

## Debt Collection Policy

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### Background

The Debt Collection Policy is an integral component of BCA's credit risk management strategy, serving as a key pillar in maintaining the health and sustainability of the Bank's operations. All collection processes are conducted with prudence, professionalism, and full compliance with prevailing legal regulations.

BCA ensures that every party involved in the collection process—both internal and external—upholds ethical standards, respects debtor rights, and acts with accountability. Credit recovery efforts are initiated as early as possible, particularly upon detection of potential credit deterioration, in order to minimize loss risks and preserve the quality of the Bank's credit portfolio.

### Objective

This Debt Collection Policy serves as a comprehensive guideline for BCA in managing and recovering overdue or non-performing loans in an effective and ethical manner. All collection activities are in full compliance with OJK (Financial Services Authority) regulations, consumer protection laws, and applicable legal standards. This ensures the protection of debtor rights and safeguards the integrity and reputation of the Bank across all stakeholders, including customers, regulators, and the public.

### References

The following references support BCA's financial inclusion and collection policy framework:

- Guidelines on Criticized Exposure
- BCA Credit Card Guidelines
- Guidelines on Credit Recovery and Write-Offs
- OJK Regulation No. 6/POJK.07/2022 on Financial Services Consumer Protection
- OJK Regulation No. 22 of 2023 on Consumer and Public Protection in the Financial Services Sector
- OJK Regulations on Commercial Bank Asset Quality

### Scope

This policy applies to the handling of Criticized Exposure (CE) across all BCA credit segments, including retail (SME, consumer loans, and credit cards), commercial, and corporate loans. The handling process is carried out in an integrated and consistent manner, upholding the principles of prudence, compliance, and early credit recovery to safeguard asset quality and minimize risk to the Bank.

### Criticized Exposure

BCA classifies CE debtors based on credit quality and days past due as follows:

- Collectibility 2 (1–90 days)
- Collectibility 3 (91–120 days)
- Collectibility 4 (121–180 days)
- Collectibility 5 (more than 180 days)

## **Handling Criticized Exposure (CE)**

Handling of Critically Exposure (CE) debtors is regulated based on the type of credit:

### **1. Productive Loans and Mortgage (KPR)**

Management of CE for productive loans and mortgages is coordinated with consideration of the credit facility characteristics and recovery prospects. If a debtor lacks sustainable business prospects and fails to make payments, the case may be referred to a designated special unit in accordance with management policy.

### **2. Credit Cards and Consumer Loans**

In line with BCA's commitment to protecting consumer trust, we implement a tiered approach to managing delays in credit card and consumer loan payments, consistent with applicable regulations.

This process involves communication through various channels such as phone calls, letters, home visits, or contact via references, aimed at providing clarification and optimal solutions for outstanding obligations. All interactions adhere to strict ethical standards, internal policies, and legal regulations.

We ensure that every interaction is carried out responsibly, while maintaining integrity and respecting customer rights as a form of BCA's commitment to consumer protection.

To support credit portfolio quality and maintain positive customer relationships, BCA may appoint qualified third parties to assist with collections. These agents must operate professionally, ethically, and with full respect for customer rights, avoiding any form of intimidation, discrimination, or unlawful behavior.

Customer data confidentiality is strictly maintained during and after the collection process. This reflects BCA's commitment to fair, transparent, and responsible practices in line with financial industry standards.

### **3. Credit Recovery Efforts (Restructuring and Settlement)**

To maintain asset quality and ensure sustainable business practices, BCA applies a responsible approach to managing problem loans, based on prudence, good governance, and compliance with prevailing regulations.

Recovery measures may include loan restructuring and debt settlement, evaluated based on the debtor's financial condition and business prospects. Our approach balances risk mitigation and optimal recovery opportunities.

The entire handling process is carried out professionally and in line with regulations, aiming supporting sustainable credit settlement and maintaining trust and integrity in the relationship between the Bank and customers.

## **Monitoring and Evaluation**

All credit recovery processes are managed, monitored, and evaluated by relevant departments within BCA and reported to the Board of Directors and the Board of Commissioners.

## **Training**

BCA provides various training programs to develop employee competencies, especially in the area of credit management. Training topics include credit recovery, legal aspects of lending, risk management, and other relevant areas. Programs are available in both digital (e-learning) and in-person (offline) formats to support adaptive and continuous learning.

## **Closing**

Further information regarding the Policy on the Debt Collection is available through the Environment, Social, and Governance (ESG) Subdivision ([esg\\_group@bca.co.id](mailto:esg_group@bca.co.id)).