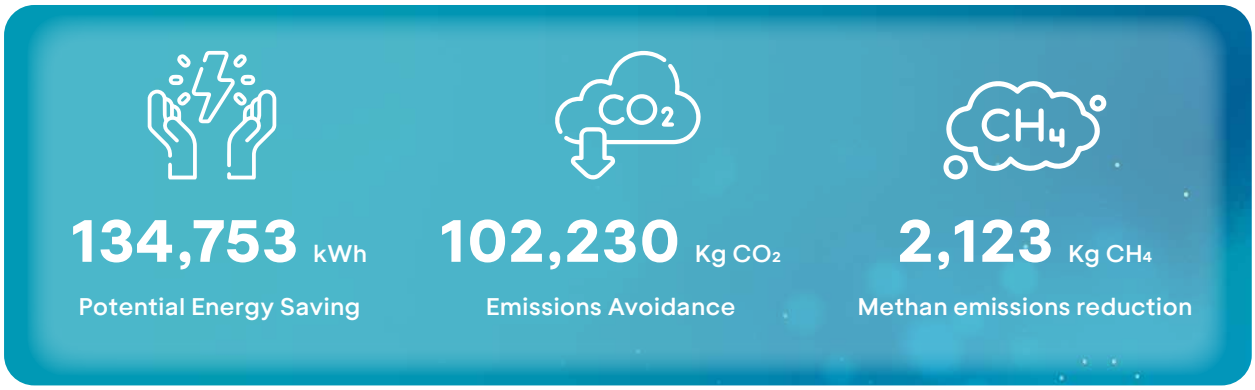
5. **Inorganic Waste Management from Operational Offices**
   By the end of 2023, BCA had recycled 41.1 tons of inorganic waste from regular collection at 75 branch offices. BCA also sorts and manages plastic waste which are 8.1 tons of plastic money wrappers from branch offices and more than 3,500 plastic bottle waste generated from various BCA activities through the provision of Reverse Vending Machines (RVM).

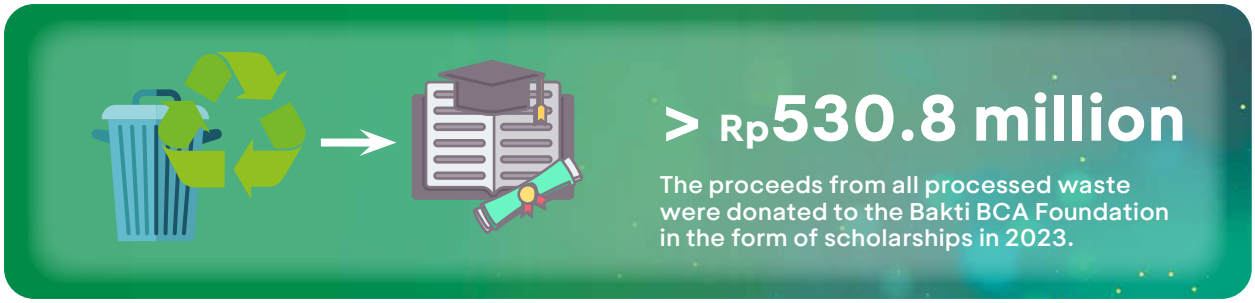
6. **Data Center Hard Disk Waste Management**
   In 2023, BCA collected 1.2 tons of hard disk waste from the data centers, which was then sent to the vendor to be recycled. BCA ensures that all data within each hard disk has been cleared out and cannot be accessed by any parties prior to the recycling process.

7. **Optimization of Asset Use**
   Since 2018, the Bank has been inventorizing the used cords, including patch cords, patch panels, and terminal adapters, then measured the life of these assets to optimize their usefulness. By optimizing the useful life of these assets, BCA can reduce the negative impact of cable waste.

8. **Used Uniforms Recycling**
   BCA frontliners' used uniforms are collected and processed into recycle fabrics to be then utilized as one of the material for the 2024 BCA Anniversary uniform, which would be worn by all of BCA management and employees. By involving local craftsmen and encouraging women's empowerment, the process of recycling BCA used uniform realized the concept of circular textile. During 2023, BCA has successfully collected 12.2 tons used uniform to be recycled.

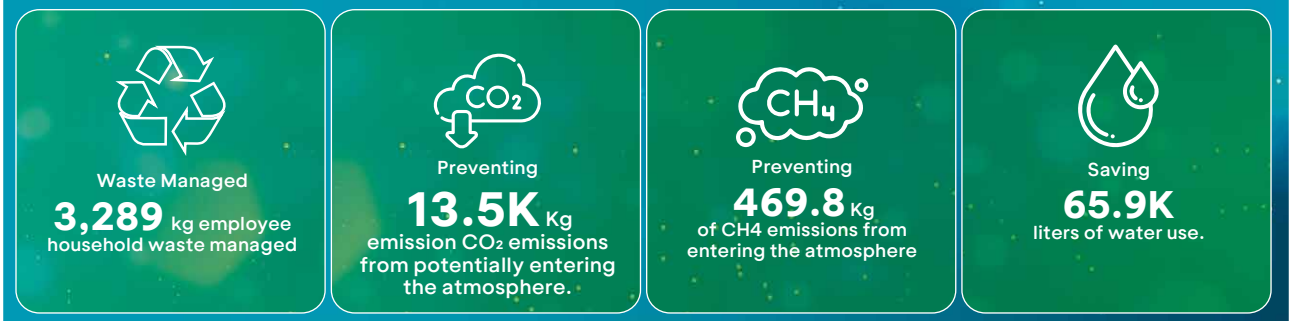
   Positive Impacts of several BCA Waste management Initiatives (Non-Organic Waste, Hard Disks, ATM Cards, and UPS):





Green Champion Program [306-1,306-2, 306-3, 306-4]

The Green Champion Program is an initiative created by BCA in collaboration with a third party. This campaign aims to inspire BCA employees in taking part in preserving the environment through recycling their own household generated waste. The program was carried out for 4 months, starting in June until September 2023. All BCA employees located in Jakarta (except the Thousand Islands area) and Tangerang joined this program. As of September 2023, this program has succeeded in providing an environmental impact including:



Clean Water Consumption and Effluent Management [303-1, 303-2]

The clean water supply used for operational activities in BCA's offices is purchased from the Regional Drinking Water Company (PDAM) and other water companies in the vicinity of the bank's office locations. To maintain the availability of water on earth, BCA continues to use clean water efficiently, including by regularly maintaining water installations, using water-efficient faucets, eco-washers, installing rain harvest tanks, and campaigning water saving.

The Bank also conducts water conservation efforts by installing Wastewater Treatment Plants (WWTP) in several buildings that are self-managed (not rented). The treated wastewater is used for non-hygienic needs, such as plant watering and toilet flushing.

Domestic effluent from the Bank's operational activities has met the water quality standard and had no negative impact on the environment as it does not contain hazardous and toxic compounds. During 2023 there were no incidents of effluent, chemicals, or hazardous liquid waste spills in the BCA office area.

Total Water Consumption (m³)

2023*
403,748

2022**
302,646

2021***
47,823

* Water consumption data for 2023 covered Head Office and 122 BCA Branches.
** Water consumption data for 2022 covered the Head Office building and 10 BCA branches.
*** Water consumption data for 2021 only covered the Head Office building.

Initiative on the Use of Environmentally Friendly Materials

BCA has not utilized recycled materials for the Bank's main operational activities. However, BCA uses environmentally friendly materials, including biodegradable plastics (oxium), the use of LED lighting in most of BCA's office buildings, the use of paint products with low volatile organic compound (VOC) values for construction or renovation, and the use of environmentally friendly cleaning agents and refrigerants. We are also gradually replacing desktop PCs with laptops or more power-efficient desktop PCs to reduce electricity consumption. In addition, we are also implementing the carpooling concept to improve operational efficiency. Recycled fabric of used uniforms will be worn for BCA's 67th anniversary attire in 2024 for all BCA personnel.



BCA's Board of Commisioners wear attire from used uniform recycled fabrics to welcome BCA's 67th anniversary in 2024.



BCA's Board of Directors wear attire from used uniform recycled fabrics to welcom BCA's 67th anniversary in 2024.

Social Value Creation



Growing together with the communities is our hope, as well as stay by the side of all stakeholders to deliver valuable work and creating shared value

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A traditional ceremony called berkaul adat in Sijunjung Traditional Village, West Sumatra

The 'Social Value Creation' pillar is realized through a series of community involvement & development activities, as well as biodiversity conservation. Under the umbrella of the Bakti BCA Program, the Bank carries out community outreach programs that encourage self-reliance.

BCA also allocates funds for philanthropic (charity) programs. The Bakti BCA program synergizes the implementation of financial literacy and inclusion to support government programs on the implementation of sustainable finance.

Material Topic Management: Community Investment [3-3]

Why It Matters	BCA cares and embraces local communities and the general public, therefore in every BCA's operational locations, we aim to provide positive value and impact.
Impact Management	Through investment in the community, BCA seeks to contribute to the local economic growth, contribute to poverty alleviation and national development. BCA seeks to increase investment in activities that encourage development and empowerment, not just philanthropy. This way, the impact for the community will be more sustainable.
Commitment and Target	Carrying out community development and empowerment activities to support the achievement of the SDGs, especially SDG number 3, 4, 8 and 10.
Policy	BCA's commitment to provide community investment is supported by the following policies: • Decree No. 193/SK/DIR/2020 concerning BCA Sustainability Governance; • Decree No. 197/SK/DIR/2021 concerning BCA Community Empowerment Policy.
Evaluation on Material Topic Management Effectiveness	The implementation of community investment programs is under the responsibility of the Corporate Communication & Social Responsibility (CCR) Group. In 2023, BCA allocated a total of Rp153.2 billion for community investments. Based on the impact measurement results, the community investments done under the Bakti BCA initiatives, which includes various mentoring and development programs for Assisted Villages and SMEs, improvement of education quality, health service assistance, preservation of local arts and culture, as well as conservation and environmental rehabilitation, has made positive impacts on many parties across nearly all regions in Indonesia.





Tourism Village and MSME assisted by Bakti BCA, demonstrating BCA's commitment to the community and environmental benefits.

Community Involvement and Development [203-1, FS13]

Tourism Village [203-1, FS13][FN-CB-240a.3]

BCA through Bakti BCA provided mentoring for a total of 26 tourism villages, which consist of 14 assisted tourism villages and 12 partner tourism villages in collaboration with the Ministry of Tourism and Creative Economy of the Republic of Indonesia for the Anugerah Desa Wisata Indonesia (ADWI) program in 2022 and 2023.



The main objectives of tourism village assistance are to improve the community economic welfare through increased income and employment opportunities in the tourism and creative economy sectors.

The tourism village development refers to:
1. Regulation of the Minister of Tourism and Creative Economy No. 9 dated 7 July 2021 concerning Guidelines for Sustainable Tourism Destinations.
2. Decree of the Minister of Tourism of the Republic of Indonesia, Number KM.143/KD.00/MENPAR/2019, concerning the Indonesia Sustainable Tourism Council.
3. Global Sustainable Tourism Council (GSTC)

Number of Visitors in Assisted Tourism Villages

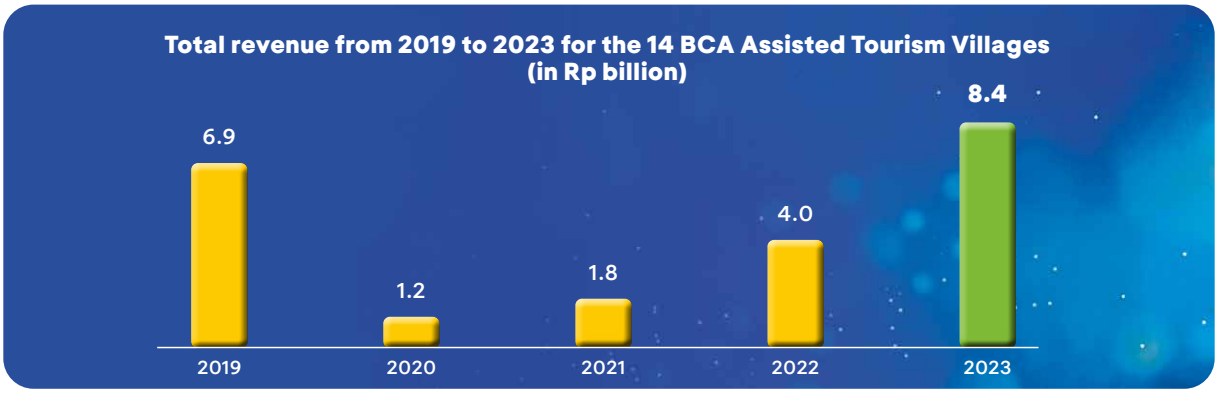
In 2023, a total of 263,053 people visited BCA-assisted tourism villages. The three tourism villages with the most visitors in 2023 were Tamansari Tourism Village with 129,756 visitors which equal to 49.3% of the total visitors, Wirawisata Goa Pindul Village with 37,730 people, and Pentingsari Tourism Village with 25,275 people. Over the past 5 years, a total of 985,787 people have visited BCA-assisted tourism villages.

Total Workforce in Assited Tourism Villages

BCA-assisted tourism villages have employed 403 local workers, 40% of whom are full-time workers. Bilebante Tourism Village has absorbed the most workforce of 59 workers, followed by Pentingsari Tourism Village with 49 local workers.

Total Revenue of Assisted Tourism Villages

In 2023, BCA-assisted tourism villages generated income of Rp8.4 billion or increased by 108.7% from Rp4 billion in 2022. Over the past 5 years, the income of BCA-assisted tourism villages has reached Rp22.3 billion.



Achievements of Assisted Tourism Villages

BCA-assisted tourism villages won a total of 13 awards in 2023, both at the national and global level including Taro and Bilebante Tourism Villages that were announced as part of The Best Tourism Villages Upgrade Program 2023 by United Nation World Tourism Organization (UNWTO). Tamansari Tourism Village, Pentingsari Tourism Village, and Nagari Silokek earned the Community Based Tourism category award at the ASEAN Tourism Forum event. In addition, Sijunjung Traditional Village received the MURI record as the longest lined traditional village in Indonesia. Next to the Sijunjung Traditional Village, Peramun Hill in Belitung also received a MURI record award as the First Community Based Digital Forest. This award was given for Arsel Community's innovation in utilizing digital technology to share knowledge about the various benefits and origins of plants in the Peramun Hill forest. Arsel Community is a community-based group that manages the operation of Peramun Hill Tourism Village.

Assisted Tourism Village Development

In 2023, BCA conducted 8 mentoring programs:

1. Human resource mentoring for the management of the assisted tourism villages
2. Development of attractions and tourism appeal
3. Development of Tourism Promotion & Marketing
   - BCA Lifestyle Onboarding
   - Onboarding Online Travel Agent & Partnership with Online Travel Agent / Travel Operator
4. Financial Service Mentoring of Assisted Tourism Villages
5. Development of digitalization & technology
6. Supporting Amenity Assistance
7. Fostering an environmental conscious movement through managing plastic bottle waste using reverse vending machine
8. Capacity Building of Local Champion of Assisted Tourism Village management

Training for ADWI Partner Tourism Villages

Bakti BCA was also actively involved in mentoring tourism villages that won the Anugerah Desa Wisata Indonesia (ADWI) award organized by the Ministry of Tourism and Creative Economy of the Republic of Indonesia for the 2022 and 2023 periods.

The 2022 ADWI award-winning Partner Tourism Villages that received special mentoring from Bakti BCA in 2023, include:

1. Mount Padang Site Tourism Village, Cianjur District, West Java
2. Saba Budaya Baduy, Lebak District, Banten
3. Pahawang Tourism Village, Pesawaran District, Lampung
4. Nagari Silokek, West Sumatra
5. Dayun Tourism Village, Siak Riau
6. Kampung Melayu BML Tourism Village, Pontianak
7. Semen Tourism Village, Blitar
8. Malangga Tourism Village, Tolitoli
9. Tigarihit Colorful Tourism Village, North Sumatera
10. Pecinan Glodok, Jakarta

In the ADWI event in 2023, Bakti BCA partnered tourism villages managed to bring home 5 awards:

1. Nagari Sijunjung Traditional Village won 1st place - Developing Tourism Village Category.
2. Kakaskasen Dua Tourism Village became the runner up - Tourism Village Institution and CHSE Category.
3. Edelweiss Wonokitri Tourism Village became the runner-up - Tourism Village Pilot Category.
4. Terong Creative Tourism Village became the runner-up - Advanced Tourism Village Category.
5. Prai Ijing Tebara Tourism Village became the runner-up - Advanced Tourism Village Category.

Results of Tourist Satisfaction Survey

Bakti BCA conducted a tourism village customer satisfaction survey involving 375 respondents. A total of 357 respondents (95.2%) were satisfied with the services provided by the tourism village management, while 342 respondents (87.2%) enjoyed the tour packages available.



Saba Budaya Baduy, Lebak District, Banten, winner of ADWI 2022.



Nagari Silokek, West Sumatra winner of ADWI 2022

Bakti BCA Assisted MSMEs

Number of Workforce of Bakti BCA Assisted MSMEs

A total of 220 local residents became Bakti BCA-assisted MSME actors. The majority of MSME actors were batik craftsmen from Gemah Sumilir Batik Village with a total of 40 people. The next highest labor absorption was Doesoen Kopi Sirap with 28 coffee farmers and the Timor Tengah Selatan natural dye weaving community with 28 weavers.

Development of Bakti BCA Assisted MSMEs

To support the sustainability of assisted MSMEs, BCA provides the following mentoring programs:

1. **Training for MSMEs**
   In 2023, more than 1,500 MSMEs received training on halal certification and 60 MSMEs from Semarang and Yogyakarta received Go Export curriculum. As of December 2023, a total of 963 halal certificates have been issued.



2. **Promotion and Market Access Expansion for Bakti BCA Assisted MSMEs**
   Bakti BCA facilitates MSMEs with promoting and expanding market access by providing pop-up stores/ booths at various events and creating e-flyers for catalog of tourism villages assisted by Bakti BCA. Assisted MSMEs are present at the BCA Expoversary, Indonesia Knowledge Forum, MSME Festival, Jakarta Fair, Kangen Market Sudamala Solo, Annual Conference Meeting, and others.

3. **Mentoring Program on Natural Dye for Weavers in Timor Tengah Selatan (TTS)**
   Bakti BCA has provided mentoring in the cultural heritage preservation of traditional woven fabric called wastra, in Timor Tengah Selatan region. The TTS wastra has the strengths of its uniqueness in decoration, weaving technique and cultural expression that has its own distinctive cultural expression. In 2023, BCA collaborated with the Indonesian Natural Color Association (Warlami) to assist 28 women weavers in Timor Tengah Selatan who originated from autonomous regions (Swapraja) of Amanatun, Amanuban, and Mollo tribes. BCA helps the market access expansion for natural dyed textile weaving through several activities such as the BCA Expoversary, BCA Expo and Sabang Merauke with a total of more than 100 pieces of cloth sold and gained revenues of Rp174.3 million.

Revenue from Promotion Program and Market Access Expansion

At the end of 2023, Bakti BCA Assisted MSMEs managed to generate revenue of Rp1.2 billion with the majority of revenue generated by MSME Gemah Sumilir. Gemah Sumilir MSME, which managed to reach Rp709.7 million or around 58.9% of the total revenue. The second largest revenue was generated by MSME Timor Tengah Selatan at Rp174.3 million.

Collaboration of Bakti BCA Assisted MSMEs

On 18 to 22 October 2023, two Bakti BCA-assisted MSMEs, Gemah Sumilir Batik Village and Doesoen Kopi Sirap, were involved in the Trade Expo Indonesia event, which was the largest trade exhibition in Indonesia.

In addition, the MSMEs assisted by BCA also participated in the International Batik Day Event. Their participation was also covered by various social media channels, such as VOA Indonesia and the social media of the Indonesian Embassy in the US, which was expected to expand the market.



Craftsman of silver artistry from Taro Village, Desa Bakti BCA.



Female weaving artisan from Kampung Adat Sijunjung, Desa Bakti BCA.

Peramun Hill Success Story!

Peramun Hill has a very picturesque landscape, where 90% of it covers with medicinal plants. The forest at Peramun Hill is a protected forest that became a destination for both local and foreign researchers to study the characteristics of vegetation, geology, and biodiversity unique to the area.

The village management took the initiative to develop an application that can be accessed by visitors for information about the plants there. Visitors who are unable to follow the trail in person can also explore Peramun Hill through a virtual guide. Peramun Hill has become the first community-based digital forest in Indonesia and has been acknowledged by the Museum Records of Indonesia (MURI).





Gemah Sumilir Batik Village Success Story!

Kampung Gemah Sumilir is a community engaged in community empowerment through culture, education and socio-economy based on sustainable local wisdom values. The community's crafts such as batik, woven fabrics and handicrafts and many other products have been included in various expo, exhibitions and other events. The capacity building provided to Gemah Sumilir crafters has encouraged resilient human resources and economic improvement as well as good relationships with stakeholders.





Quality Education to Raise Competitiveness of the Young Generation



The quality of Indonesia's education towards the Golden Indonesia of 2045 still faces a number of challenges. The Program for International Student Assessment (PISA) 2022 research results show that Indonesia's literacy, numeracy and science scores are still below the average of countries surveyed by The Organisation for Economic Co-operation and Development (OECD). In addition, the results of the National Survey of Financial Literacy and Inclusion (SNLIK) in 2022 showed that Indonesia's financial literacy index was at 49.7% and Indonesia's financial inclusion index was at 85.1%. Thus, initiatives and joint efforts from various parties are needed to lead to positive changes in the quality of education.

Under the Bakti BCA Program, BCA carries out initiative programs that focus on improving the quality and competitiveness of Indonesia's human resources, especially the younger generation through the provision of knowledge, skills, competency and capacity building for teachers, students, and university students. BCA also provides programs to improve the financial literacy index through financial literacy activities for students and the general public.

Bakti BCA Assisted School

BCA has 20 assisted schools spread across several cities in Indonesia, from elementary, junior high to senior high school levels. The Assisted School Program aims to develop and empower the schools community holistically in order to generate skilled and competitive human resources, as well as supporting government programs in improving the quality of education in Indonesia.

In 2023, BCA had disseminated the results of Transformational Leadership training attended by 275 school principals, Learning Innovation Training attended by 65 Teachers and 15 school management, webinars on career preparation attended by 900 students, as well as infrastructure development support for 20 schools.







Capacity Building for Teachers in Eastern Indonesia

BCA collaborated with the Education Agency in Jayapura, Kupang, and Soe in a competency development program for elementary school teachers in Eastern Indonesia. Participants consisted of 111 teachers from 32 public and private elementary schools. The training used a blended learning method, which is the implementation of merdeka curriculum in their respective school areas. The program is held for 8 to 10 months, which expected to improve 4C skills (Critical Thinking, Creativity, Collaboration, & Communication) through literacy and meaningful inquiry in innovative and fun learning for students.

Education Partnership in 2023

No	Location	Number of participants	Number of Schools
1	Jayapura	40 teachers	11 schools
2	Kupang & Soe	71 teachers	21 schools

Program Impact:

1. **Teacher Training in Kupang and Soe**
   Providing comprehensive training to teachers had a direct impact on students' reading literacy skills. There was an increase in students' ability to read fluently with comprehension by 17.3% and a decrease in the number of students who could not read by 11.8% to 2.6% (lower than the national average of 5.8%).

2. **Teacher Training in Jayapura**
   The Teacher Training Program had a significant impact on changes in teacher behavior patterns. As many as 80% of the participants in Jayapura applied the training materials in the classroom which resulted in an increase in student motivation and activeness in the classroom by 80% compared to before the intervention. Moreover, stakeholders synergized in employing 40 BCA-assisted teachers to equalize the quality of education in Jayapura City and Papua Province.

Semarak Literasi

The *Semarak Literasi* program is a manifestation of BCA's commitment to improve comprehension of literacy among Indonesia's young generation. The program is a platform for young people and educators to get to know and understand literacy in a more enjoyable way. The program also aims to celebrate Language Month every October.



830 Students
272 Teachers
268 Schools
5 Cities

15+ Types of fun literacy activities
97 Fun literacy programs at school
32 Journalistic creations
24 Feature creations
28 Microblog creations with 800+ Likes
Books donation in Jayapura

Further information can be accessed at
https://www.bca.co.id/en/tentang-bca/media-riset/pressroom/siaran-pers/2023/11/14/04/19/kenalkan-literasi-ke-generasi-muda-dengan-lebih-menyenangkan

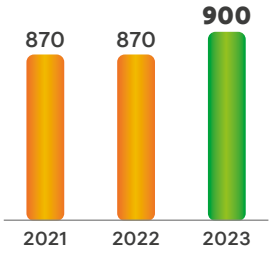


Bakti BCA Scholarship

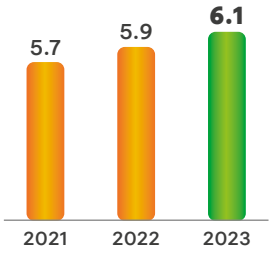
By providing scholarships, BCA helps students complete their education at the university level. In addition to providing assistance in the form of scholarships, BCA also organizes a number of soft skills training that will be useful in the working environment. By the end of 2023, BCA granted scholarships to 900 students from 19 universities in Indonesia with a total fund of Rp6.1 billion.



Bakti BCA Scholarship Recipients



BCA Bakti Scholarship Nominal (Rp billion)





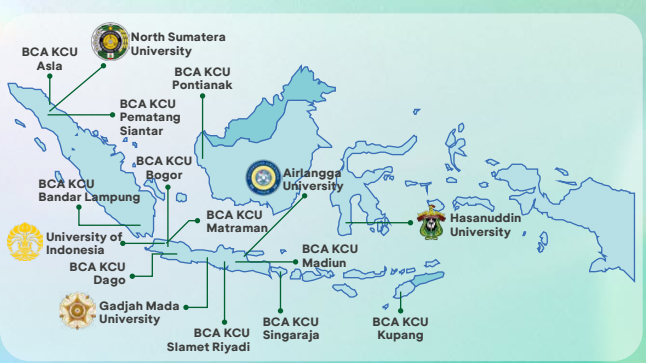


Bakti BCA awardees had an opportunity to join in BCA's management sharing session through "BCA Berbagi Ilmu" activities.

BCA *Berbagi Ilmu*

In commemoration of the National Education Day, BCA held a knowledge sharing program entitled " BCA Berbagi Ilmu" throughout the month of May 2023. Involving experts, practitioners, and BCA Directors as speakers for various fields of knowledge, this event was held in three concepts, which are public lectures at five State Universities (University of Indonesia, University of North Sumatra, Gadjah Mada University, Airlangga University and Hasanuddin University), Student Banking Tour conducted at 11 BCA branch locations, and the "I'm Capable" program for disabilities.

Carrying the spirit of #GenerasiPastiBisa, the BCA Berbagi Ilmu program is a realization of continued commitment from Bakti BCA for Education in supporting the Sustainable Development Goals (SDGs).





PPBP and PPTI

BCA manages non-degree education programs through the Business & Banking Education Program (PPBP - previously known as Accounting Education Program/PPA), and the Informatics Engineering Education Program (PPTI). These programs implementation is in collaboration with leading universities. The alumni of PPBP and PPTI are offered the opportunity to join BCA.

Number of PPBP and PPTI Participants and Alumni



	PPBP Participants*	PPBP Alumni	PPBP Alumni Joining BCA
2023	265	132	131 (99%)
2022	308	132	126 (95%)
2021	264	131	130 (99%)

	PPTI Participants *	PPTI Alumni	PPTI Alumni Joining BCA
2023	307	60	60 (100%)
2022	267	67	67 (100%)
2021	232	43	43 (100%)



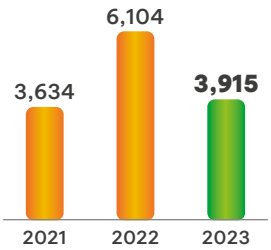
* The 2023 participants consist of 6 batches PPBP and 9 batches PPTI.

Bakti BCA Internship

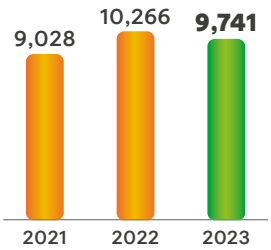
BCA provides the Bakti BCA Internship program for high school, vocational school and undergraduate graduates who have interest in the banking sector. The positions offered in this program are customer service officer and teller.



Number of New Bakti BCA Interns



Number of Active Bakti BCA Interns



SYNRGY

The SYNRGY program is a program based on empowerment and education to support the digital economy in Indonesia by increasing the capacity and competitiveness of start-up companies. SYNRGY consists of 2 types, SYNRGY Accelerator and SYNRGY Academy.

SYNRGY Accelerator

SYNRGY Accelerator aims to drive growth and innovation within the startup ecosystem, specifically those developing digital ventures. The program offers tailored training to meet the specific needs of each startup, with the primary objective of strengthening the digital ecosystem in Indonesia. Throughout the year 2023, BCA has successfully provided training to seven startup companies.

SYNRGY Academy

SYNRGY Academy collaborates with Binar Academy in organizing joint training to increase capacity and competence in Information and Communications Technology. In 2023, SYNRGY Academy had successfully trained 231 participants. After attending the academy, BCA will help alumni find jobs and provide opportunities to work in the BCA group.

BCA Cash Management Academy

BCA Cash Management Academy helps prepare ready to work youths through partnership with various vocational schools across Indonesia. Referral vocational schools receive practical tools such as dummy money, money counters, money sorting machines, a set of ATM and CRM machines, and cash delivery vehicles.

In 2023, a total of 2,487 participants attended this program. Of the selected participants, 304 participants will work at various BCA vendors to do an internship program for 6 months.

Positive Impact of BCA Cash Management Academy 2019 - 2023



Financial Literacy and Inclusion

[FS13, FS16][FN-CB-240a.4]



Education and Financial Literacy for Students and the Community

Under the Bakti BCA Program, BCA conducted financial literacy education activities to improve early financial management skills.

Material Topic Management: Financial Literacy [3-3]

Why It Matters	To provide education and literacy regarding finance to all people in Indonesia is the obligation and responsibility of all banks, including BCA, in order to long-term support the development of the national economy.
Impact Management	The impact of financial literacy on the general public is to increase their ability to manage finances, build business, or organize financial planning for the future. In implementing the financial literacy program, there are challenges, namely regarding the coverage of financial literacy recipient areas. Therefore, BCA will gradually expand the target areas for financial literacy in the future.
Commitment and Target	Providing financial education and literacy to all levels of society, both individuals and MSMEs, and gradually increasing the regional coverage of literacy program implementation.
Policy	BCA's commitment to implementing financial literacy programs is supported by the following policies: • Decree No. 193/SK/DIR/2020 concerning BCA Sustainability Governance; • Decree No. 197/SK/DIR/2021 concerning BCA Community Empowerment Policy.
Evaluation on Material Topic Management Effectiveness	BCA's Financial Literacy Program is the responsibility of the Corporate Communication and Social Responsibility (CCR) Group. During 2023, BCA held more than 1,000 financial literacy education activities, both online and offline, which reached 296,022 student participants, migrant workers and the general public in various BCA branch operating areas. BCA's performance in providing financial literacy education is also reported to Bank Indonesia and the OJK.

The Financial Literacy Education Program was carried out nationwide by promoting the voluntary movement of BCA employees which were conducted offline and online, to students, university students, and the community including teachers, lecturers, MSMEs, migrant workers and the implementation of Mobile Information Facility for Financial Literacy and Education, called SiMolek.

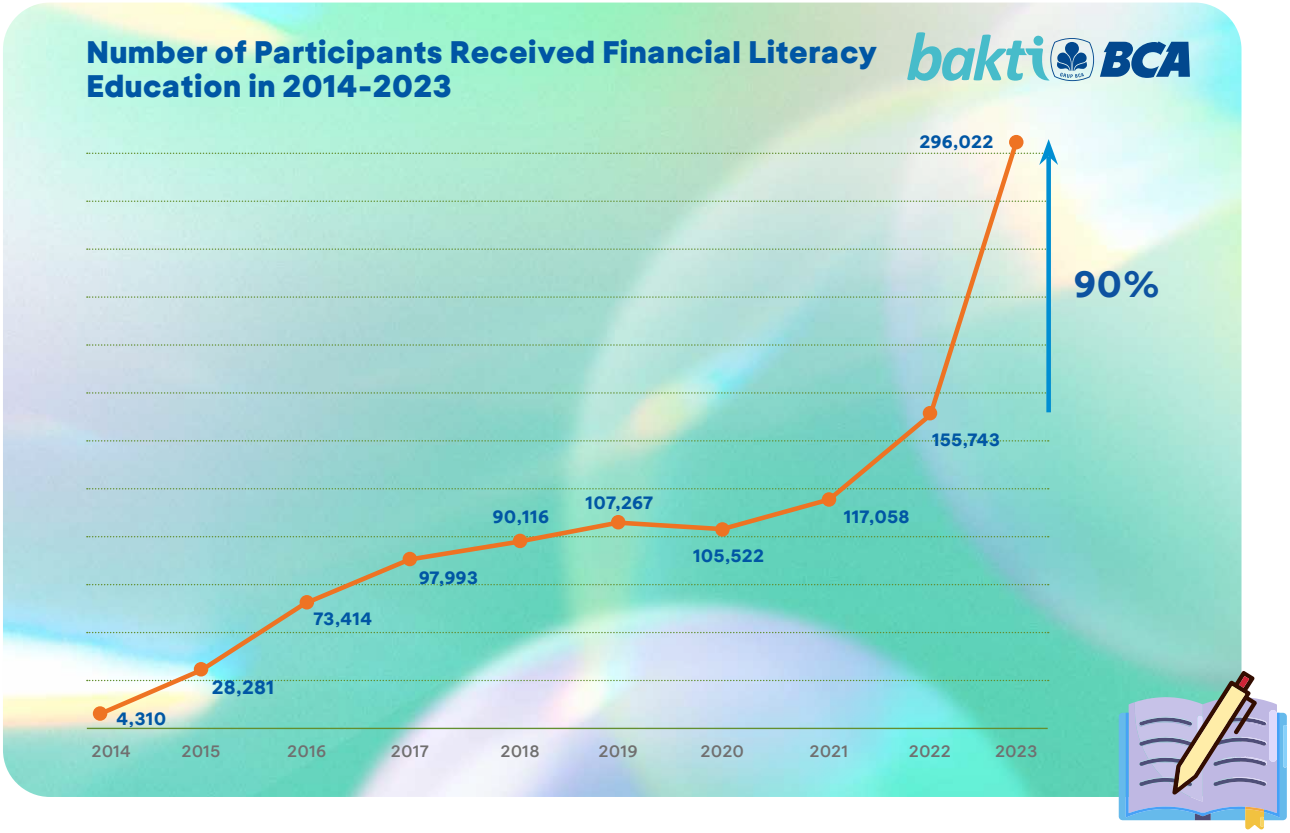
253,623 students participated in financial literacy education

42,399 people participated in financial literacy education

>1,000 activities

234 branches implementing financial literacy

1,120 employees volunteered as financial literacy educators









For its efforts and initiatives, BCA received an award from the Deposit Insurance Corporation as the Most Active Bank in Financial Literacy Activities of the KBMI 4 group.

Financial Inclusivity [FN-CB-240a.3]

BCA strives to market products inclusively to all levels of society, one of which are through Student Savings and BCA Paylater. BCA markets saving products for students called Simpanan Pelajar ("SimPel and SimPel iB") to support the implementation of Presidential Regulation No. 82 of 2016 on the National Strategy for Financial Inclusion (SNKI). By the end of 2023, BCA had 79 thousand SimPel accounts, an increase of more than six times compared to 2022 (around 11 thousand accounts), with an accumulated balance of Rp3.3 billion. In the same year, BCA launched the Paylater feature on the myBCA application as a credit facility with practical and fast QRIS transactions. Repayment can be paid in installments over a period of time according to the customer's choice.





Bakti BCA's financial literacy as one of BCA's commitment to establish inclusive financial knowledge and access from western to eastern part of Indonesia

Community Health Promotion

Assistance to Improve Quality Human Capital through Support for the Acceleration of Stunting Reduction Program

UNICEF and WHO data show that the prevalence of stunting in Indonesia is ranked 27th highest out of 154 countries that have stunting data. Indonesia is also ranked 5th among Asian countries. With the demographic bonus which is expected to occur in 2030, around 68 percent of Indonesia's 200 million population will enter the productive period. However, challenges arise because stunting can result in a generation with low IQ. Therefore, BCA together with other parties supports the government's efforts to accelerate the reduction of stunting rates in Indonesia.

1,725
toddlers received nutrition intervention

2,165
teenagers received education on reproduction health & stunting prevention

2,366
parents participated in knowledge sharing session to support behavior changes

554
bride-to-be received counseling on stunting prevention

Partnership to Accelerate Stunting Reduction in Indonesia (PASTI) Program

BCA, together with philanthropic organizations and other private companies, provide support to the National Population and Family Planning Agency (BKKBN) by making a Memorandum of Understanding (MoU) committed to supporting the acceleration of stunting reduction in Indonesia with a four-year program period (2023 to 2026). Based on this MoU, BCA participated in PASTI program that intervenes in four provinces which are Banten, East Java, East Nusa Tenggara, and West Kalimantan. BCA is committed to donating USD 1 million with the first phase of fund disbursement starting in 2023 amounting to Rp3.95 billion.

"Ayo Cegah Stunting" Action in Banyuwangi

In support of the government's target to reduce the stunting rate to below 14% by 2024, BCA held a "Bakti Sehat untuk Balita" and "Stunting Prevention Education for Teenagers" in Banyuwangi Regency. A total of 150 babies and 250 teenagers from state senior high school SMAN 1 Wongsorejo were the beneficiaries of this program. To ensure that the benefits of this program are well-targeted, BCA also collaborates with the National Population and Family Planning Agency (BKKBN).



Stunting prevention program including inseminating education and awareness of children nutrition to existing and soon-to-be parents.

Cataract Surgery Program

Since 2001, BCA has collaborated with the Cataract Blindness Management Division of the Indonesian Ophthalmologist Association (SPBK-Perdami) to carry out a cataract surgery social service program. In 2023, BCA recorded 1,036 cataract surgery beneficiaries, bringing the total number of beneficiaries to 8,131 since the beginning of the program.

1,036 Cataract patients successfully underwent surgery in 2023

517 Number of patients aged 15-64 (productive age)

669 Number of patients highly dependent on others

The cataract surgery social service in 2023 was carried out in eight provinces across Indonesia, taking into account the high cataract population, limited number of ophthalmologists, limited surgical equipment, and limited economic areas. Through the implementation of this program, BCA aims to support the Government's program in reducing blindness due to cataracts and support the World Health Organization's initiative of the Right to Sight.

Assisted Clinics and Free Medical Services

BCA supports health services for the community through its assisted clinics, Duri Utara Clinic in Tambora, West Jakarta and the Bakti Medika Clinic in South Mangga Dua, Sawah Besar, Central Jakarta.

1,897 patients received contraceptive fee waivers in 2023

12,802 patients received general medical treatment fee waivers in 2023

BCA also held a social health services in the form of hypertension, diabetes, hypercholesterolemia, and hyperuricemia check-ups as well as eye virus checks and provision of reading glasses for those in need. A total of 483 residents around the clinic and 30 BCA-assisted village administrators benefited from the free medical treatment.

Blood Donation

BCA has consistently collaborated with the Indonesian Red Cross (PMI) to conduct a regular Blood Donor Program since 1990. In 2023, as many as 1,971 blood bags were collected from blood donation events at Menara BCA Head Office, Main Branch Panakukang, Regional Office V Medan, Main Branch City Tower and Regional Office X Pluit.



Preparation and implementation of BCA's cataract surgery program for people in need.

Environmental Preservation and Biodiversity



As a form of social responsibility, BCA aims to have a positive impact on the environment by improving the carrying capacity of ecosystems and protecting species of flora and fauna.

Tree Planting Program

Critical Land Rehabilitation Program in Samboja Lestari

BCA, in collaboration with the East Kalimantan Natural Resources Conservation Agency (BKSDA), treated and reforested a critical land area in Samboja Lestari, East Kalimantan, which is also an orangutan conservation area. By the end of 2023, a total of 9,000 trees were planted and have grown well on the land. The tree planting involves the local community and other stakeholders. BCA also ensures the care and monitoring of the planted trees using the Carbon Atlas application platform.

Critical Land Rehabilitation Program in Samboja Lestari

Description	Phase 1	Phase 2
Planting and Monitoring Period	December 2021 - December 2026	December 2022 - December 2027
Tree Seedlings	4,000 tree seedlings	5,000 tree seedlings
Planted Area	10 Ha	12.5 Ha

Mangrove Planting and Rehabilitation

In order to support the preservation of mangrove forests with all their benefits, in 2023, BCA planted 5,500 mangrove seedlings in Kertasari Village, West Sumbawa Regency, West Nusa Tenggara Province. The planting of mangrove seedlings not only improves the marine ecosystem, but also provides economic benefits to the village community who largely rely on marine products for their livelihoods.

The location for mangrove planting was selected based on Kertasari Village's status as a marine tourism village that has been established in 2022 and strong support from the West Sumbawa regional government.

Aside from planting, the process of care and monitoring mangroves is carried out consistently, including replanting 1,000 trees in the coastal area of Takalar Regency, South Sulawesi, which previously failed to grow due to natural conditions.

Multipurpose Tree Species (MPTS) Planting

In addition to mangrove planting, BCA emphasizes its commitment to environmental conservation through planting 54,500 multipurpose tree species (MPTS). A total of 16,000 trees were planted in Margomulyo Village, Lampung, and 38,500 trees in Buleleng Regency, Bali. The main objective of this program is to increase community involvement in landscape protection and offer alternative sources of livelihood through the maintenance of MPTS plants.

In Margomulyo Village, which is a buffer area for the Bukit Barisan Selatan National Park, tree planting aims to increase the water absorption area which is expected to prevent erosion, landslides and floods. Meanwhile, the planting in Buleleng Regency is a response to land conversion which causes a decrease in water volume, with the hope of restoring water availability for residents. The tree planting activity was carried out in conjunction with the socialization of the launch of SBSN Green Sukuk Series ST011 by the Indonesian Ministry of Finance, which will be used exclusively to finance green projects and support sustainable national development. It is a commitment for BCA to continuously take care of and monitor the planted trees using the Carbon Atlas platform.

This tree planting cannot be separated from the involvement of BCA employees. A total of 7,122 employees took part in the 'Bike for Tree' and 'Walk for Tree' programs, which were part of BCA's 66th anniversary celebrations, contributing to the planting of 39,481 trees. The distance traveled during this activity is converted into the number of tree seedlings planted through the Bakti BCA program.

Activity	Participants	Tree Conversion
Bike for Tree	639	7,882
Walk for Tree	6,483	31,599
TOTAL	**7,122**	**39,481**

Monitoring of BCA Tree Planting

Continuing BCA's positive activities of tree planting, in 2023 BCA in collaboration with Jejakin conducted carbon absorption monitoring using the Carbon Atlas platform. The results showed that there was a total of 53 ton CO_2eq of carbon absorption from the trees planted by BCA.

BCA MPTS Tree Planting	Estimated Carbon Absorption (tCO_2eq)*			
	2023	2028	2033	2038
2021 - 2022	21	1,328	3,567	5,335
2023	32	2,686	6,147	9,074
TOTAL	**53**	**4,014**	**9,714**	**14,409**

*) Estimation counted based on Carbon Atlas platform per January 2024

Protected Animal Conservation

Orangutan Rehabilitation and Reintroduction

The survival of the orangutan as a large primate that only lives on the islands of Sumatra and Kalimantan has many challenges. Its dwindling population could threaten the balance of the forest ecosystem.

Recognizing this, BCA has been continuously supporting orangutan conservation efforts in Indonesia, in collaboration with the East Kalimantan Natural Resources Conservation Center (BKSDA) and Borneo Orangutan Survival Foundation (BOSF) since 2012. The activities include rehabilitating and reintroducing orangutans, participating in long-term nature reserve maintenance and sustainable community development. In addition, education and dissemination on the importance of orangutan conservation also continues to be actively carried out at schools through the Orangutan Goes To School (OGTS) program.

Since the program's inception in 2012, a total of 49 orangutans have been successfully reintroduced to their natural habitat.

5 orangutans rehabilitated in 2023

5 orangutans reintroduced in 2023

4 pre-release & sanctuary island improvements



5 schools involved in OGTS program

682 students participated in OGTS program

Sea Turtle Conservation

BCA has been working with the Banyuwangi Sea Turtle Foundation (BSTF) to support sea turtle conservation activities since 2016. Continuing the previous program that was halted due to the COVID 19 Pandemic, sea turtle conservation activities in 2023 include planting 100 sea pandanus, which is a habitat for sea turtle nesting, and releasing 50 sea turtle hatchlings at Santen Island Beach, Banyuwangi Regency. This program utilizes "Intan Box" technology as turtle eggs incubator that also protect them from predators and help influence the sex of the hatchlings.

Compost House Building and Composting Training

Bakti BCA has collaborated with the Balikpapan Forestry Agency-Protected Forest Management Unit (KPHL) to manage organic waste. This collaboration is in the form of a program to build compost houses and train farmer groups at the location to manage organic waste into compost. This program started at the end of 2023 and will continue in 2024.

Environmental Complaints [413-2]

BCA's presence in the community contributes to environmental conservation through environmental responsibility programs. In 2023, the Bank did not receive any environmental complaints directly related to BCA's banking activities.





Environment preservation efforts of Bakti BCA including sea turtle and mangrove conservation support.

Preservation of Indonesian Arts, Culture and Traditions

Starting from the wayang puppet art preservation program, BCA has consistently carried out activities aimed at preserving Indonesian art, culture and traditions under the umbrella of Bakti BCA since 2012. These activities include training, workshops, competitions, awards, art publications, cultural events and others.



BCA's various forms of contribution in preserving Indonesian art, culture and traditions from 2012 to 2023, include:



Preservation of Wayang Art

Wayang for Student

Since 2012, through the Wayang for Student Program, BCA has been committed to support the preservation and introduction of wayang culture (Indonesian traditional puppet culture) for the younger generation, especially students in Indonesia.

In 2023, BCA's commitment to the art of wayang preservation was realized through a wayang drama performance entitled "Hanoman: Ada Apa dengan Shinta" with more than 1,000 spectators. There was also an exhibition of comic strips created by 10 young comic artists who had previously received coaching from Marvel Comics and DC Comics artists.

On the same occasion, BCA was recognized by the Indonesian Museum of Records (MURI) as the Company with the Most Wayang Preservation Activities.

Support for Wayang Art Preservation Activities

In 2023, BCA became the main sponsor for the Union Internationale de la Marionnette (UNIMA) Councillor Meeting and the 2023 World Puppet Festival. The events were a forum for Interactive Cultural Communication between relevant stakeholders in the international art and cultural community. The 2023 World Puppet Festival was attended by around 16 wayang puppet groups from Indonesia as well as 2 puppet groups from China and Italy, which also gave an opportunity for local puppeteers and puppet artists to perform on the international stage.

Appreciation for Tradition and Culture Activists

BCA collaborated with the Nusantara Institute to organize the Nusantara Academic Writing Awards (NAWA) in 2023 to recognize the best master's thesis or doctoral dissertation that addressed issues related to tradition, culture, religion, and local kingdoms in Indonesia. Amongst the 196 participants for master's thesis/doctoral dissertation manuscripts, 7 students were selected as winners of NAWA 2023.

Indonesian Art, Culture and Traditions

In effort to revive the younger generation's interest in traditional arts, Bakti BCA organized a cultural dialogue with the theme "Musik Tradisional: Menolak Sunyi di Tengah Deru Modernisasi" which was attended by more than 300 audiences. Not only that, BCA also collaborated with Titimangsa and Pura Mangkunegaran Solo to organize "Satu dalam Cita", a performance that involved hundreds of artists and art activists to present a series of Sudamala performances. Through these activities, BCA seeks to promote the preservation of traditional music and art so that it can develop alongside modern art, while supporting economic growth in the local area.





Wayang for Students and Nusantara Academy Writing Awards of Bakti BCA in 2023.

Measuring the Impact of BCA Community Service Activities

Program Evaluation and Impact Measurement [413-1]

BCA evaluates and measures the impact of the Bakti BCA program using the Contribution Analysis method conducted by experts. The evaluation results are in the form of contribution value of the Bakti BCA program, which is obtained through focus group discussions (FGDs) with representatives of relevant parties. FGD participants are asked to identify and rate factors/actors that contribute to the achievement of predetermined program outcomes.

Based on the evaluation of several program under the Bakti Cerdas, Bakti BCA's interventions are considered successful in contributing to improving the quality and competitiveness of human resources. The results of the evaluation and measurement of program impact on this pillar are presented in the table below:

Program	Sample of Study	Outcome	Weighted Contribution (out of 10)	Bakti BCA's contribution
Assisted School	Teachers at SMAN 1 Karangmojo, Gunungkidul Regency	Improvement in student learning outcomes in the last 5 years	1.8	• Provide activities that are not facilitated by other parties/funding sources • Provide high-quality training
	Students at SMAN 1 Karangmojo, Gunungkidul Regency	Improvement in student learning outcomes in the last 1-2 years	4	• Support the completion of the learning infrastructure, making it more appropriate
PPBP	PPBP (formerly PPA) alumni echelon X*	Readiness of participants to enter the workforce in the last 5 years	4.7	• Familiarize alumni with the rhythm of the world of work • Equipping hard skills and soft skills needed at work • Trigger learning motivation due to the high GPA standard (2.75) • Offering internships, practicums, and jobs at BCA
	PPBP (formerly PPA) alumni echelon Y*		3.6	

*) Level echelon X is higher than echelon Y

Based on the evaluation of several program under the Bakti Kesehatan and Bakti Lingkungan, the Bakti BCA intervention is considered as one of the factors that contribute to supporting the social welfare of the communities involved. The results of the evaluation and measurement of program impact on this pillar are outlined in the following table:

Program	Sample of Study	Outcome	Weighted Contribution (out of 10)	Bakti BCA's contribution
Assisted Clinic	Community around Duri Utara Clinic in Duri Utara Urban Village, West Jakarta	Improved community access to basic health services in the last 10 years	6.7	• Providing easy access to health services, especially for underprivileged residents, by providing subsidized treatment costs at a clinic with strategic location, in the middle of residential areas • Optimal health services with quality medicine and friendly and conscientious health workers

Program	Sample of Study	Outcome	Weighted Contribution (out of 10)	Bakti BCA's contribution
Tree Plantation around Samboja Lestari Forest	Farmers and laborers in Village 1 around the Samboja Lestari Forest, Kutai Kartanegara Regency	Increase in income of community groups involved in orangutan conservation and tree planting in the last 5 years*	0.7	• Employment opportunities for people living around the Samboja Lestari Forest • Provide equipment that helps improve work efficiency • The large planting location that is close to residential areas/easy access to residents, making it easier for residents to actively participate
	Farmers and laborers in Village 2 around the Samboja Lestari Forest, Kutai Kartanegara Regency		1.5	

*) Exclude the ecological impact of preserving orangutans and their habitat

Based on the evaluation of several program under the Bakti Solusi Bisnis Unggul, Bakti BCA's development and empowerment interventions are considered to be one of the contributing factors in increasing the income of village communities. Bakti BCA is considered capable of providing sustainable tourism village/community development programs in accordance with the needs of business actors, as well as providing a broader marketing platform through various promotional opportunities.

The results of the evaluation and measurement are shown in the following table:

Program	Sample of Study	Outcome	Weighted Contribution (out of 10)	Bakti BCA's contribution
Tourism Villages	Workers, businesses, and the general public in Air Selumar Village, Belitung Regency	Increase in village community income in the last 5 years	1.1	• Supporting Arsel Community to receive training on tourism services • Tourism service training has an impact on the confidence of tourism workers when serving visitors • Support the increase in tourist arrivals, thereby increasing the income of local communities
	Workers, business people, farmers/ ranchers, and entrepreneurs in Gemah Sumilir Tourism Village, Pekalongan Regency		2	• Increased batik sales through promotional assistance, expos, etc. • Members of the Gemah Sumilir Community gain increased skills through various trainings that are carried out • Community members have an understanding of batik product marketing and tourism community management, especially in making batik educational tour packages and how to serve guests
	Workers, business people, and the general public in Pentingsari Tourism Village, Sleman Regency		3.2	• An increase in community skills through homestay excellent service training activities accompanied by the provision of homestay equipment assistance, training of tourism actors, and tourism infrastructure assistance (gates, wayfinding boards, signboards) • An increase in the selling value of tourist villages because it is supported by continuous training/assistance/ infrastructure improvements

The results of the evaluation serve as a learning tool for BCA to strategize on how to increase targeted contributions to support sustainability goals for the community and its surroundings.

Sustainability Report in Brief

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Report Profile [2-2, 2-3, 2-4, 2-5]

The Sustainability Report of PT Bank Central Asia Tbk (BCA) for 2023 has been prepared on an annual basis and is a continuation of the previous report published on February 16, 2023. The sustainability report guidelines and standards are made in reference to:

- Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017 on Sustainable Finance;
- Global Reporting Initiatives (GRI) Standards 2021, option: in accordance with the GRI Standards;
- GRI-G4 Sector Disclosures: Financial Sector Supplement Disclosures (FSSS);
- Sustainability Accounting Standards Board (SASB) Commercial Banks category;
- Sustainable Banking Assessment (SUSBA) Environmental, Social, and Governance (ESG) Integration Pillars of the World Wide Fund for Nature (WWF); and
- Early adoption of the International Financial Reporting Standard (IFRS) Sustainability from the International Sustainability Standard Board (ISSB) Standard 2 (S2).

The report covers data and information from January 1 to December 31, 2023. Data and information were collected from BCA's operational activities, while financial data was collected from the consolidated financial statements covering BCA and all subsidiaries, including PT BCA Finance, BCA Finance Limited, PT Bank BCA Syariah, PT BCA Sekuritas, PT BCA Multi Finance, PT Asuransi Umum BCA (BCA Insurance), PT Asuransi Jiwa BCA (BCA Life), PT Central Capital Ventura (CCV), and PT Bank Digital BCA (BCA Digital). There are data from the previous year that have been restated. All data and information has been reviewed and validated by the working units and has been approved by the Board of Directors and Board of Commissioners, as the final stage before the report is published.

BCA management appointed an independent party that has the competence to perform assurance on sustainability reports and understands the sustainability context of the banking sector. BCA ensures that there is no conflict of interest during the verification process and the selection of the vendor is done independently. The appointment of an independent party is monitored and approved by the Finance and Corporate Planning Director.

Assurance verification was conducted by SR Asia Indonesia using the AA1000 AS Standard (V3), Type II, with a moderate level. The assurance process involved verification and confirmation from all data contributors, as well as high-level officers from relevant functions. This report includes the results of an independent statement on the assurance process.

Response to Feedback on Previous Year's Report

BCA regularly receives reviews and input on its sustainability performance from investors, rating agencies, regulators and other stakeholders. Some of the feedback concerning increasing green financing, strategy and implementation of climate-related financial risk mitigation, disclosure of GHG emissions from financing, and the Bank's commitment to support a low carbon economy. Management has responded and followed up on the stakeholders' concerns in stages. The responses are also presented in this sustainability report.

Contact Information [2-3]

Company Website:

www.bca.co.id
www.klikbca.com

Call Center:

Hallo BCA 1500888

Corporate Communication, Investor Relations, ESG

- Corporate Communication
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Material Topic Management [2-14, 3-1, 3-2]

Materiality Analysis and Material Topic Determination

In determining material topics, BCA reviews the previous year's material topics to be readjusted. The review process considers significant issues encountered in the current year, actual and potential future impacts related to ESG, economics, human rights, and their influence on business strategy and stakeholder decision-making.

Material Topic Determination Process

Identification of Significant Issues

BCA identified issues relevant to the sustainability context in the banking industry and their impact on the Bank's strategy. In addition, BCA also considers input from work units and the needs of stakeholders.

(For more information, please read stakeholder engagement on the page 133).

Materiality Assessment

BCA management assessed the results of the identification of significant issues in 2023 and reviewed last year's material topics to determine the priority of material topics this year. Internally, the prioritization of topics emphasized the impact on the economic, social, environmental, and performance aspects of the Bank. Externally, management assesses the impact of each topic on stakeholder decision-making.

Materiality assessment is conducted once a year.

Involving input from external experts and considering standard references for the banking sector.

The material topic prioritization process involves oversight from the ESG Group officer and approval from the Finance & Corporate Planning Director.

Integration of Material Topic Prioritization

BCA management integrated significant issues and the results of material topic prioritization with the implementation of the Bank's strategy. In addition, management also integrated the results of the materiality assessment with ESG risk management and the Bank's performance targets. BCA aimed to disclose the management of material topics to increase positive impact and create value, while mitigating associated risks.

Integration of impact, risk, and target management is delivered in the discussion of each Topic Management Material.

Material Topic Priority

No.	Material Topics	Significant Issues	SDGs
1	Green Portfolio	• Sustainable loan classification and green financing portfolio improvement • Loan sector policies to support eco-friendly businesses • Policies to assess eco-friendly businesses • ESG risk management	
2	Data Security and Customer Privacy	• Security system implementation • Cybersecurity and cybercrime mitigation • Ethics to protect customer privacy	
3	Economic Performance	• Economic performance • Implication, risk, and/or opportunities related to climate	

No.	Material Topics	Significant Issues	SDGs
4	**Anti-corruption and Anti-fraud**	• Anti-corruption and anti-fraud training and dissemination • Operating areas/work units assessed concerning corruption • Complaint mechanism for corruption and fraud cases • Sanctions for corruption and fraud violations	
5	**Service Excellence**	• Implementation of reliable and secure digital services • Increased engagement with customers at branch offices • Increased digital transactions and reduced physical transactions at branch offices	
6	**Access and Affordability**	• Availability of banking facilities and accessible areas • Services to unbankable areas • Increased digital banking access	
7	**Financial Literacy**	• Increased coverage area of financial literacy implementation • Development of innovations to support financial literacy activities • Cooperation with external institutions	
8	**Climate Action**	• Calculating GHG emissions scope 3 from operational activities • Management of climate-related financial risk • GHG emissions inventory • GHG emissions reduction initiatives • Environmental footprints reduction	
9	**Human Rights Practices**	• Implementation of human rights practices in the value chain • Human rights due diligence	
10	**Community Investment**	• Community involvement and development • Enhancement and development of local potential • Measurement of positive social investment impact	

There is a change in material topics this year from last year due to the consideration that the topic of product and service responsibility is an obligation of the Bank that still needs to be disclosed. Meanwhile, the supply chain management is also no longer a material topic because there are no significant issues that have an impact on the Bank's business continuity, but we still provide adequate disclosure. In 2023, there are new priority material topics due to new area of concerns from stakeholders and the Bank, specifically in Service Excellence; Financial Literacy; and Community Investment.

Stakeholder Engagement

The role of stakeholders has a significant impact on the management of the Bank's business. BCA has identified key stakeholders, who have a direct relationship with operations and have the ability to influence the company's sustainability. The identification of stakeholder groups takes into account dependency, responsibility, tension, and influence.

BCA engages with stakeholders to explore issues that are considered significant and of concern to them. BCA follows up and responds to manage the impact of these significant topics and issues. Stakeholder management is an indicator that BCA values their input and concerns for the holistic sustainability of BCA's business, as well as the management of ESG and economic aspects.

BCA's Approach to Stakeholder Engagement [2-29]

Stakeholder	Engagement and Frequency	Key Concerns	BCA Response
Regulator	• All compliance reports, including evidence of announcements of the Annual and Extraordinary General Meetings of Shareholders (AGMS and EGMS), and summary of Consolidated Financial Statements. • All reports are presented at least once a year or incidentally whenever necessary.	• Compliance and implementation of prudential and governance principles • ESG risk analysis for lending • Anti-corruption and anti-fraud, Anti-Money Laundering/ Counter-Terrorism Financing (AML-CFT) • Lending to sustainable business activities and MSMEs • Payment of taxes and other obligations	• Comply with applicable laws and regulations, capital market, banking regulations and other relevant regulations • Ensure the implementation of corporate governance • Develop an ESG Group to monitor the implementation of the SFAP and improve the quality of Sustainable Finance implementation • Pay taxes in accordance with obligations and on time • Increase MSME financing • Meet regulatory thresholds
Investors and Shareholders	• GMS once a year, EGMS incidentally • Analyst meeting and publication of quarterly financial reports • Annual Report and Sustainability Report once a year	• Financial performance • Financing to the green sector • Improved information on environment, social and governance (ESG) performance • Support for climate change mitigation actions • The values of shares that are considered premium by the public	• More comprehensive disclosure of ESG performance information in the Sustainability Report and analyst meeting • Follow up on ESG aspect recommendations from rating agencies and observers • Formulate strategies and climate action roadmap • Increase investment and dividend value.
Employees	• Internal communication media, periodically. • Internal meetings based on the needs of the related divisions, at least once a year • Periodic gatherings	• Training, knowledge sharing, and competency development • Career path • Employees' comprehension on supporting application from HR management • Freedom of association • Work Life Balance • Welfare, equality, health, safety and security of workers and retirees	• Availability of internal communication means, including internal media, gatherings, sharing sessions, and Halo SDM • Whistleblowing system • Offline and online internal and external training • Performance appraisal and promotion system • Adequate work facilities • The existence of a labor union • Guarantee employees' rights according to the Collective Labor Agreement (CLA)

Stakeholder	Engagement and Frequency	Key Concerns	BCA Response
Customers	• Banking activities at branch offices, call centers, and other digital banking solutions, any time and/or as needed • Other meetings, any time needed	• Confidentiality of customer data and privacy • Fraud prevention • Availability of adequate information on financial products and services • Financial service excellence • Competitive lending rates • Product innovation and digital banking • Banking access	• Maintain the confidentiality of customer data and privacy • Manage Security Monitoring Center (SMC) and Data Loss Prevention (DLP), as well as improve technological innovation system to anticipate cyber crime • Update product and service information on the company website • Implement service excellence based on the SMART SOLUTION principle • Provide loan benchmark and competitive interest rates • Conduct regular customer surveys • Implement financial inclusion and literacy • Digital finance education
Business Partners/ Suppliers/Vendors	• Interaction through various means of communication at any time • Vendor code of conduct • Dissemination of the terms of procurement of goods and services, once a year	• Transparency in building cooperation • Clear tender procedures • Smooth communication • Sustainable cooperation • Timely payment	• Provide the required information • Conduct fair and proper partner selection according to the rules • Disseminate procurement procedure policies • Ensure healthy and safe working conditions • Payment system according to work contract • Vendor performance appraisal
General Public	• General seminars or training, held regularly • Community development activities • UMKM Fest, Bangga Lokal, and other events	• Assistance for Bakti BCA program • Education and training • Workforce absorption and/or internship • Financial inclusion and literacy	• Bakti BCA Program • Internships and provision of job opportunities, as needed • Financial literacy and inclusion programs
Media	• Banking information, periodically or incidentally. • Media coverage (print and electronic)	• Schedule of meetings during press conferences • Clarity of the material to be reported • Shared perception and knowledge about ESG to facilitate reporting	• Provide materials for press releases • Develop communication facilities including press conferences, pressroom on BCA website, email: corcom_bca@bca.co.id • Update banking solutions or company performance information on BCA website www.bca.co.id

Furthermore, BCA conducts a materiality analysis to identify and assess the positive/negative impact of each material topic on external stakeholders related to business operations, products/services, and influence on the supply chain.

Approach to Managing Material Topic Impacts on Stakeholders

No.	Material Topics	Positive and/or Negative Impacts to the Stakeholders
1	**Green Portfolio** Affected stakeholders: Employees, Customers, Regulators, Investors/ Shareholders	**Positive:** Green portfolio management will support the realization of a green economy, achieving the government's target of realizing NZE targets in the future. Green portfolio management will also increase opportunities for other clean and green energy projects to emerge. **Negative:** Potential errors in categorizing environmentally friendly businesses, therefore the Bank needs to improve human resources competency in this aspect. On the other hand, green financing requires a substantial investment, which poses a risk to the rate of return and bad debts that may affect the Bank's financial performance.
2	**Data Security and Customer Privacy** Affected stakeholders: Employees, Customers, Regulators	**Positive:** Managing data security and protecting customer privacy will increase customer confidence in the Bank. The availability of a strong data security system and the implementation of cybersecurity management are expected to prevent cyber-attacks, technology crimes, and data breach that are of concern to stakeholders. **Negative:** The Bank has identified negative impacts from the development of digital banking services, including cyber threats and data theft. Therefore, BCA management is concerned and involved in monitoring the implementation of data security management systems and the protection of customer privacy.
3	**Economic Performance** Affected stakeholders: Employees, Customers, Business Partners/Suppliers/ Vendors, Regulators, Investors/ Shareholders, Media	**Positive:** Economic performance achievement, including financial and operational performance, will be a driver for the Bank's business continuity and can provide added value to all stakeholders. **Negative:** Failure to achieve performance targets will affect shareholders and investors' decision making, and can affect the Bank's reputation and assessment. Therefore, Bank management tries its best to implement business and sustainability strategies to achieve positive performance.
4	**Anti-corruption and Anti-fraud** Affected stakeholders: Employees, Customers, Business Partners/Suppliers/ Vendors, Regulators, Investors/ Shareholders	**Positive:** The implementation of anti-corruption and anti-fraud policies is a form of Bank's transparency, as well as a commitment to conduct an ethical business to maintain stakeholder trust. **Negative:** Corruption and fraud can harm the Bank and the stakeholders involved. Therefore, BCA implements anti-corruption and anti-fraud policies throughout its business value chain.
5	**Service Excellence** Affected stakeholders: Employees, Customers, General Public	**Positive:** Service excellence will increase the number of customers which can then boost operational and financial performance. **Negative:** There is competition with competitors, both in terms of physical services through frontliners and digital banking services. Therefore, BCA continues to innovate in digital banking and develops the customer experience officer (CXO) function to give the best experience to customers.
6	**Access and Affordability** Affected stakeholders: Customers, Regulators, General Public	**Positive:** Access to banking facilities, products/services supported by digital technology will make it easier and expand customer reach. Apart from that, it also has a positive impact on customer convenience in transactions and strengthens the benefits of the Bank's existence in supporting the digital economy. **Negative:** There is a gap between the coverage of physical access such as branch offices, ATMs, EDCs, and digital banking services, because banks need to continue to increase the coverage of physical and digital access.
7	**Financial Literacy** Affected stakeholders: General Public, Regulators	**Positive:** Financial literacy is expected to be disseminated to the community from all walks of life and regions in Indonesia, to improve their skills in managing finances and contribute to the Government's efforts to equally distribute economic development. **Negative:** There is still a gap among the public in understanding financial literacy material, thus the Bank needs to continuously improve the material and develop new approach methods.

No.	Material Topics	Positive and/or Negative Impacts to the Stakeholders
8	**Climate Action** Affected stakeholders: Employees, Customers, Business Partners/Suppliers/ Vendors, Investors/ Shareholders, Regulators	**Positive:** The series of decarbonization efforts that BCA has implemented as climate action are expected to be able to achieve absolute results in reducing GHG emissions, strengthening climate resilience, and contributing to the Government's NZE target. **Negative:** The negative impacts of not managing climate risks, including natural disasters, seasonal imbalances which can affect several sectors of debtor's business, as well as climate-related financial risks which impact the business activities of the Bank, debtors and other stakeholders. Therefore, BCA seeks to synergize with stakeholders in pursuing climate resilience in its business value chain.
9	**Human Rights Practices** Affected stakeholders: Employees, Customers, Business Partners/Suppliers/ Vendors	**Positive:** Respecting human rights and carrying out human rights practices is a manifestation of ethical business practices and can guarantee business continuity in the long term. **Negative:** Potential human rights violations, both direct and indirect, can be prevented by implementing human rights practices across the value chain. Therefore, BCA has a human rights policy and carries out human rights due diligence on employees and business partners/suppliers/vendors.
10	**Community Investment** Affected stakeholders: General Public, Regulators	**Positive:** By investing in the community, BCA can expand both social and economic impact of its presence in the community. **Negative:** The distribution of investments for social purposes and community empowerment needs to be properly planned in order to be well-targeted, optimize positive impacts and minimize negative impacts such as social jealousy, potential corruption/fraud from the implementation team, and problems with indigenous peoples.

Approval Sheet of the Board of Commissioner and the Board of Director on the 2023 Sustainability Report of PT Bank Central Asia Tbk

We, the undersigned, hereby declare that all information in the Sustainability Report of PT Bank Central Asia Tbk for the year 2023 has been presented in its entirety, and that we assume full responsibility for the accuracy of the contents of this Sustainability Report in compliance with POJK No. 51/POJK.03/2017.

This statement is duly made in all integrity.

Jakarta, February 2024

Members of the Board of Commissioners

Djohan Emir Setijoso
President Commissioner

Tonny Kusnadi
Commissioner

Cyrillus Harinowo
Independent Commissioner

Raden Pardede
Independent Commissioner

Sumantri Slamet
Independent Commissioner

Members of the Board of Directors

Jahja Setiaatmadja
President Director

Armand Wahyudi Hartono
Deputy President Director

Gregory Hendra Lembong
Deputy President Director

Subur Tan
Director

Rudy Susanto
Director

Lianawaty Suwono
Director

Santoso
Director

Vera Eve Lim
Director

Haryanto Tiara Budiman
Director

Frengky Chandra Kusuma
Director

John Kosasih
Director

Antonius Widodo Mulyono
Director

Independent Assurance Statement

The 2023 Sustainability Report of PT Bank Central Asia Tbk

Number	: 01/000-174/II/2024/SR-Asia/Indonesia
Assurance	: Type 1 and Type 2 for the specific topic of Economic Performance, Green Portfolio, Data Security and Customer Privacy, and Community Investment
Assurance Level	: Moderate
Reporting Standards	: GRI Universal Standard 2021 Consolidated, GRI Financial Services Sector Supplement, Sustainability Accounting Standard Board (SASB) Financial Sector Commercial Banks, and Sustainable Banking Assessment (SUSBA)
Reporting Regulation	: Financial Services Authority Regulation (POJK) Number 51/ POJK.03/2017 and SEOJK No. 16/SEOJK.04/2021

Dear stakeholders,

PT Bank Central Asia Tbk ("the Bank") has developed and issued a Sustainability Report ("the Report") for the reporting period of **January 1st to December 31st, 2023**. The Bank is a local commercial bank in Indonesia located in Jakarta. As a publicly listed company in the Indonesia Stock Exchange (IDX) and in line with its commitment to sustainability, the Bank would like to have the Report adhere to the reporting regulation, as well as follows the global reporting standards and best practices. For that reason, the Bank engaged with Social Responsibility Asia ("SR Asia") as an AA1000 licensed assurance provider to assess the Report content and come up with this Independent Assurance Statement ("the Statement").

Intended User and Purpose

In this Statement, we disclose our opinions against the AA1000 standard, findings, and recommendations to the stakeholders regarding the Report content, especially the Bank's sustainability commitments, governance, strategies, and achievements during the reporting period. SR Asia carried out the assurance work following particular scope, mechanism, and procedures as agreed by the Management. Due to some limitations, except for the areas covered in the scope of assurance work, this Statement or the Report is not intended to be used exclusively as a basis for interpreting the sustainability or the whole performance of the Bank.

Responsibilities

Our responsibilities to the Management are to evaluate the Report content, come up with findings and recommendations, and issue the Statement. SR Asia only evaluated for the latest received editorial and data on the final draft as of January 30th, 2024. We are only responsible to deliver assurance work, NOT an audit, by following the Non-Disclosure Agreement, the Assurance Engagement Agreement, Representation Letter, and Subsequent Event Testing. Except for the Management, we assume having NO responsibilities or accountabilities for any claims to any other individuals or organizations. The Management is solely responsible for presenting data, information, and disclosures in the Report content. Therefore, any parties who depend on the Report and this Statement shall bear and manage their risks.

Independence, Impartiality, and Competency

SR Asia applies assurance mechanisms and procedures based on a professional code of conduct that mandates all works are performed in an objective and truthful manner. There are no members of the

assurance team that has relationships with the Bank that can prevent them to provide an independent and impartial statement. SR Asia also confirms that the appointed assurance team members have adequate skills and expertise in reviewing sustainability reports of organizations in various industrial sectors as well as knowledge of ISO 26000, the principles and standards of AA1000 AccountAbility standards and principles, various reporting regulations, standards, and principles.

Type and Level of Assurance Service

1. **Type 1 assurance** on the Report content.
2. **Type 2 assurance** on Economic Performance, Green Portfolio, Data Security and Customer Privacy, and Community Investment.
3. **A moderate level of assurance** to the procedure on the Report content and evidence, where the risks of information and conclusions of the Report being error is reduced, not to very low, but not zero.

Scope and Limitation of Assurance Service

1. Data and information in the Report for the period of **January 1 to December 31, 2023.**
2. Evaluation of publicly disclosed information, system, and process of the Company to ensure adherence of the Report content to the Reporting principles.
3. SR Asia does NOT include financial data, information, and figures in the Report content. We assumed that the Company, independent parties, or other parties associated with the Company have verified and/or audited financial statements, data, and information.
4. Adherence to the following reporting principles, standards, and regulations:
   a) Regulation of Indonesia Financial Service Authority No.51/POJK.03/2017 and SEOJK No. 16/SEOJK.04/2021
   b) Consolidated set of GRI Sustainability Reporting Standards 2021 (GRI Universal Standard) and GRI G4 Financial Services Sector Disclosure (GRI-G4 FS) issued by the Global Reporting Initiative
   c) Sustainability Accounting Standard Board Financial Sector – Commercial Banks
   d) Sustainable Banking Assessment (SUSBA) World Wide Fund for Nature (WWF)

Exclusion

1. The expression of opinion, belief, expectation, advertisement, and forward-looking statements, including future planning of the Company as specified in the Report content.
2. Analysis or assessment against regulations, principles, standards, guidelines, and indicators other than those indicated in the Statement.
3. Topics, data, and information outside the reporting period, or in the public domain not covered in the reporting period.
4. Financial performance data and information as presented in the Company's financial statements and documents, including mentioned in this Report.

Methodology and Source Disclosure

1. Form an assuror team whose members are capable in sustainability, and sustainability reporting development and assurance.
2. Perform the pre-engagement phase to ensure the independence and impartiality of the assuror team.
3. Hold a kick-off meeting and initial analysis of the Report draft based on the SR Asia Protocol on Assurance Analysis refers to the standards, principles, and indicators of AA1000AS v3, AA1000APS (2018), and standards/regulations used in the Report.
4. Discuss online the results of the analysis with the Management and data contributors.

5. Verify evidence and trace data and information as covered in the Report.
6. The Company incorporated our recommendations in the draft Report and release the final Report content.
7. Prepare the Statement and send it to SR Asia International Director for review to get approval before submitting it to the Company.
8. Prepare a Management Letter detailing all aspects seen, recorded, and observed during the assurance work to the Management of the Company for further improvement of sustainability processes.

Adherence to AA1000AP (2018) and GRI Universal Standards

Inclusivity – The Report content describes their efforts to engage with stakeholders, by enabling their participation in establishing the Bank's material sustainability topics, such as involving communities through financial literacy and inclusion programs, increasing MSME financing and formulating strategies and climate action roadmap. Stakeholders have been identified properly by the Bank, along with their expectations and viewpoints. Overall, the Report content shows the Bank's adherence to the inclusion principle.

Materiality – We appreciate the Bank's approach in identifying the Report's material topics for current reporting period, which takes consideration of input from across internal divisions as well as their external stakeholder needs. We conclude that the ten material topics are relevant and the review process has undergone assessments on actual and potential impacts related to ESG that may influence their business strategy as detailed in the Report.

Responsiveness – The Bank has established proper policies where anyone can report violations of ethics, fraud, and corruption, or other violations of the banking code of ethics via whistleblowing system. The Bank's whistleblowing system managed by the Anti-fraud Bureau (BAF) work unit and reported to President Director. We also appreciate the Bank's improvement of whistleblowing complaints investigated to total complaints received which increases in current year compared to prior year. The Bank also has HaloBCA, where each complaint will be handled according to the service level agreement (SLA), showing their commitment in establishing good relations and maintain customer trust.

Impact – The Bank's commitment in contributing to the Government's efforts to equally distribute economic development are shown in their financial literacy program, aiming to improve community's skills in managing finance. Access to banking facilities to become easily accessible to the public also shows the benefits of the Bank's existence in supporting the economy, which supports SDG 10 (Reduce Inequalities). In support towards the Indonesian government policy of low-carbon economy, the Bank emphasises their financing on Sustainable Business Activities (SBA), especially for Environmentally Friendly Business Activities (green financing) and financing for Micro, Small, and Medium Enterprises (MSME). The Bank's green financing portfolio, including sustainability-linked loan (SLL) schemes, consist of debtors whose business activities involve managing natural resources and sustainable land use, followed by environmentally friendly transportation and eco-efficient products. The Bank maximizes this opportunity to increase green financing and expand awareness regarding the implementation of sustainable finance, green financing, circular economy, and the achievement of Sustainable Development Goals (SDGs). The implementation of community investment has also impacted various beneficiaries in several regions within the country. In governance aspect, we conclude that the Bank has achieved zero data breach. the Bank's strong data security system and the

implementation of cybersecurity management are well-managed to prevent cyber-attacks, technology crimes, and data leaks.

Statement of Use: ***"In Accordance to the GRI Standards"*** – We evaluated the Report content against the GRI Universal Standards principles, disclosures, and requirements for reporting. The Bank has complied with nine requirements: apply the reporting principles, report the disclosures in GRI 2: General Disclosures 2021, determine material topics, report the disclosures in GRI 3: Material Topics 2021, report disclosures from the GRI Topic Standards for each material topic, provide reasons for omission for disclosures and requirements that the organization cannot comply with, publish a GRI content index, provide a statement of use, and notify GRI.

GRI Standards Principles – As the assurance work was taken, the Report content indicates its adherence to the Reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability). The Management provided adequate support during the assurance work by submitting evidence/documents as requested.

Type 2 Assurance – The Bank has been implementing sustainable finance practices in purpose to provide significant impacts, both positive and negative for the Bank and its stakeholders. Strategies are carried out across divisions who are involved in monitoring and evaluating economic performance, such as Internal Audit Unit, Audit Committee, Director and Board of Commissioners. The Bank has also committed in increasing the financing to environmentally friendly sectors is expected to accelerate the transition to a low-carbon economy throughout their management of green financing portfolio. For their customers, the Bank ensures that the information security system is adequate by regularly conducting a review process by both the internal audit team and external auditors with the focus area of asset management, safeguarding of assets, penetration tests and vulnerability scans, access controls, detection controls, security breaches or incidents, and backup and recovery.

Recommendation

1. To conduct topic materiality testing through stakeholder engagement.
2. To conduct a thorough assessment of community needs and potential community involvement and development (CID) program impact.

The assurance provider,

Jakarta, February 6th 2024



Birendra Raturi
International Director
Social Responsibility Asia

SR Asia
sustainability defined

AA1000
Licensed Report
000-174/V3-QB1VI



Lim Hendra
Country Director for Indonesia
Social Responsibility Asia

Social Responsibility Asia (SR Asia)

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POJK Number 51/POJK.03/2017 Reference, GRI Standards, SASB, and SUSBA Indices

Financial Services Authority Regulation (POJK) Number 51/ POJK.03/2017 - Financial Services Authority Circular Letter (SEOJK) Number 16/SEOJK.04/2021

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GRI Content Index

Statement of use	PT Bank Central Asia Tbk has reported the information cited in this GRI content index for the period January 1 to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI Standard	Disclosure		Location	Omission			GRI Sector Standard
				Requirement(s) Omitted	Reason	Explanation	
General Disclosures							
GRI 2: General Disclosures 2021	**2-1**	Organizational details	25-26				
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	2-3	Reporting period, frequency and contact point	130				
	2-4	Restatements of information	130				
	2-5	External assurance	130				
	2-6	Activities, value chain and other business relationships	27, 66				
	2-7	Employees	81-93				
	2-8	Workers who are not employees	83				
	2-9	Governance structure and composition	33				
	2-10	Nomination and selection of the highest governance body	N/A	Nomination and selection of members of the Board of Directors	Reducing repetitive Information in the Annual Report	This information is disclosed in the Annual Report	
	2-11	Chair of the highest governance body	N/A	Chair of the highest governance body			
	2-12	Role of the highest governance body in overseeing the management of impacts	33-34				
	2-13	Delegation of responsibility for managing impacts	32				
	2-14	Role of the highest governance body in sustainability reporting	33-34, 131				
	2-15	Conflicts of interest	N/A	Conflict of interest	Reducing repetitive Information in the Annual Report	This information is disclosed in the Annual Report	
	2-16	Communication of critical concerns	N/A	Communication of critical concerns			
	2-17	Collective knowledge of the highest governance body	N/A	Collective knowledge of the highest governance body			
	2-18	Evaluation of the performance of the highest governance body	N/A	Evaluation of the performance of the highest governance body			
	2-19	Remuneration policies	N/A	Remuneration policies			
	2-20	Process to determine remuneration	N/A	Process to determine remuneration			
	2-21	Annual total compensation ratio	N/A	Annual total compensation ratio			

GRI Standard	Disclosure		Location	Omission			GRI Sector Standard
				Requirement(s) Omitted	Reason	Explanation	
	2-22	Statement on sustainable development strategy	24, 28				
	2-23	Policy commitments	34, 49-53				
	2-24	Embedding policy commitments	28, 32-34				
	2-25	Processes to remediate negative impacts	64, 67				
	2-26	Mechanisms for seeking advice and raising concerns	N/A	Mechanisms for seeking advice and raising concerns	Reducing repetitive Information in the Annual Report	This information is disclosed in the Annual Report	
	2-27	Compliance with laws and regulations	74				
	2-28	Membership associations	27				
	2-29	Approach to stakeholder engagement	131-132				
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Material Topic							
GRI 3: Material Topic 2021	3-1	Process to determine material topics	131				
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Material Topic: Economic Performance							
GRI 3: Material Topic 2021	3-3	Management of material topics	40				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	41				
	201-3	Defined benefit plan obligations and other retirement plans	92				
Material Topic: Green Portfolio							
GRI 3: Material Topic 2021	3-3	Management of material topics	42				
Material Topic : Climate Action							
GRI 3: Material Topic 2021	3-3	Management of material topics	54				
GRI 201: Economic Performance 2016	201-2	Financial implications due to climate change	54, 56				
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	96-97				
	305-2	Energy indirect (Scope 2) GHG emissions	96-97				
	305-3	Other indirect (Scope 3) GHG emissions	96-97				
Material Topic: Data Security and Customer Privacy							
GRI 3: Material Topic 2021	3-3	Management of material topics	59				
GR1 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	64				
Material Topic: Service Excellence							
GRI 3: Material Topic 2021	3-3	Management of material topics	65				

GRI Standard	Disclosure		Location	Omission			GRI Sector Standard
				Requirement(s) Omitted	Reason	Explanation	
Material Topic: Access and Affordability							
GRI 3: Material Topic 2021	3-3	Management of material topics	69				
Material Topic: Anti-Corruption, Gratification Control, and Anti-fraud							
GRI 3: Material Topic 2021	3-3	Management of material topics	76				
Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	77				
	205-2	Communication and training about anti-corruption policies and procedures	77-78				
	205-3	Confirmed incidents of corruption and actions taken	78				
Material Topic: Human Rights							
GRI 3: Material Topic 2021	3-3	Management of material topics	79				
Material Topic: Community Investment							
GRI 3: Material Topic 2021	3-3	Management of material topics	104				
GRI 203: Indirect Economic Impacts 2016 GRI 413: Local Communities 2016	203-1	Infrastructure investments and services supported	105				
	413-1	Operations with local community engagement, impact assessments, and development programs	126				
	413-2	Operations with significant actual and potential negative impacts on local communities	123				
Material Topic: Financial Literacy							
GRI 3: Material Topic 2021	3-3	Management of material topics	116				
Energy							
GRI 302: Energy 2016	302-1	Energy consumption within the organization	95-96				
	302-3	Energy intensity	95-96				
Water and Effluents							
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	100				
	303-2	Management of water discharge-related impacts	100				
Waste							
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	98-100				
	306-2	Management of significant waste-related impacts	98-100				
	306-3	Waste generated	98-100				
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GRI 403: Employment 2016	401-1	New employee hires and employee turnover	83-85				
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	401-3	Parental leave	93				

GRI Standard	Disclosure		Location	Omission			GRI Sector Standard
				Requirement(s) Omitted	Reason	Explanation	
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	403-3	Occupational health service	90-91				
	403-4	Worker participation, consultation, and communication on occupational health and safety	90-91				
	403-6	Increasing the quality of employees' health	90-91				
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	91				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	88				
	404-2	Programs for upgrading employee skills and transition assistance programs	89				
	404-3	Percentage of employees receiving regular performance and career development reviews	85-86				

GRI Financial Services

Indicator	Aspect	Aspect
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FS2	Procedures for assessing and screening environmental and social risks in business lines	49-53
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	49-53
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	35
FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities	46-47
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector	19, 43-44, 46
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	46
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	19, 44, 46
FS9	Coverage and frequencies of audits to assess implementation of environmental and social policies and risk assessment procedures	34
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	44, 45, 52
FS11	The percentage of assets subject to positive and negative environmental or social screening	45, 52
FS12	Voting policy applied to environmental or social issues	34
FS13	Access points in low-populated or economically disadvantaged areas by type	71, 105-106, 116-118
FS14	Initiatives to improve access to financial services for disadvantaged people	71
FS15	Policies for the fair design and sale of financial products and services	71
FS16	Initiatives to enhance financial literacy by type of beneficiary	116-118

Sustainability Accounting Standards Board (SASB)

Code	Description	Page
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FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	18
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal and (b) small business	18-19, 44
Data Security		
FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	64
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	59-63
Financial Inclusion & Capacity Building		
FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	46
FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	46
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	105, 118
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	116-117
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis		
FN-CB-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	49, 52
Financed Emissions		
FN-CB-410b.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	-
FN-CB-410b.2	Gross exposure for each industry by asset class	-
FN-CB-410b.3	Percentage of gross exposure included in the financed emissions calculation	-
FN-CB-410b.4	Description of the methodology used to calculate financed emissions	-
Business Ethics		
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	78
FN-CB-510a.2	Description of whistleblower policies and procedures	78
Risk Management System		
FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Not relevant
FN-CB-550a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis into capital adequacy planning, long-term corporate strategy, and other business activities	34, 56

SUSBA ESG Integration Pillars

No	Indicator	Aspect	Page
1	**Purpose**	Sustainability strategy and stakeholder engagement	24, 133-134
		Participation in sustainable finance initiatives and policy advocacy with regulators	27, 135-136
2	**Policies**	Public statements on specific ESG issues	34, 36-37, 52
		Public statements on specific sectors	34, 45, 52-53
3	**Processes**	Assessing ESG risks in client and transaction approvals	49-53
		Client monitoring and engagement	49-50
4	**People**	Responsibilities for ESG	32-34
		Staff E&S training and performance evaluation	35, 85-89
5	**Product**	ESG integration in products and services	43-44
6	**Portfolio**	ESG risk assessment and mitigation at portfolio level	42, 49-51
		Disclosure of ESG risk exposure and targets	49-51, 54-56

ASEAN Corporate Governance Scorecard (ACGS)

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LEVEL 1		
C	**Sustainability and Resilience**	
C.1	Sustainability-related disclosure should be consistent, comparable and reliable, and include retrospective and forward-looking material information that a reasonable investor would consider important in making an investment or voting decision.	
C.1.1	Does the company identify/report ESG topics that are material to the organization's strategy?	131-132
C.1.2	Does the company identify climate change as an issue?	54,132
C.1.3	Does the company adopt an internationally recognized reporting framework or standard for sustainability (i.e. GRI, Integrated Reporting, SASB, IFRS Sustainability Disclosure Standards)?	141-149
C.1.4	Does the company disclose quantitative sustainability target?	29-31
C.1.5	Does the company disclose sustainability-related performance progress in relation to its previously set targets?	29-31
C.1.6	Does the company confirm that its Sustainability Report / Reporting is reviewed and /or approved by the Board or Board Committee?	137
C.2	Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters	
C.2.1	Does the company engage internal stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	133-134
C.2.2	Does the company engage external stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	131, 133-134
C.3	The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks	
C.3.1	Does the company disclose that the board reviews on an annual basis that the company's capital and debt structure is compatible with its strategic goals and its associated risk appetite?	4, 34, 56
C.4	The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active coroperation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.	
C.4.1	The existence and scope of the company's efforts to address customers' welfare?	4, 57, 60, 65, 69
C.4.2	Supplier/contractor selection procedures?	74, 134
C.4.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	74
C.4.4	The company's efforts to interact with the communities in which they operate?	104
C.4.5	The company's anti-corruption programmes and procedures?	76-78
C.4.6	How creditors' rights are safeguarded?	59-61, 64, 66
C.4.7	Does the company have a separate report/section that discusses its efforts on environment/ economy and social issues?	-
C.5	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.	
C.5.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	25, 68, 78, 130

No.	Principles and Recommendations	Page
C.6	Mechanisms for employee participation should be permitted to develop.	
C.6.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	91
C.6.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	35, 88-89
C.6.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	81, 89-90
C.7	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.	
C.7.1	Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company's website or annual report?	78, 93
C.7.2	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?	78, 93
LEVEL 2. BONUS ITEMS		
(B)C.	**Sustainability and Resilience**	
(B)C.1.1	Does the company disclose how it manages climate-related risks and opportunities?	54-56
(B)C.1.2	Does the company disclose that its Sustainability Report / Sustainability Reporting is externally assured?	138-142
(B)C.1.3	Does the company disclose the engagement channel with stakeholder groups and how the company responds to stakeholders' ESG concerns?	60, 67-68, 78, 93
(B)C.1.4	Does the company have a unit / division / committee who is specifically responsible to manage the sustainability matters?	33-34
(B)C.1.5	Does the company disclose board of directors/commissioners' oversight of sustainability-related risks and opportunities?	32-33
(B)C.1.6	Does the company disclose the linkage between executive directors and senior management remuneration and sustainability performance for the previous year?	32
(B)C.1.7	Is the company's Whistle Blowing System managed by independent parties / institutions?	-
LEVEL 2. PENALTY		
(P)C.	**Role of stakeholders**	
(P)C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	
(P)C.1.1	Have there been any violations of any laws pertaining to labour/employment/ consumer/insolvency/ commercial/competition or environmental issues?	74
(P)C.2	Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.	
(P)C.2.1	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	74
(P)C.2.2	Is there any evidence that the company is engaging in greenwashing activities?	-

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Feedback Form

The PT Bank Central Asia Tbk (BCA) 2022 Sustainability Report portrays the financial performance and sustainability. Upon reading this Sustainability Report, we look forward to your input, criticism and suggestions by sending an e-mail or by sending this form by mail.

Your Profile

Name (if possible) : .....

Institution/Company : .....

E-mail : .....

Phone/Mobile : .....

Stakeholder Group

- ☐ Shareholders and investor
- ☐ Customers
- ☐ Employess
- ☐ Pemerintah
- ☐ Media
- ☐ Business partners
- ☐ Public and community
- ☐ Others. please specify:

  .....

Please Select The Appropriate Answers In Response to The Questions Below.

	YES	NO
1. This report is easily understood.	☐	☐
2. This report is useful for you.	☐	☐
3. Laporan ini sudah memaparkan kinerja keberlanjutan secara jelas.	☐	☐
4. This report already portrays the Company's performance in sustainable development.	☐	☐

Thank You for Your Participation.
Please Submit and Send This Response to The Following Address:

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Live to Empower

2023 SUSTAINABILITY REPORT

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