

Environmental Policy

Statement

This document is the “Environmental Policy” of PT Bank Central Asia, Tbk which is prepared in accordance with the company's business process and refers to regulations, as well as both national and international standards on environmental issues. This policy becomes the umbrella for Environmental Policy which covers several aspects, including the implementation of responsible financing, green office, digital workplace, and continuous process improvement which has the potential to have a good impact on the environment. The implementation of this Environmental Policy will be carried out gradually, effectively and efficiently, in accordance with the availability of resources, needs, and the level of urgency of each of the aspects stated in this policy.

Introduction

PT Bank Central Asia Tbk (BCA), hereinafter referred to as "Bank BCA", is one of the largest banks in Indonesia. Bank BCA offers a variety of banking solutions for the financial needs of customers from various backgrounds, both personal and business customers. Bank BCA has also established its commitment as a company that is socially responsible and runs a sustainable business.

In running a sustainable business, Bank BCA understands the importance of compliance with environmental regulations and standards as a form of corporate social responsibility and sustainability commitment. Bank BCA is committed to paying attention to and managing the environmental impacts of the company's business activities, as well as attempting to minimize the negative impacts through various initiatives set forth in this policy.

The Company's Environmental Policy serves as the foundation for policies, procedures and other operating activities to be aligned with Bank BCA's Environmental commitments.

References

The formulation of the Environmental Policy of the company is assisted by independent experts in the fields of sustainability and social responsibility. The preparation of environmental policy is based on environmental regulations and standards that apply both nationally and internationally, such as:

1. Law Number 5 Year 1984 concerning Industry (Article 21)
2. Law No. 32 of 2009 concerning Protection and Management of the Environment ("UUPPLH");

3. Regulation of the State Minister for the Environment Number 9 of 2010 concerning Procedures for Complaints and Handling of Complaints Due to Alleged Pollution and/or Damage to the Environment;
4. Government Regulation Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies;
5. FSA Regulation (POJK) Number 51/POJK.03/2017 concerning Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies;
6. Law Number 11 of 2020 concerning Job Creation;
7. BCA Sustainability Governance Guidelines

Environmental Scope and Context

The environmental scope and context of Bank BCA are in line with the scope of its business operations in the financial services industry. Compliance with relevant regulations and standards on environment is BCA's main commitment in preserving and protecting the environment. In addition, as a large bank with many branches across Indonesia, Bank BCA's environmental commitment is also related to the environmental impacts resulting from operating activities, including those related to energy use, greenhouse gas emissions, paper consumption, waste and water use.

In addition, BCA's commitment to preserving the environment is also applied to the supply chain involving vendors engagement in the company's business processes. BCA also pays attention to and considers environmental aspects in every form of loan, investment and other services/products provided to borrowers. Furthermore, BCA implements a commitment to environmental sustainability within the company, namely to employees by providing environmental awareness program, issues and risks related to environmental, social and governance (ESG) issues, as well as adopting an environmentally friendly lifestyle.

The Environmental Policy applies at BCA head office and branch offices across Indonesia. This Environmental Policy aims to create a framework that can provide an understanding of the direct and indirect environmental impacts, environmental risks and business opportunities of BCA, as well as a statement of the company's commitment to continuously protecting and preserving the environment.

Environmental Policy

1. Environmental Compliance

BCA is committed to complying with environmental regulations and laws that are relevant to the company in all operating areas

2. Managing Direct Impact of Company Operations on the Environment

BCA is committed to managing the direct impact of the company's operations on the environment, through:

- Monitoring, reducing, and reporting energy use, greenhouse gas emissions, paper use, waste and water use in operating process;
- Striving for the use of environmentally friendly renewable energy;
- Formulating climate change roadmap and strategy;
- Contributing to preserving the environment and biodiversity;
- Considering the impact of operations on biodiversity in investment and lending activities.

3. Paying Attention to Environmental Impacts in the Supply Chain

BCA also pays attention to environmental aspect in logistics management, IT sourcing & procurement, and management of building infrastructure/facilities.

4. Environmental Risks Related to Loans and Investments

BCA is committed to being able to manage Environmental, Social and Governance (ESG) risks in all aspects of the company's business, including in the lending and investment process. This includes, but not limited to:

- Conducting an environmental risk assessment for each lending and investment process;
- Implementing a Credit Policy with Environmental, Social and Governance (LST) issues in mind in the entire credit process from the start;
- In providing credit, the company identifies, considers and assesses businesses that have environmental, social and governance (ESG) risks, and prioritize business activities that are profitable and at the same time manage environmental, social and governance risks properly;
- Formulating terms for property and motor vehicle loans with environmental insight;
- Adding environmental aspect to the Basic Bank Credit Policy (KDPB);
- Setting the portfolio target for the Category of Sustainable Business Activities (KKUB) each year;

- Support financing for environmentally friendly projects, such as renewable energy projects;
- In providing credit facilities to debtors, paying attention to the efforts made by the debtor in order to maintain the environment through the documents of Environmental Impact Analysis (AMDAL), Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL), as well as the results of the Assessment Program Performance Rating Companies in Environmental Management (PROPER) issued by the Ministry of Environment, if any and relevant to the debtor's business activities.

5. Awareness and Advocacy

BCA is committed to ensuring that employees understand the importance of considering the environment in their daily business activities through the following activities:

- Providing training for employees related to environmental issues and risks within the BCA business scope and debtors;
- Providing knowledge about environmental conservation (including, but not limited to green lifestyle and green building);
- Creating and managing a workplace that reflects a commitment to preserving and maintaining the environment;
- BCA's contribution, where appropriate, to the development of public policies concerning environmental preservation.

Monitoring and Evaluation

The implementation of Environmental Policy for each scope is coordinated, monitored and evaluated by the related Head Office Work Unit (UKKP). The performance of the Environmental Policy implementation is reported by the Environment Sustainability Governance (ESG) Sub-Division part of the Corporate Secretariat and Communications Division (DCS) to the Board of Directors, the Board of Commissioners and all stakeholders through BCA Sustainability Report.

This Environmental Policy is evaluated and, if necessary, can be revised in accordance with developments in environmental aspects and the business context of Bank BCA.

In order to be implemented effectively, Bank BCA disseminates and communicates this Environmental Policy to stakeholders, namely: shareholders, commissioners, directors, management, employees, investors, regulators, work partners, debtors, customers, the media and related communities.

Closing

Further information regarding the Environmental Policy and its implementation can be obtained through the Environment Sustainability Governance (ESG) Sub-Division part of the Corporate Secretariat and Communications Division (DCS).

Report on a violation or potential breach in the implementation of this policy can be submitted to the BCA whistleblowing system (<https://www.bca.co.id/tentang-bca/tata-kelola-per-company/whistleblowing-web>).