

2018 Sustainability Report

To Inspire Wholeheartedly



BCA

Always by your side

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To Inspire Wholeheartedly

BCA has been wholeheartedly present in and growing with the community for more than 60 years, providing safe, convenient and reliable banking services for our customers. BCA continues to work hard in order to better understand the demands of our customers and to provide the best solutions for all necessities, so as to evolve together with our customers.

BCA operates its business by always adhering to the norms and the rules that apply in every line of business. BCA is also actively engaged in social development, environmental preservation and is one of the founding pioneers in implementing sustainable governance in the Indonesian banking industry.

With its vision of developing the very best products for the people and a reputation as the Bank they can fully rely on, working as an important pillar of the Indonesian economy BCA will continue to be wholeheartedly present and grow with the community in order to provide the maximum benefits and to inspire all stakeholders.

SUSTAINABLE
FINANCE

BCA Sustainability Strategies

Sustainability Vision

Sustainability forms an integral part of BCA's commitment to realizing the Company's Vision, which is to be known as 'the bank of choice and a community who serves as a major pillar of the Indonesian economy'. In realizing this vision, BCA has developed work programs based on the following missions:

- To build centers of excellence in payment settlements and financial solutions for businesses and individuals.
- To understand the customer needs and provide the right financial services to optimize customer satisfaction.
- To enhance our corporate franchise and stakeholders value.

BCA's Sustainability mission is reflected in "to be a major pillar of the Indonesian economy", which entails BCA being supportive of Indonesia's economic growth that applies the principles of Sustainable Development.

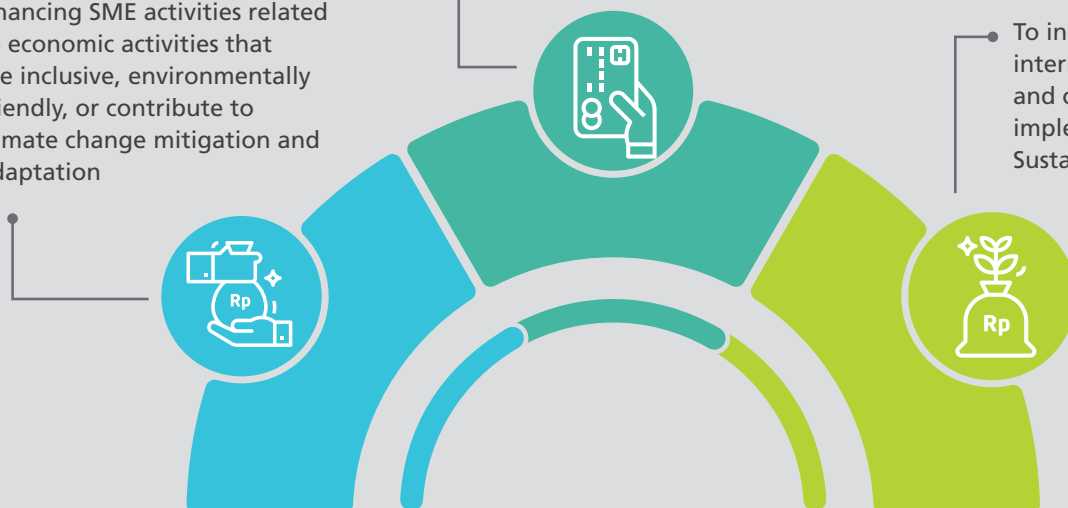
The meaning of Sustainable Finance for BCA is to provide inclusive financial solutions including Sustainable Financing and inclusive financial services, as well as to implement Sustainable and Systematic Financial values in a systematic and comprehensive manner continuously while also providing financial services based on the principles of Sustainable Financial in order to increase value for stakeholders.

BCA's commitment for the Sustainable Financial Action Plan 2019-2023

To increase the financing portfolio of the corporate and commercial segments environmental business activities and to further develop financing for the Small and Medium Enterprises (SME) segment as well as financing SME activities related to economic activities that are inclusive, environmentally friendly, or contribute to climate change mitigation and adaptation

To improve credit policies and procedures by integrating Environmental, Social and Governance risks

To increase internal capacity and capability in implementing Sustainable Finance



Sustainable Financial Action Plan

2018 marked one of the very important milestones for BCA in its efforts to create Sustainable Finance. BCA launched the Long-term Sustainable Financial Action Plan (RAKB) for the 2019-2023 period, and priority program for 2019, which was submitted to the Financial Services Authority (OJK) in November 2018.

RAKB provides strategic direction for BCA in developing financing portfolios for sustainable business activities and the changes that must be implemented by the Bank towards the relevant business processes and Risk Management in order to integrate the management of Environmental, Social and Governance (ESG) risks in the Bank's business activities.

Prior to this, BCA played a role as one of the pioneers of Sustainable Finance initiated by the Financial Services Authority through "First Movers regarding Designable Banking" throughout 2015-2017, which was developed into the Indonesian Sustainable Financial Initiative (IKBI) in May 2018.

The establishment of IKBI was a concrete manifestation of Indonesia's banking commitment in implementing Sustainable Financial practices that are inclusive in the financial services sector. This IKBI platform is open to the financial services industry of banks and non-banks, issuers, and other relevant industrial sectors.

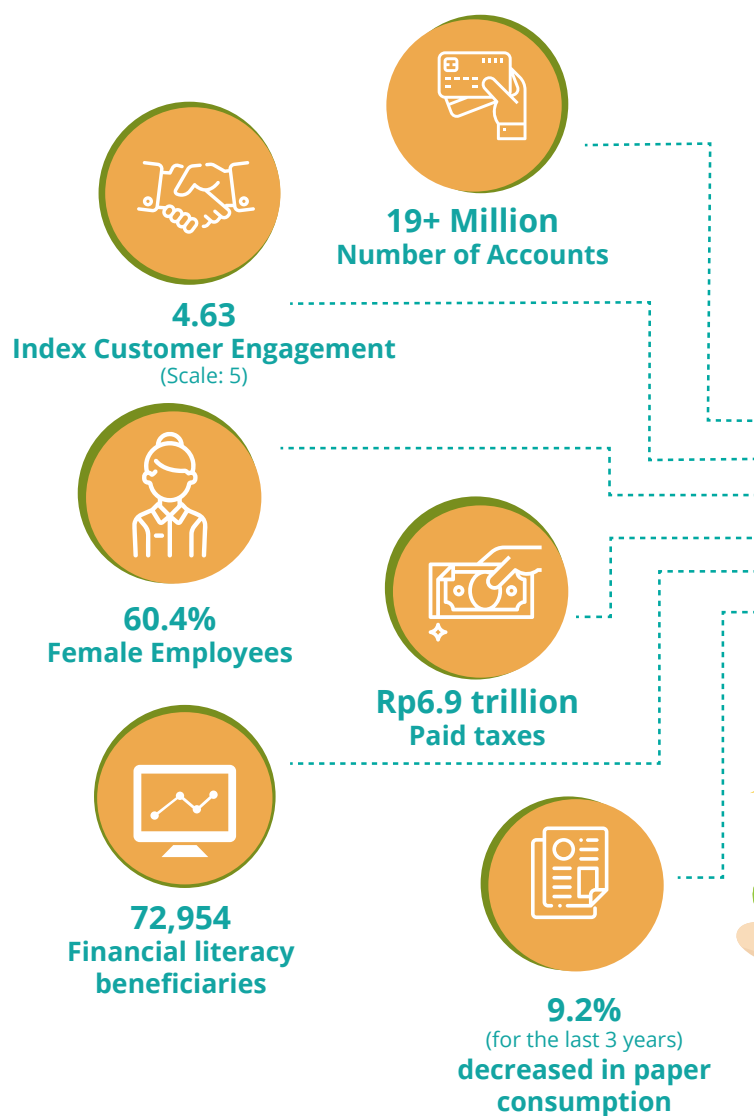
In implementing Sustainable Finance BCA has applied the principle of reducing and reusing natural resources in order to minimize any negative impacts on the environment due to our operational activities. Through this principle, the implementation of Sustainable Finance at BCA is a complete portfolio, policies and procedures as well as banking activities that are in line with Sustainable Development.



2018 Sustainability Highlights ^[102-15]



In the concept of sustainable finance, banks prioritize any form of financial service integrating economic, social, and environmental interests.



Sustainable Index



Biodiversity (Kehati)

The SRI Kehati Index refers to the Sustainable and Responsible Investment criteria. Companies in this index are considered to have Environmental Concerns, Corporate Governance, Community Involvement, Human Resources, Human Rights, and Business Behavior with Business Ethics that are accepted at the international level.

BCA received Certificate as a Constituent of Sustainable Investment (SRI) Kehati Index.

MSCI Indonesia ESG Leaders



This index considers ESG performance exposure with its peers in the Indonesian Capital Market.

BCA was ranked 1st in the list of 10 MSCI Indonesian ESG Leaders Main Constituents as of January 31, 2019.

FTSE4Good ASEAN 5 Index



It is an index chosen and sorted out transparently and determined based on Environmental, Social and Governance criteria (ESG) in the ASEAN Capital Market.

BCA was ranked 4th in the list of 10 Main Constituents on January 31, 2019.



Community

Rp 27.81 trillion

Sustainable Financing
(KUBL, Non MSME)



Business

Rp 25.9 trillion

Net Profit

4.0%

Return on Asset



Employee

24,941

Number of Employees

207,513

Training Days



Social and Environmental Responsibility

629

Bakti BCA
Scholarship
Recipients

482

Participants of
Non-degree
Education
Program

4,190

Bakti BCA
Internship
Participants

17

Bakti BCA
Schools Assisted

12

Assisted
Tourism
Villages



Environment

1.96%

Electricity Intensity Reduce in
Menara BCA, Wisma Asia II,
and Wisma Pondok Indah

ECONOMIC ASPECT



BCA achieved positive balanced sheet growth throughout 2018



▲ 1.1% YoY

Number of Branches



▲ 11.7% YoY

Number of Accounts (Rp million)



▲ 10.9% YoY

Net Profit (Rp trillion)



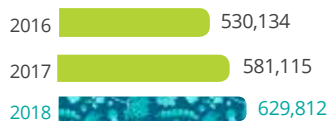
▲ 15.1% YoY

Total Loans (Rp trillion)



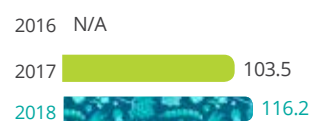
▲ 8.4% YoY

Third Party Funds (Rp million)



▲ 12.2% YoY

KUR Loans (Rp billion)



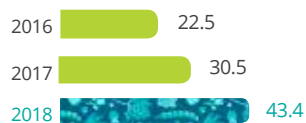
▲ 27.6% YoY

MSME Loans (Rp trillion)



▲ 42.3% YoY

Infrastructure Financing (Rp trillion)



▲ 23.53% YoY

Sustainable Financing (Rp trillion)





Local Community Involvement for Sustainable Financing

Activities

Partners



Training and capacity building

The Financial Services Authority (OJK), the Indonesia Sustainable Finance Initiative, and other institutions



Strategy and action planning

Indonesian Sustainable Finance Initiative, WWF Indonesia, Sustainability Consultant



Community Empowerment

UNICEF, PMI, Perdami, consultants and other institutions



Sustainable Development Goals

SDG Indonesia One initiated by Ministry of Finance of Republic of Indonesia and other institutions

Overview of Economic Aspect Performance

Description	Unit	2018	2017	2016
Operating Income	Rp trillion	63.0	57.0	53.8
Net Profit	Rp trillion	25.9	23.3	20.6
Economic performance regarding Sustainable Financing				
Nominal products and/or services that meet sustainable business criteria (KUBL, Non MSME)	Rp trillion	27.81	22.51	18.88
Percentage of the Sustainable Financing portfolio to the total portfolio	%	5.17	4.81	4.54
Financial Inclusion Performance				
Laku BCA Distribution				
a. Number of Agents	Person	1,722	362	280
b. Number of Customers	Person	55,979	17,231	10,206

ENVIRONMENTAL ASPECTS



BCA has conducted several activities in its offices in order to support energy efficiency



To improve the performance of building management through the utilization of a Smart Office System, replacing every lamp and maximizing the use of energy-saving equipment



36

Offices that implement the Green Office principle

decrease
1.96 %
yoy

Reducing the consumption of electricity in Menara BCA, Wisma Asia II and Wisma Pondok Indah



Digitalization of internal services and financial services so as to reduce material use and at the end also minimize emissions



BCA through Bakti BCA activities consistently supports the preservation of biodiversity in Indonesia

6 orangutans

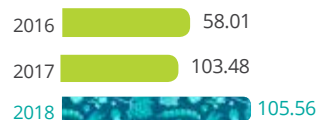
Release of orangutans in Kalimantan

7,500

mangrove seeds planted in Sumatera, Java, and Kalimantan

105.56 billion Rupiah

Bakti BCA



Summary of Environmental Performance

Description	Unit	2018	2017	2016
Electricity Use at BCA Tower, WA II, WPI	kWh	17,114,118	17,456,672	19,332,116
Water Consumption	m ³	45,168	53,404	56,597
Paper Consumption	Rim	35,630	37,577	41,340
Investment in Environmental CSR	Rp million	1,107	688	745

SOCIAL ASPECT



Our Human Resources develop and strengthen the characters and competencies in order to achieve BCA's aspirations



Number of Employees



24,941

Employees



Female Employees

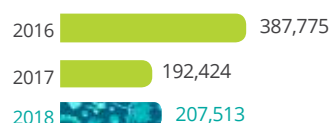


15,068

Female Employees



Number of Training Days

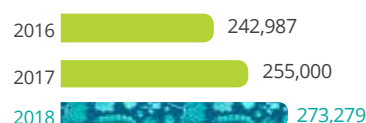


207,513

Training Days



Training Expenses (Rp million)



273,279

Training Expenses
(million Rupiah)



Bakti BCA for the community is a long-term, empowering approach, with a particular aim of increasing the value of the Company's franchise

167

Graduates of Non-Degree
Education



± 15,570

Number of fostered clinic's patients



**504 billion
Rupiah**

Donation through WWF
Indonesia Newstree for
mangrove plantation



Summary of Social Performance

Description	Unit	2018	2017	2016
Number of training participants	Person	60,448	56,830	63,460
Employees Education and Training Fees	Rp million	273,279	255,000	242,987
Number of Laku BCA Agents	Person	1,722	362	280
Amount of Laku BCA customers savings	Rp billion	4.9	1.2	0.8
Number of financial literacy educational programs	Person	72,954	89,266	60,837
Bakti BCA Investment	Rp billion	105.6	103.5	58

About BCA's Sustainability Report ^[102-52]



The 2018 BCA Sustainability Report presents information regarding BCA's sustainability performance related to Profit-Planet-People completing the Annual Report, which is published along with this report. This report is intended for BCA stakeholders discover the details related to the performance and approach taken by the Banks in managing our Corporate Social Responsibility and the implementation of Sustainable Finance across Indonesia.

BCA publishes Sustainability Reports every year for stakeholders, especially concerning the non-financial performance information that is significant for the sustainability of BCA's business. As one of the largest financial services industries in Indonesia, BCA contributes significantly to the achievement of the Sustainable Development Goals and the success of development programs through a financing portfolio that has been increasing every year, BCA directly participates in building communities through Bakti BCA with the aim of improving community welfare that will be presented in the next discussion.

Reporting Reference ^{[102-54][102-56]}

This report was prepared following the 'in-accordance' provisions in the Global Reporting Initiatives Sustainability Reporting Standards (GRI Standards) and Disclosures of the Financial Services Sector (FSSD). The option adopted in this report is the 'core' option, for material topics.

In the 2017 Sustainability Report, BCA began reporting the contents of the report in accordance with Annex-II of the Financial Services Authority Regulation No. 51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Service Institutions, Issuers and Public Companies.

BCA has not conducted any external assurance in this 2018 Sustainability Report.

Scope of Reporting Limits

[102-9][102-10]

[102-48][102-49][102-50][102-51]

The 2018 BCA Sustainability Report contains information regarding BCA's ongoing policies and performance from 1 January to 31 December 2018. The BCA 2017 Sustainability Report was published in April 2018 and can be accessed on the Company's website: www.bca.co.id.

The financial performance report covers the business of BCA and its subsidiaries, while non-financial data and information including the management of Social and Environmental Responsibilities only covers the activities and performance of the Bank, unless stated otherwise.

The banking business process operated by BCA utilizes various suppliers of goods and services, mainly to support banking operations, including service for stationery and office supplies, Information Technology services, consulting services and other services. The Bank does not use the services of external parties for core business processes.

In the presentation of this report, there is no data or information that has been restated from the previous report and there is no change in method, for limitation of scope, there is a presentation of data and information in this Sustainability Report compared to the previous limitation scope.

Sustainability Topics in this Report

[102-46][102-49]

This Sustainability Report presents material regarding sustainability discussions for BCA that cover policies, initiatives, activities, achievements and challenges that have been confronted throughout the reporting year. In each discussion there are one or more sustainability topics based on the GRI Standard.

In selecting the discussions for this report, BCA chooses material sustainability topics that have significant and important impacts on stakeholder perceptions. The steps taken in determining material topics are based on the guidelines in the GRI Standard, as described below:

Sustainable topic in this Sustainability Report

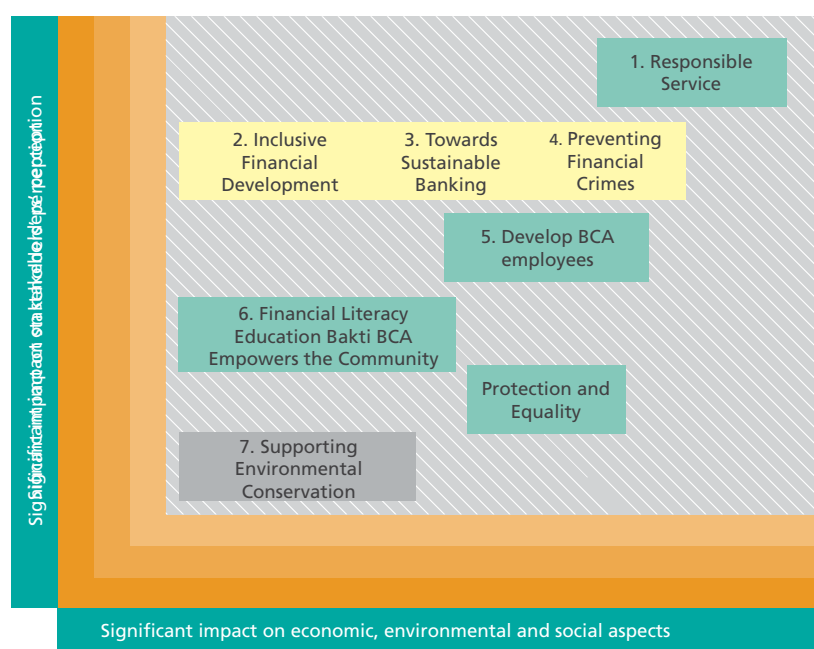


Material topics presented in this report are topics that we consider to have significant sustainability impacts and are important issues for stakeholders.

The material topics presented in this report are the same as those presented in the 2017 report, since they

are still relevant and appropriate in addressing BCA operations in 2018. The following diagram illustrates the selection of material topics that we have presented in this Report.

Sustainability Discussion Materiality Matrix



List of material topics and its limitations [102-47]

	Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
1. Responsible Service	Labelling of Products and Services		V		V		
	Customer's Privacy		V		V		
Why this is a Material Topic [103-1] Financial products and services provided by BCA must meet the relevant regulations and requirements and the Bank is responsible for ensuring that the products and services sold are in accordance with the expectations of each customer, performed fairly and transparently, and provides access to information services and customer services at all times. The Bank is also responsible for maintaining the security and confidentiality of customer data in accordance with regulatory provisions in order to prevent fraud and the misuse of customer data for the benefit of others or without customer consent. Providing a responsible service is closely related to Compliance Risk and the Bank's Reputation Risk.							

2.		Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
	Financial Inclusion Development	Local community		V	V	V		
	Financial Literacy and Inclusive Banking Education	Products and Services' Labelling	V			V		
Why this is a Material Topic [103-1] Based on the Financial Services Authority 's report, financial inclusion in Indonesia has achieved 63% of the total population in 2017. There are still opportunities to improve the financial services that are accountable to the community, especially in remote areas that have not been reached by the Bank's offices. The government is targeting financial inclusion of 75% by 2019 through the Office of Financial Services initiative in the framework of Inclusive Finance (LAKU PANDAI) and financial literacy education including school-age children to foster a spirit of saving through Student Employment products (SimPel and SimPel iB). Inclusion and financial skills are required to equalize opportunities and independence for the community to improve their welfare through the help of Sustainable Financial products and services.								

3.		Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
	Towards Sustainable Banking	Product Portfolio		V		V	V	
		Economy Performance					V	
		Indirect Economic Impact		V	V	V	V	
Why this is a Material Topic [103-1] In line with the international commitments that have become a development agenda by the Government, which is targeting the achievement of Sustainable Development Goals and efforts to mitigate and adapt to climate change, the participation of all sectors is required, one of which is in the form of financing. As a financial services industry, BCA must be involved as an institution that provides funding for this purpose. The financing in question is financing for sustainable business activities. The obligation to provide a financing portfolio for sustainable business activities has been regulated by the Financial Services Authority in order to meet the provisions of Sustainable Finance beginning in 2019 and so on as stipulated in the Financial Services Authority Regulation No. 51 / POJK.03 / 2017 concerning Sustainable Financial Implementation for Financial Service Institutions, Issuers and Public Companies and POJK Number 60 / POJK.04 / 2017 concerning Issuance and Requirements for Debt Securities with Environmental Insights (Green Bond). Control of Environmental and Social impacts indirectly becomes part of the range of influence of banks in lending to customers. This is in line with the implementation of regulations for lending and Sustainable Financial implementation, the Bank integrates the Environmental Risk as part of its overall Risk Management. In implementing Sustainable Finance, the Bank must integrate Environmental, Social and Governance (ESG) risks into Risk Management as outlined in policies, procedures, monitoring and evaluation.								

4.	 Prevent Financial Crime	Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
		Anti-Corruption	V	V	V	V	V	V

Why this is a Material Topic
[103-1]

Financial crime or fraud is the main concern of regulators and customer stakeholders. With the increase in financial transactions and economic, social and political activities, opportunities for fraud are increasing. As a financial institution, Banks are required to apply prudential principles and prevent Anti-Money Laundering and Prevention of Terrorism Funding.

The Bank does not only have the potential to experience losses due to fraud but can be systemically affected due to fraud. In addition to increasing credit and operational risk, fraud will greatly affect the risk of reputation and public trust in the integrity of the Bank.

5.	 Develop BCA's Employees Protection and Equality	Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
		Training and Education	V					
		Occupational Health and Safety	V					
		Diversity and Equal Opportunity	V					

Why this is a Material Topic
[103-1]

Human Resources (HR) plays a key role in the Bank's efforts to achieve its aspirations. Business continuity or sustainability requires adequate number and competence of Human Resources. HR must also be able to utilize technology with the development of the Industry 4.0 where the role of technology and digital ecosystems will increasingly dominate financial products and services so that banks must adapt their Human Resource capabilities through adequate education and training.

BCA itself has the challenge of demographic employees in the medium term to meet the gap in the number and competence of employees including future talent requirements that must be prepared starting from now, so as to support continued business growth as expected.

Meeting employee expectations not only covers job certainty and protects employee rights but also promotes equality in the workplace. Companies must provide equal opportunities to all employees to achieve their best performance and become an inclusive workplace.

6.	 Bakti BCA Empowers Community	Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
		Local community			V	V		
Why this is a Material Topic [103-1] As a responsible institution, the business world is expected to be involved in improving the welfare of the community through Corporate Social Responsibility (CSR) programs as stipulated in the legislation. Moreover, the private sector also has an important role in the framework of achieving the Sustainable Development Goals both indirectly through products and services and directly through CSR activities. CSR through community empowerment and economic activities can be a separate opportunity for the Bank because the community's unbankable economic activities can become bankable along with guidance from relevant stakeholders.								

7.	 Supporting Environmental Conservation	Topic based on GRI Standard	Employee	Customer	Community and Neighbourhood	Regulator	Investor	Supplier
		Material	V		V			
		Energy	V		V			
Why this is a Material Topic [103-1] Although banking activities, products and services do not have a direct impact on the environment, the Bank has the leverage in the form of large numbers of employees and banking operations that can be managed through policies and procedures so that the use of natural resources can be managed efficiently and the impact of pollution can be reduced, included here is the use of electricity, water and paper. Environmental management in banking operations is one of the principles of Sustainable Finance in order to ensure that Sustainable Financial products and services are generated from a continuous operation process. In addition, the efficient use of natural resources contributes to a decline in banking operations. Control of environmental impacts indirectly becomes part of the bank's influence range in credit distribution that must be managed. In line with the implementation of regulations for lending and Sustainable Financial implementation, the Bank integrates Environmental Risk as part of its overall Risk Management.								

BCA at A Glance

Established in 1957, PT Bank Central Asia Tbk (BCA) is the largest of the private banks in Indonesia. With its in transaction banking, BCA offers financial products and services to a wide range of customers, both individuals and businesses, through the network of all major cities across Indonesia.

For more than 60 years, BCA has served over 19 million number of accounts with the support of 24,941 employees through a convenient, secure and reliable transaction network, which also allows the Bank to offer quality services for its customers.

BCA's strength in transactional banking has enabled the Bank to secure stable low-cost funding in the form of transaction account funds, which are demand deposits and savings (CASA), this accounts for the major portion of BCA's Third Party Funds. BCA has actively disbursed loans across Indonesia with a diversified portfolio in the corporate, commercial & SME and consumer segments. The loan portfolio quality is maintained at a sound level

through the application of prudent Risk Management.

To complement its core business line, BCA provides comprehensive financial solutions for customers through 8 subsidiaries engaged in 6 business lines, which are automotive financing through BCA Finance and CS Finance, insurance through BCA insurance and BCA Life, securities through BCA Sekuritas, Sharia banking through BCA Syariah, remittance through BCA Finance Ltd and venture capital companies in the field of technology and the financial industry through Central Capital Venture (CCV) which was established in 2017.

Maintaining trust and providing the best banking solutions for our customers' financial expectations is an honor and pride for BCA. Therefore, BCA is committed to continuously developing its business to support our customers' banking expectations and contribute to the community, being "always on the side of customers and Indonesian society."



Vision

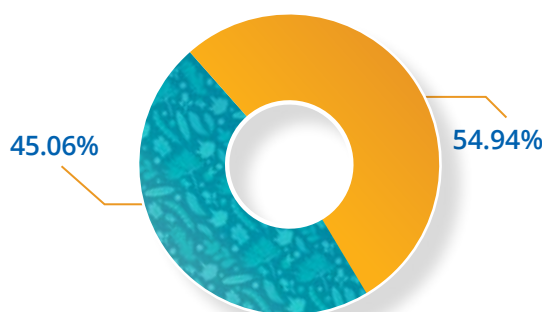
To be the bank of choice and a major pillar of the Indonesian economy. [102-16]

Mission

- To build a superior institution in payment settlements and financial solutions for businesses and individuals.
- To understand the diverse needs of the customers and provide the right financial services to optimize customer satisfaction.
- To enhance BCA's corporate franchise and stakeholders value.

BCA Identity

Company Name [102-1]	PT Bank Central Asia Tbk
Scope of Business [102-7]	Commercial Bank
Head Office [102-3]	BCA Tower Grand Indonesia Jl. M.H. Thamrin No. 1 Jakarta 10310, Indonesia Tel. (62 21) 2358 8000 Fax. (62 21) 2358 8300
Significant State of Operation [102-4]	1 (one) Indonesia
Ownership [102-5]	Shareholders Composition (%)



- Community*
- PT Dwimuria Investama Andalan

* The composition of shares owned by the public is divided by 2.49% owned by parties affiliated with PT Dwimuria Investama Andalan and 1.76% owned by Mr. Anthony Salim. In addition, the Board of Commissioners and Directors has 0.19% of the Company's shares.

Legal Basis for Establishment [102-5]	The Company was founded in 1955 under the name of "N.V. Industry and Trading Company of Semarang Knitting Factory". The Company name has been changed several times, and most recently based on Deed No. 144 dated 21 May 1974 made in the presence of Wargio Suhardjo, S.H., Substitute of Notary Ridwan Suselo, was changed to "PT Bank Central Asia".
Served Market [102-4][102-6]	Sector and types of customers served: Individuals, Corporations, Small and Medium Enterprise (SME).
Contact [102-3]	For further information and suggestions and questions about this Report, you can contact: Corporate Secretariat Public Relations BCA Tower, 20 th Floor Grand Indonesia Jl. M.H. Thamrin No. 1 Jakarta 10310 Phone. (62 21) 2358 8000 Fax. (62 21) 2358 8300 E-mail: humas@bca.co.id

Organization Scale [102-7] [FS67]

Products and Services			2018	2017
Branches Banking	Third Party Fund	Current Account	166,822	151,250
		Savings Account	316,182	292,416
		Deposits	146,808	137,449
	Commercial & SME Credit Portfolio	Commercial	112,060	98,735
		Small and Medium Enterprises	68,778	65,925
		Foreign Exchange	26,661	23,392
Corporate Banking	Foreign Exchange	Rupiah	186,695	153,885
		Credit Cards	12,893	11,528
		Vehicle Loans	39,998	38,302
Individual Banking	Consumers Credit Portfolio	Housing Loans	87,902	73,026
		Bank Indonesia Instruments	46,731	54,011
		Government Bonds	58,315	70,621
Treasury Banking	Treasury Portfolio	Other Securities	42,024	37,819

External Initiative and Certification [102-12]

	Coverage	Certification Institution
ISO 9001:2008 Quality Management Systems	Network Data Center	SGS Indonesia
ISO 9001:2015 Quality Management Systems	Network Data Center and IT Quality Assurance	SAI Global
ISO/IEC 27001:2013: Information Technology – Security Techniques – Information Security Management Systems	Network Data Center	SGS Indonesia
Indonesian Sustainable Finance Initiative	Financial Services Institutions in Indonesia	Founder
SDG Indonesia One	Multi-stakeholder Platform for Financing SDGs in Indonesia	Member

Membership of the Company in Industry Associations [102-13]

Organization or Associations

Indonesian Custodian Bank Association
Indonesia Mutual Fund Management Association
ACI Financial Market Association
Asia Pacific Loan Market Association
Indonesian Payment System Association
European ATM Security Team
Communication Forum of Director of Banking Compliance
Government Bond Seller Association
Indonesian Banker Association
Indonesian Contact Center Association
The Institute of Internal Auditors (IA) Indonesia Chapter
Indonesian Institute of Audit Committee
International Monetary Conference
Certified Information System Audition – Information Systems Audits & Control Association
Indonesian Banks Association
Securities Investor Protection Fund

Entities Covered in the Annual Report [102-45]

Name of subsidiary	Shares Ownership	Business Scope
PT BCA Finance	99.576%	Investment financing, working capital financing, multipurpose financing, operating leases, other financing activities based on the approval of the authorized agency
BCA Finance Limited	100%	Remittance and money lending
PT Bank BCA Syariah	99.999%	Sharia Banking
PT BCA Sekuritas	90%	Brokers and securities underwriters
PT Central Santosa Finance (CS Finance)	75%	Investment financing, working capital financing, multipurpose financing, operating leases, other financing activities based on the approval of the authorized agency
PT Asuransi Umum BCA (BCA Insurance)	75%	General insurance or loss
PT Asuransi Jiwa BCA (BCA Life)	90%	Life Insurance
PT Central Capital Ventura (CCV)	99.9995%	Venture Capital Company

Products and Services [102-2]

As of 31 December 2018

Products and Services	Description	Products and Services	Description
Deposits Accounts	Tahapan	Electronic Banking (continued)	Sakuku
	Tahapan Xpresi		Duitt
	Tahapan Gold		VIRA chatbot
	Tahapan Berjangka		Video Banking
	Tahapan Berjangka SiMuda		CS Digital
	Tapres		eBranch
	Simpanan Pelajar		API BCA
	TabunganKu		OneKlik
	Laku		Host to Host (H2H) ERP Integration
	BCA Dollar		MPOS (applications for merchant non cash transactions)
	Deposito Berjangka		eService
	Giro		Payable Management / Disbursement
Transaction Banking Services	Safe Deposit Box	Cash Management Services	Receivable Management / Collection (including B2B & B2C)
	Transfer		Liquidity Management
	Remittance		BCA Card
	Collection and Clearing		BCA Mastercard
	Bank Notes	Credit Cards	BCA VISA
	Travellers' Cheque		BCA AMEX
	Virtual Account		Regular Premium Unit Link
	Sub Account		Maxi Infinite Link Assurance
	Payment		Maxi Protection
	Auto Debit		Maxi Syariah
	Payroll Services	Bancassurance Products	Provisa Platinum Syariah
	Cash Pick Up		Provisa Max Assurance
	State Revenue Module Generation 2 (MPN G2)		Single Premium Unit Link
	Custodian Services		Provisa Signature Assurance
	Business Debit Card (BDC)		Health Protection
	Payment Gateway		Hospital 100% Refundable
Electronic Banking	ATM BCA (multifunction, non cash and cash recycling machine)		Bima Proteksi Kesehatanku
	EDC BCA		Optima Health Protection
	Debit BCA		Optima Cancer Protection
	Tunai BCA		Optima Medical Care
	Flazz		Proteksi Penyakit Kritis Maksima (PRIMA)
	Autoprint		Life Protection
	EDCBIZZ		BCA Life Heritage Protection
	Internet Banking		b-SAVE Accident Protection
	KlikBCA Individu - for individual customers needs		BCA Life Proteksi Hidupku
	KlikBCA Bisnis - for business needs		BCA Life Proteksi Jiwa Optima
	KlikBCA Bisnis Integrated Solution - with a more comprehensive features than KlikBCA Bisnis, for example, to accomodate supply chain services		Life Protection 100% Refundable
	Mobile Banking (m-BCA)		Corporate Solutions
	BCA KlikPay		Program Pensiun DPLK
	Call Center (Halo BCA)		Health Corporate Insurance
	Phone Banking (BCA by Phone Business and BCA by Phone Priority)		Life Corporate Insurance
	SMS Top Up		General Insurance
	BCA Mobile		Fire Insurance
	SMS BCA		Property All Risks Insurance (PAR)
	Info SMS/Email		Vehicle Insurance
	e-Billing (local tax payment: PPN, PPh, and others)		Travel Insurance
		Mutual Fund Investment Products	Money Market Mutual Fund
			- Bahana Dana Likuid
			- Bahana Dana Kas Maxima
			- Danareksa Gebyar Dana Likuid

Products and Services

Mutual Fund Investment
Products (continued)

Description

- First State Indonesian Money Market Fund*
- Schroder Dana Likuid
Protected Mutual Fund
- Batavia Proteksi Gebyar III
- Batavia Proteksi Gebyar V
- Batavia Proteksi Gebyar VI
- Batavia Proteksi Gebyar VII
- Batavia Proteksi Gebyar VIII
Fixed Income Mutual Fund (IDR)
- Bahana Pendapatan Tetap Makara Prima
- Batavia Dana Obligasi Ultima
- BNP Paribas Prima II
- Danareksa Gebyar Indonesia II
- Eastspring Investments Yield Discovery
- Nikko Gebyar Indonesia Dua
- Panin Gebyar Indonesia II
- Schroder Dana Mantap Plus II
- Schroder Prestasi Gebyar Indonesia II
Fixed Income Mutual Fund (USD)
- BNP Paribas Prima USD
- Schroder USD Bond Fund
Hybrid Mutual Fund
- BNP Paribas Spektra*
- Schroder Dana Terpadu II
- Schroder Syariah Balanced Fund
Equity Mutual Fund (IDR)
- Ashmore Dana Ekuitas Nusantara
- Ashmore Dana Progresif Nusantara
- Batavia Dana Saham
- Batavia Dana Saham Optimal
- BNP Paribas Ekuitas
- BNP Paribas Pesona
- BNP Paribas Pesona Syariah
- Danareksa Mawar Konsumer 10
- Eastspring Investments Value Discovery
- First State IndoEquity Sectoral Fund*
- Schroder 90 Plus Equity Fund
- Schroder Dana Istimewa
- Schroder Dana Prestasi
- Schroder Dana Prestasi Plus
Equity Mutual Fund (USD)
- BNP Paribas Cakra Syariah USD
- Schroder Global Sharia Equity Fund (USD)
Surat Berharga Negara
Conventional Government Securities
Indonesian Retail Bond (ORI)
Savings Bond Retail (SBR)
Fixed Rate Government Bond (FR)
Foreign Currency Government Bond (INDON)
Surat Berharga Syariah Negara

Treasury Investment
Products

Products and Services

Treasury Investment
Products (continued)

Credit Facilities

Standby LC / Bank
GuaranteesExport Import Facilities
(Trade Finance)

Local LC



Foreign Exchange Facilities



Description

Sukuk Negara Ritel (SR)
Sukuk Tabungan (ST)
Project Based Sukuk (PBS)
Obligasi Negara Valas Syariah (INDOIS)
Certificates of Bank Indonesia (SBI)
Bank Indonesia Forex Securities (SBBI)
Money Market Time Deposit (DBMM)
Mortgage
Vehicle Loan
Working Capital Loan
Syndication Loan
Pre-Export Financing
Trust Receipt
Investment Loan
Distributor Financing
Supplier Financing
Dealer Financing
Warehouse Financing
Showroom Financing
Investment Financing
Personal Loan
Business Personal Loan
Advance Payment Guarantee
Bid Guarantee
Counter Guarantee
Custom Guarantee (P4BM)
Direct Pay Guarantee
Financial Guarantee
Maintenance Guarantee
Payment Guarantee
Performance Guarantee
Inward Documentary Collection
LC Confirmation
LC Discounting
LC Forfaiting
LC Issuance
LC Negotiation
Letter of Guarantee
Outward Documentary Collection
Pre-Export Financing (Export Loan)
Trust Receipt
Letter of Guarantee
SKBDN Discounting
SKBDN Forfaiting
SKBDN Issuance
Trust Receipt
Today
Tom
Spot
Forward
Swap
Cross Currency Swap
Interest Rate Swap
Call Spread Option

* While these mutual fund products are no longer on offer, BCA continue to accept redemption of the mutual funds by customers.

Message from the President Director



“BCA is committed to cooperating with businesses, regulators and all stakeholders to enhance sustainability.”

Jahja Setiaatmadja
President Director

Esteemed stakeholders,

As one of the largest private banks in Indonesia, BCA supports the government’s Sustainable Development Goals through the implementation of sustainable finance, always maintaining a balance between economic, social and environmental interests.

The banking sector may play a part by lending to projects that focus on environmental care. BCA has participated in the First Movers in Sustainable Banking pilot program since 2015, and continued its commitment by establishing the Sustainable Financing Initiative Indonesia with seven other national banks, the Financial Services Authority (OJK), and WWF Indonesia.

BCA refers to these programmes in integrating financial sustainability into its daily operations. One example of this is the Bank's commitment to increasing the allocation of its industrial financing portfolio to environmentally friendly projects. BCA is enthusiastic about funding these environmentally friendly business projects, including energy conservation and organic agriculture.

Impacts of Sustainable Development Financing

At the September 2015 United Nations General Assembly, world leaders agreed to a shared commitment - Sustainable Development Goals. This global objective has been adopted by the Indonesian government as part of its development program, and constitutes a universal commitment to ending poverty, protecting the natural world and ensuring peace and prosperity for all people.

BCA has an important role in sustainable financing, primarily as a source of credit for customers, which will in turn be used for economic, social and environmental activities, as seen through the Bank's sustainable financing portfolio.

In 2018, BCA had a total loan portfolio of Rp538.1 trillion, 15% higher than 2017, a portion of which was channeled into infrastructure development as part of the Bank's commitment to national development.

The Bank's loan portfolio in 2018, classified as sustainable financing for environmentally friendly business activities in the corporate and commercial segments, amounted to Rp27.81 trillion, a 23.53% increase on the previous year's Rp22.51 trillion. For economic inclusion efforts, the Bank disbursed Rp71.12 trillion in the micro, small and medium-sized (MSME) business segments. This was 27.7% higher than the Rp55.7 trillion lent in 2017.

The loan portfolio outlined above was provided with consideration to credit worthiness and a number of factors, including sustainable development in environmental, social and economic fields. The sustainable financing portfolio has been granted special certification for the Management of Living Natural Resources and Sustainable Plantations for palm oil and

palm oil products certified under Indonesia Sustainable Palm Oil and/or the Roundtable on Sustainable Palm Oil, and Forest Stewardship Council certified businesses engaged in forestry.

In 2018, the Ministry of Finance initiated SDG Indonesia One, an integrated funding and work platform in support of infrastructure development in Indonesia, aligned with the Sustainable Development Goals. BCA is committed to facilitating this initiative by supporting development projects for clear water, sanitation and disaster recovery.

In the framework of sustainable financing, BCA supported development programs through Kredit Usaha Rakyat (KUR) loans of 24.6 billion. The Directors believe that these segments are important for the future of the nation.

In addition to sustainable finance products, BCA also contributes directly to sustainable development through its corporate social responsibility activities under the banner Bakti BCA, a range of programs dedicated to community enrichment in culture, health, environment, sport, empathy and through the empowerment of village communities.

Managing Environmental, Social and Governance Risk

BCA has begun efforts to integrate environmental, social and governance risks (ESG) in lending and banking activities. ESG risk integration is part of the implementation of sustainable finance and a manifestation of the Bank's responsibility for the activities it finances.

In lending, BCA has integrated rules in credit underwriting to be in compliance with the requirements of environmental permits and does not finance the activities of companies that obtain black or red valuations in the Corporate Performance Rating Program (PROPER) by the Ministry of Environment and Forestry. The Bank also encourages agribusiness customers to seek sustainability certification relevant to their line of business.

Opportunities and Challenges in Sustainable Financing

In mid 2017, the Financial Services Authority (OJK) issued a regulation on the importance of implementing sustainable finance, calling for the support of the whole financial services sector in creating sustainable economic growth by harmonising economic, social and environmental interests.

In this regard, BCA has a role in the community through its intermediary function, investing its capital and third party funds to finance individuals and businesses in line with the benefits and risk appetite.

The financial services industry has developed rapidly over the past few years. The Bank's new customers have different and more complex needs and desires than the previous generation, requiring a wide variety of products and services along with new platforms built upon the latest technological developments.

Nonetheless, BCA observes that some Indonesians have yet to receive formal financial services. Although the conditions have gradually improved, the distribution of digital services is still greatly concentrated in major cities. Thus, providing services that are inclusive of all people is the Bank's biggest challenge. Therefore, BCA continues to approach this segment differently, having already established a partnership to expand the LAKU BCA service, an inclusive savings product that grants users access to financial services without relying on the branch network. This allows BCA to bring new partners to the MSME credit portfolio, especially in the productive sector.

Slowly, but surely, the LAKU BCA portfolio continues to increase. In 2016, BCA had only 280 LAKU BCA agents, and, within, three years, this number increased to more than 1,700, with total outstanding LAKU savings of Rp4.9 billion and almost 56,000 customers. Going forward, BCA will expand this access to other regions and deepen the basic financial services available to this segment.

BCA sees that integrating sustainability into the intermediary function can be both an opportunity and a challenge. For internal purposes, BCA enhances the capacity and capability of the Bank to assess ESG risks and broaden the opportunities available to it. BCA is committed and continues to work with businesses, regulators and all stakeholders to develop sustainable financial programs in Indonesia.

Notable Achievements

BCA implements good corporate governance, and continues to improve the quality of its implementation that refers to national and international regulations, including from the OJK, Bank Indonesia, the ASEAN Corporate Governance Scorecard, and best practices in the banking industry. In 2018, the results of self-assessment on the implementation of good corporate governance attained the "Very Good" category. The application of good corporate governance is also appreciated by our stakeholders. BCA was awarded the Top 50 Issuer with the Largest Market Capitalization at the 10th IICD 2018 Corporate Governance Awards.

BCA continuously maintains public trust by being responsible in its activities and offers a variety of quality technological innovations that improves customer experience. In line with our vision – becoming a bank of choice for the community – the Bank earned two awards from Finance Asia: The Best Bank in Indonesia, and Best Asian Bank for the third time in 2018.

Domestically, we have also received appreciation through the Paritrana Award from the Coordinating Ministry of Human Development and Culture of Indonesia and the Social Security Management Agency (BPJS), because of our success and consistency in implementing the policies of labor social security as a responsible employer in Indonesia.

All appreciations for BCA's management and employees encourage us to be better, give better, and serve better, while implementing the principles of governance and prudence in the coming years.

Achievements in Sustainability

BCA supports the implementation of sustainable finance by providing financing for sustainable development, a low-carbon economy, and inclusive economic growth. The Bank also strives for the activities, products and services provided by BCA to integrate environmental, social and governance aspects in accordance with the risk.

In 2019, BCA will implement sustainable finance fully in accordance with the plan compiled in the 2019–2023 Sustainable Financial Action Plan (RAKB). BCA will carry out three main initiatives: increasing the financing portfolio of environmentally sound business activities for the corporate and commercial segments; developing financing for the MSME segment, including

financing MSME activities related to an inclusive and environmentally sound economy; and climate change mitigation and adaptation efforts. In accordance with the RAKB, BCA will also develop and improve the integration of ESG into credit policies and procedures, and increase internal capacity and capabilities to better implement sustainable finance.

For more than 60 years, BCA has been able to adapt to the dynamics of the economy and continue to learn, and now enters a new phase – sustainable financial services. BCA hopes to increase collaborations and partnerships to create added value for customers, investors, the environment, and social change, now, and in the future, in an effort to achieve mutual prosperity.

Jakarta, March 2019



Jahja Setiaatmadja
President Director



BUILDING GOVERNANCE AND STAKEHOLDER ENGAGEMENT



1st Rank

GCG Rating Results with Self-Assessment



6,125

e-learning banker Code of Ethics participants



370

Sustainable Finance training participants

"Good Corporate Governance is a prerequisite for Sustainable Finance and healthy growth for the long term".

- 27 Corporate Governance
- 40 Implementation of Risk Management
- 48 The Challenge of Implementing Sustainable Finance
- 49 Stakeholders Engagement

For more than 60 years, BCA has been Sustainably Developing financial products and services for the public that provide an economically added value for the Shareholders. To achieve this objective, Good Corporate Governance is required to adapt to the ever-growing Economic, Social, and Environmental opportunities and challenges. BCA is certain that effective Good Corporate Governance (GCG) will accommodate the stakeholders' demands and expectations, which is in-line with the corresponding regulations and laws, as well as abiding by the business norms.

Into the future, the financial services industry is expected to be actively involved in achieving the Sustainable Development Goals and Climate Change challenges through its financial products and services portfolio. Inclusive to these efforts is to integrate the aspects of Environment, Social, and Governance (LST) to the banking business process.

Corporate Governance

The consistent implementation of Good Corporate Governance is important in order to maintain the trust of shareholders and stakeholders. This is in line with the increasing business risks and challenges facing the banking industry.

The purpose of implementing GCG in BCA are:

- Support the Company's vision and mission.
- Providing benefits and added value to shareholders and stakeholders.
- Maintain and improve the sustainability of a healthy and competitive business in the long term.
- Increasing investor's confidence in BCA.

BCA Corporate Governance Implementation Commitment

Implementation of Corporate Governance is an important factor in maintaining the trust of shareholders and stakeholders. This is necessarily important along with the increasing business risks and challenges faced by the banking industry. Through the application of the principles of GCG, BCA is expected to be able to maintain healthy and competitive business continuity.

In accordance to those considerations, BCA is committed to continuously improving its principles of Good Corporate Governance (GCG) implementation, which correspond to the stated laws and regulations and GCG's best practices, as well as the ASEAN Corporate Governance Scorecard.

The framework of Good Corporate Governance in the Company consists of structural governance as the foundation, the implementation as the manifestation of the principles, and the assessment of Good Corporate Governance as the parameter of its implementation.

These parameters are used by the corporations' bodies as an indicator for continuously creating improvements in implementing the principles of Good Corporate Governance.

GOVERNANCE INSTRUMENTS	IMPLEMENTATION IN BCA	
Strategic Direction	Company's Vision, Mission, and Values	V
Organization	Governance Structure	V
	Director Charter	V
	Board of Commissioners Charter	V
	Audit Committee Charter	V
	Risk Committee Monitoring Charter	V
	Internal Audit Charter	V
Policy Implementation	Code of Ethics	V
	Governance Guidelines	V
	Integrated Governance Guidelines	V
	Policies regarding Affiliated Transaction & Conflicts of Interest	V
	Policies regarding Anti-Gratification	V
	Policies regarding Communication	V
	Policies regarding Procurement	V
	Policies regarding Basic Risk Management	V
	Policies regarding WBS	V
	Policies regarding Insider Trading	V
	Policies regarding Dividends	V
Reporting	Governance Reporting	V
	Integrated Governance Reporting	V
	Affiliated Transaction & Conflicts of Interest Reporting	V
	Self-Assessment Results	V

A. Governance Structure

BCA implements a Corporate Governance structure consisting of corporation sections, which are suitable to its operational business and in compliance with all laws and regulations. [102-18]

SHAREHOLDERS' MEETING

The General Meeting of Shareholders (GMS) is the highest organ in the Company and functions as a forum for the shareholders to make decisions related to the Bank. In the GMS, shareholders exercise their rights, express opinions, and give their approvals in the decision making process.

The GMS has the authority that is not granted to the Board of Directors and Board of Commissioners, as stipulated in the Bank's Articles of Association and/or existing laws and regulations.

BOARD OF COMMISSIONERS

The Board of Commissioners is the organ in charge of providing general and/or specific oversight and advice to the Board of Directors as stated in the Articles of Association. The Board of Commissioners also has the duty of ensuring the implementation of Good Corporate Governance principles in every business activity conducted by the Bank at all the levels of the organization. The Board of Commissioners carries out their duties and responsibilities independently.

BOARD OF DIRECTORS

The Board of Directors is the Bank's organ that has the authority and full responsibility for the management of the Bank in the interest of the Bank in accordance with its purposes and objectives, as well as for representing the Bank both inside and outside the court as stipulated in the Articles of Association and existing laws and regulations.

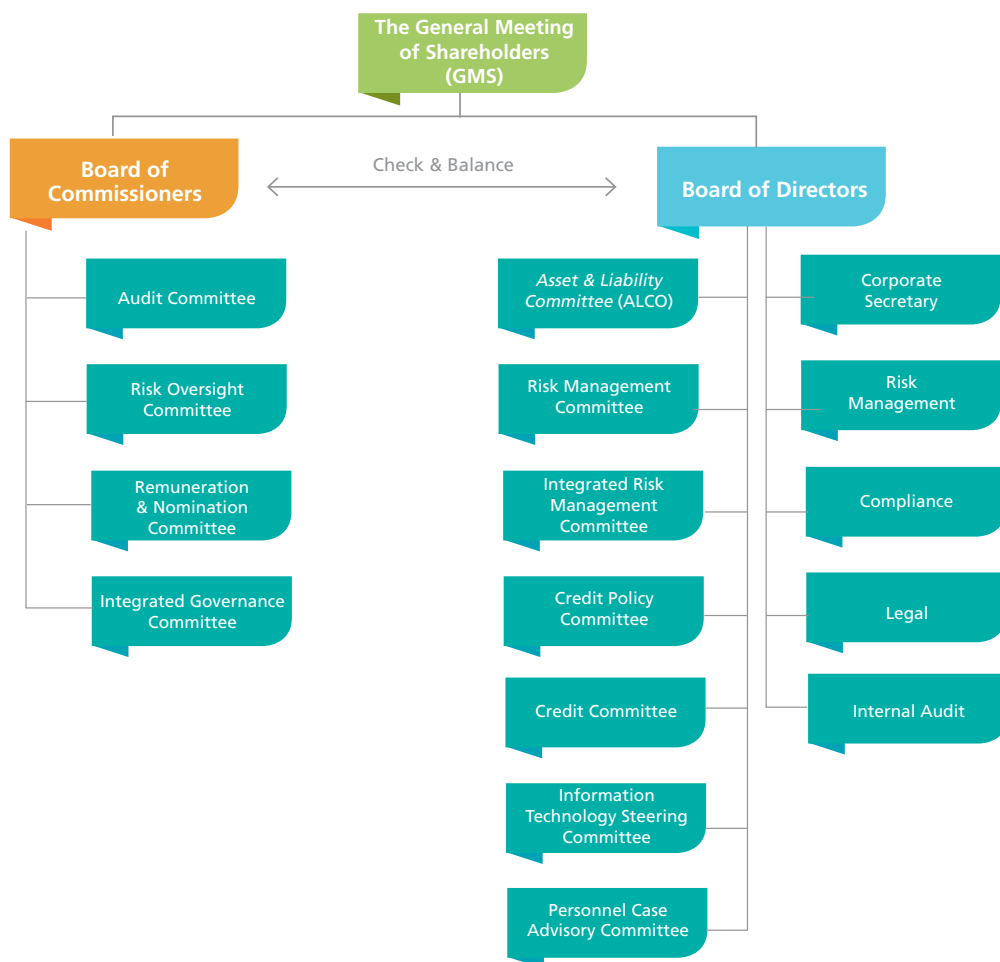
Selection of Board of Commissioners and Board of Directors

The Remuneration and Nomination Committee (KRN) recommends candidates of the members of the Board of Commissioners and Board of Directors, to the Board of Commissioners. By taking into account the Committee's recommendations, the Board of Commissioners proposes the appointment of these candidates to

be submitted in the GMS, which will then appoint the candidates. Following the GMS's approval, fit-and-proper test is conducted to obtain the approval from the Financial Services Authority (OJK) and Bank Indonesia.

The compositions of the corporate governance organs also reflect the diversity of its members in terms of education, experience, age, and expertise; with each member possessing high competency to boost the Company's performance. [102-18]

BCA Governance Structure



60%

Composition of Independent Commissioners



1 Person

Independent Director

COMMITTEE	MAIN FUNCTION
COMMITTEES OF BOARD OF COMMISSIONERS Audit Committee The Audit Committee is formed by, and answers directly to, the Board of Commissioners. The purpose of the Audit Committee is to assist the Board of Commissioners to support the effectiveness of oversight/supervision duties and functions on matters related to financial reporting, internal control systems, performance of internal and external audit function, implementation of Good Corporate Governance (GCG), and compliance with applicable laws and regulations	1) Monitoring and evaluating the planning and implementation of audit activities as well as monitoring the follow-up actions of audit findings in order to assess the adequacy of internal controls, including the adequacy of financial reporting process. 2) To conduct duties as describe in point 1) and to provide and evaluate the following in order to carry out the above-stated duties and to provide recommendations to the Board of Commissioners, Audit Committee, and provide the oversight and evaluation to: a. The implementation of tasks by the Internal Audit Division. b. The adherence of the conduct of audit performed by Public Accountant Firm with the prevailing auditing standards. c. The adherence of financial statements to the prevailing Accounting Standards. d. Provision of independent opinion in the event of dissenting opinions between the Management and Public Accountant Firm for the service rendered. 3) Conducting follow-up actions made by the Board of Directors on the findings of Audit Internal Division, Public Accountant Firm, and supervision of results of Financial Services Authority (OJK) and Bank Indonesia. 4) Reviewing other financial information that will be issued by the Company to the public and/or authorities such as projections and other reports relating to the financial information of the Company. 5) Reviewing the Company's compliance with the laws and regulations in banking, capital markets, and other laws and regulations pertaining to the Company's business activities. 6) Providing recommendations based on the evaluation to the Board of Commissioners about the appointment, re-appointment, and dismissal or replacement the Public Accounting Office and/or Public Accountant that will audit financial report based on independency, scope of the assignment, and fee 7) Reviewing and reporting to the Board of Commissioners regarding complaints in relation to the accounting process and financial reporting of the Company. 8) Reviewing and providing advice to the Board of Commissioners in relation to potential conflict(s) of interest in the Company. 9) Reviewing and monitoring the implementation of effective and sustainable GCG practices. 10) Performing other tasks relevant to the functions of Audit Committee at the request of the Board of Commissioners. 11) Maintaining the confidentiality of documents, data and information of the Company.

COMMITTEE	MAIN FUNCTION
Risk Oversight Committee Risk Oversight Committee (ROC) is established to assist the Board of Commissioners in carrying out their responsibilities to supervise risk in accordance with the prevailing regulations.	1. Assisting and giving recommendations to the Board of Commissioners in order to improve the effectiveness of oversight duties and responsibilities in risk management and ensuring that risk management policies are properly implemented. 2. In regard with the process to provide recommendation, the Risk Oversight Committee should: a. Evaluate the consistency between risk management policies and policy implementation. b. Monitor and evaluate the implementation of duties of Risk Management Committee and Risk Management Unit. 3. Composing and/ or updating Risk Oversight Committee's charter and code of conduct. 4. Administer other duties that are relevant with the oversight function as requested by the Board of Commissioners.
Remuneration And Nomination Committee The Remuneration and Nomination Committee is established to enhance the quality of top management through the remuneration and nomination policies by always taking into account the Company's business sustainability.	1) To evaluate the remuneration and nomination policies of the Company. 2) To give recommendations to the Board of Commissioners on: a. Remuneration policy for the Board of Commissioners and Board of Directors to be submitted to the General Meeting of Shareholders of the Company. b. Remuneration policy for all Executive Officers and employees to be delivered by the Board of Commissioners to the Board of Directors. 3) To develop and recommend the selection and/ or replacement systems and procedures of the members of Board of Commissioners and Board of Directors to the Board of Commissioners, to be further submitted to the GMS. 4) To ensure that the remuneration policies of the Company are in accordance with: a. Financial performance and fulfilment of reserve as governed under the prevailing laws and regulations; b. Individual work performance; c. Fairness based on peer group; d. Mid-term/long-term targets and strategies of the Company. 5) To advise the Board of Commissioners regarding prospective Commissioners and /or prospective Directors to be submitted to the GMS. 6) To recommend independent parties as prospective members of Audit Committee and Risk Oversight Committee to the Board of Commissioners. 7) To review the policies regarding facilities provided for the Board of Commissioners and Board of Directors. 8) To conduct other tasks as assigned by the Board of Commissioners related to remuneration and nomination in accordance with the prevailing provisions. 9) To report needed to the Board of Commissioners the result of reviews and recommendations with regard to the tasks of the Remuneration and Nomination Committee.

COMMITTEE	MAIN FUNCTION
Integrated Governance Committee The Integrated Governance Committee (IGC) is formed by and responsible to the Board of Commissioners of the Company as the Main Entity in the Financial Conglomerate. The IGC was formed in order to assist the Board of Commissioners in monitoring the implementation of Integrated Governance.	1. Evaluate the implementation of Integrated Governance at least through assessing the adequacy of internal controls and implementing the compliance function in an integrated manner. 2. Provide recommendations to the Board of Commissioners of the Company as the Main Entity in the Financial Conglomerate to improve the Integrated Governance Guidelines.
EXECUTIVES COMMITTEES OF BOARD OF DIRECTORS	
Asset & Liability Committee Asset & Liability Committee (ALCO) is a permanent committee under the Board of Directors with the mission of achieving an optimum level of profitability for the Company as well as ensuring that liquidity risk, interest rate risk and foreign exchange risk are controlled through the establishment of policies and strategies for Company's asset and liability management.	1. To establish and evaluate liquidity management policies and strategies to maintain liquidity in accordance with the applicable provisions, and to meet the Company's liquidity needs, including unexpected funds requirements, while minimizing idle funds. 2. To establish and evaluate policies and strategies related to market risks, including interest rate risk and foreign exchange risk. 3. To establish and evaluate pricing policies and strategies for products such as funding, credit, and inter-office accounts. 4. To establish and evaluate policies and strategies for managing the investment portfolio. 5. To establish and evaluate policies and strategies for arranging balance sheet structure by anticipating changes in interest rates to achieve an optimum net interest margin.
Risk Management Committee Risk Management Committee (KMR) is established to ensure that the risk management framework has provided adequate protection to all Company risk.	1. Make a policy, strategy, and guideline to implement risk management. 2. Improving the implementation of risk management based on the result of evaluation of the effective implementation of risk management process and system. 3. Determining matters relating to the business decisions that is deviated from the normal procedure (irregularities).
Integrated Risk Management Committee The Integrated Risk Management Committee is established to ensure that the risk management framework has provided an integrated and adequate coverage over all risks faced by the Company and its Subsidiaries.	1. Development of an integrated risk management policy. 2. Revision or improvement on the integrated risk management policy based on evaluation results.
Credit Policy Committee The Credit Policy Committee was formed to direct credit through the formulation of credit policies in order to achieve prudent credit targets.	1. Assist the Board of Directors in formulating credit policies, especially those related to the principle of prudence in credit. 2. Monitor and evaluate the implementation of credit policies so that they can be implemented consistently and consequently. 3. Conduct periodic reviews of the Basic Corporate Bank Credit Policy (KDPB). 4. Monitor the development and condition of the credit portfolio. 5. Providing advice and steps to improve the results of monitoring and evaluation that have been carried out.

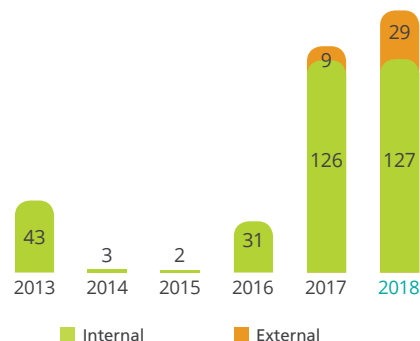
COMMITTEE	MAIN FUNCTION
Credit Committee The Credit Committee is established to assist the Board of Directors in making loan evaluations and/or loan approval decisions within the authorized limits set by the Board of Directors according to the Article of Associations of the Company with regards to business development without abandoning the prudent principles. The Credit Committee is grouped under Corporate Credit Committee and Commercial Credit Committee.	- To provide credit guidance and to conduct a more intensive and comprehensive credit analysis when necessary. - To provide decisions or recommendations on credit approval proposals submitted by the referral/ proposal associated with: - Corporate and commercial debtors; - Specific industries; and - Special requests from the Board of Directors. - To coordinate with the Asset & Liability Committee (ALCO) on funding and adjustments of interest rates for corporate loans.
Information Technology Steering Committee Information Technology Steering Committee (IT Steering Committee) is established to ensure that the implementation of the information technology (IT) system is in line with the Company's strategic plans, and and that implementation aim to improve the Company's competitive advantage through the utilization of appropriate IT functions.	- To review and provide recommendations for IT strategic plan so as to be in line with the Company's business plan. - To perform regular evaluations regarding IT support for the Company's business activities. - To ensure that any IT investments made would provide added values to the Company.
Personnel Case Advisory Committee Te Personnel Case Advisory Committee is established by and report directly to the Board of Directors. Personnel Case Advisory Committee's mission is to provide recommendations to the Board of Directors regarding the settlement of personnel cases based on the principles of fairness and equality by reviewing any cases of policy violations and/or possible illegal activity undertaken by employees.	- To review cases of violations and/or crime committed by employees, which require decision of the Board of Directors for follow-up settlement. - To provide recommendation to the Board of Directors in determining follow-up settlement of cases of violations and/or crime, which includes the sanctions imposed, operational system and procedures improvements, and legal proceedings if necessary. - To periodically review the settlement of violations and/or crime implemented by the Heads of Main Branch Offices and Regional Offices. - To provide advice and guidance (if necessary) to branch and regional offices in handling cases of violations and/or crime.

Sustainable Finance Competence Development

In implementing Sustainable Finance, BCA includes employees whose jobs are related to training and socialization held by the Financial Services Authority and institutions related to the implementation of Sustainable Finance in Indonesia.

Capacity building was also performed with BCA's participation since 2015 in a pilot project initiated by OJK in the 'First Movers on Sustainable Banking' initiative, which contains ongoing financial training and socialization activities with seven other banks and has now been transformed into Indonesia's Sustainable Financial Initiative. Since 2017, BCA has further developed Sustainable Financial modules that are tailored to the demands and business of the Bank to be used in internal training.

Sustainable Finance Training Participants



Composition of Board of Commissioners and Board of Directors as well as Their Positions in Committees
of The Bank as of December 31, 2018

No	Name	Position	Audit Committee	Risk Oversight Committee	Remuneration & Nomination Committee	Integrated Governance Committee	Asset & Liability Committee (ALCO)
1	Djohan Emir Setijoso	President Commissioner	-	-	Member	-	-
2	Tonny Kusnadi	Commissioner	-	-	-	-	-
3	Cyrillus Harinowo	Independent Commissioner	Chairman	-	-	-	-
4	Raden Pardede	Independent Commissioner	-	-	Chairman	-	-
5	Sumantri Slamet	Independent Commissioner	-	Chairman	-	Chairman	-
6	Jahja Setiaatmadja	President Director	-	-	-	-	Chairman
7	Eugene Keith Galbraith	Deputy President Director	-	-	-	-	Member
8	Armand Wahyudi Hartono	Deputy President Director	-	-	-	-	Member
10	Suwigno Budiman	Director	-	-	-	-	Member
11	Tan Ho Hien/Subur/ Subur Tan	Director (concurrently as Compliance Director)	-	-	-	-	Member
12	Henry Koenafi	Director	-	-	-	-	Member
14	Erwan Yuris Ang	Independent Director	-	-	-	-	Member
15	Rudy Susanto	Director	-	-	-	-	Member
16	Lianawaty Suwono	Director	-	-	-	-	-
17	Santoso	Director	-	-	-	-	Member
18	Inawaty Handoyo	Director	-	-	-	-	Member
19	Vera Eve Lim	Director	-	-	-	-	Member

Note:

* Chairman of Commercial Credit Committee is the Head of Credit Risk Analysis Group

** Chairman of Personnel Case Advisory Committee is Division Head of Human Capital Management

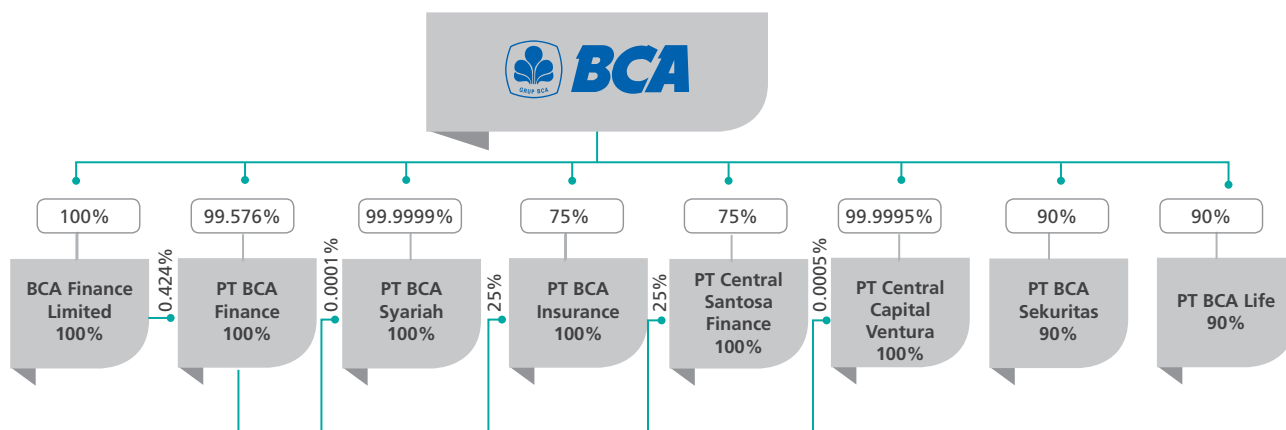
	Risk Management Committee	Integrated Risk Management Committee	Credit Policy Committee	Credit Committee		IT Steering Committee	Personnel Case Advisory Committee
				Corporate Credit Committee	Commercial Credit Committee*		
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	Member	Member	Chairman	Member*	-	-	-
	Member	Member	Member	Member*	-	-	-
	Member	Member	-	Member	-	Chairman	-
	Member	Member	Member	Member	-	-	-
	Chairman	Chairman	Member	Member	Member	Member	-
	Member	Member	Member	Member	Member	-	-
	Member	Member	-	Member	-	Member	-
	Member	Member	Member	Member*	-	-	-
	Member	Member	-	Member	-		
	Member	Member	Member	Member	-		
	Member	Member	Member	Chairman*	Member		
	Member	Member	-	Member	-		

* Permanent Member

Implementation of Integrated Governance

The Bank reviews its risks within the framework of integrated governance implementation. The Integrated Governance has been applied based on the Financial Services Authority Regulation No. 18/POJK.03/2014 dated November 18, 2014 on

the Implementation of Integrated Governance for Financial Conglomerates, and the Financial Services Authority Circular Letter No. 15/SEOJK.03/2015 dated May 25, 2015 on the Implementation of Integrated Governance for Financial Conglomerates.



The implementation of integrated corporate governance in BCA involves the following:

1. An Integrated Governance Guideline prepared by the Board of Directors that has been approved by the Board of Commissioners. The guideline serves as a reference for the Subsidiary Companies in preparing their own Governance Guidelines and applications;
2. Integrated Governance Committee;
3. Adjustment to the organizational structure, which includes:
4. Dissemination of information on Integrated

Governance Guidelines and the guidelines implementation to the members of the Integrated Governance Committee, related work units, and all Subsidiary Companies.

Based on a self assessment on the Integrated Governance structure, process and results for each factor evaluated in Integrated Governance implementation, in Semester I and Semester II of 2017, BCA was categorized under **"Rank 1" (Excellent)**.



A thorough explanation regarding the Integrated Corporate Governance can be seen in BCA's 2018 Annual Report in the section regarding Corporate Governance

B. Implementation

The principles of GCG stipulated by the existing regulations in Indonesia serve as guidelines for GCG practices in the Bank. Based on this view, the Bank is committed to continuously improving the implementation of GCG principles in all business

activities, in accordance with the applicable laws and regulations, as well as the best practices in corporate governance and ASEAN Corporate Governance Scorecard.

Fulfilment of the Principles of Good Corporate Governance

Based on the Financial Services Authority Regulation No. 55/POJK.03/2016 on Governance Implementation for Commercial Banks and FSA Circular Letter No. 13/SEOJK.03/2017 on Governance Implementation for Commercial Banks, the implementation of governance in the banking industry must always be based on 5 (five) basic principles which are: Transparency, Accountability, Responsibility, Independence, and Fairness.

PRINCIPLES	IMPLEMENTATION IN BCA
Transparency	The Bank discloses information in a timely and clear manner, and accessible by the stakeholders. The Bank discloses the important information in accordance with the procedures regulated in the capital market provisions and/or related laws and regulations. The principle of transparency adopted by the Bank shall not reduce the Bank's obligation to comply with the provisions on the confidentiality of position and banking industry
Accountability	The Bank sets clear responsibilities of each organ of its organization, in harmony with its vision, mission, business targets, and strategies. This can be seen in the Bank's Organizational Structure in which each organ acts according to their responsibilities.
Responsibility	The Bank always adheres to the prudential banking practices in carrying out its business. The Bank also strives to become good corporate citizen.
Independency	The Bank acts in a professional and objective manner, and is free of pressure from any party in every decision-making process.
Fairness	The Bank always takes into account the interests of all stakeholders based on the principles of fairness and equal treatment. The Bank provides an opportunity to all shareholders in the General Meeting of Shareholders to express their opinions. All stakeholders have access to information in accordance with the principle of transparency.

Internalization

Among the effective efforts to promote the realization of GCG implementation in the Bank is through internalization to the employees at all level, from the basic level up to the managerial.

a) Statement of Good Corporate Governance Implementation Commitment

As the manifestation of the Bank's commitment to continuously improving the implementation of GCG principles in line with the applicable regulations, the Bank obliges its employees of echelon 1 to echelon 5 to sign the Annual Disclosure at the beginning of each year.

b) Dissemination of Corporate Values

The implementation of good corporate governance principles is embeded in every Company value, especially in the integrity value and always strives for the best. These cultural internalization programs nurture the behavior of personnel to support the

implementation of values, good corporate governance, innovation, risk-consciousness and productivity.

Internalization of the corporate culture values is conducted through sharing sessions, corporate values dissemination is conducted in a face-to-face session with leaders and colleagues within one division or better known as Community of Practice (COP), corporate

values comic, intranet dissemination, video plays on internal portal and corporate values videos that can be accessed and downloaded anytime.

The Company also has a SMART SOLUTION program that aims to provide excellent service, focus on fulfilling customer needs and providing financial solutions. To support the SMART SOLUTION program, the Company offers a SMART Solution Reward Program. This reward program can also be

an evaluation, promoting stronger corporate values application, and improving team engagement and customer engagement.

Dissemination of Information on Good Corporate Governance

The information on GCG is disseminated through the followings:

(1) Dissemination of Information on Good Corporate Governance Principles and Implementation

The information on GCG principles and implementation is disseminated through Corporate Governance bulletin, which is accessible to all employees of the Bank across Indonesia. The Corporate Governance Bulletin delivers the latest Corporate Governance understanding, practices and information. The information is also disseminated through COP and sharing sessions, with the themes related to corporate governance, such as the importance of information disclosure, the implementation of corporate governance in banking industry, and so on.

(2) Dissemination of Information on Anti Fraud Awareness (AFA)

The Bank actively disseminates the information on fraud awareness and anti-gratuity, and has drafted Guidelines for the Implementation of Anti Fraud Strategy. The guidelines contain the implementation of strategy and risk management, reports to be submitted to the regulator, and sanctions.

In addition, the Bank also actively disseminate anti fraud information, among others, through the distribution of anti fraud comics, slides of anti fraud application and whistleblowing system that can be downloaded from MyBCA internal portal, AFA video, COP Application of Anti fraud Strategy, and e-learning program that must be attended by all employees.

This program is aimed to encourage all employees to take an active role in implementing anti fraud culture, as one of the efforts to apply GCG principles of

responsibility and independency, to create a conducive working environment condition that is free from fraud. [205-2]

(3) Dissemination of Information on Transactions with Affiliations and Transactions Containing Conflict of Interest

Reporting of transactions with affiliations and transactions containing conflict of interest is among the key factors in the implementation of GCG principles. Therefore, the Bank seeks to play an active role in disclosing information or reporting the transactions with affiliations and transactions containing conflict of interest. Policies relating to the report of transactions with affiliations and transactions containing conflict of interest are set out in the Board of Directors Decision Letter No. 079/SK/DIR/2017 dated June 21, 2017 on Transactions with Affiliated Parties and Transactions Containing Conflict of Interest. Information dissemination is done through COP or sharing session.

To facilitate dissemination, the policy can also be downloaded from MyBCA intranet portal that is accessible to all employees of the Bank across Indonesia.

C. Implementation Review

At times, certain problems or obstacles can be found in the effort to carry out the principles of Good Corporate Governance. Therefore, the Bank regularly reviews the implementation of corporate governance to support future improvements.

In 2018, the Bank reviewed the implementation of corporate governance by:

- Developing a reporting mechanism for share ownership of certain shareholders;
- Preparing Decision Letter on the Drafting and Submission Mechanism of Self-Assessment Report of Integrated Governance Implementation;
- Mapping the Bank's integrated governance structure.



The implementation of corporate governance is a crucial factor in maintaining the trust shareholders and stakeholders in the Bank. This is increasingly important given the rising business risks and

challenges faced by the banking industry. With the implementation of GCG principles, it is expected that the Bank can maintain its healthy and competitive business sustainability.

D. Assessment regarding Corporate Governance Performance

Internal Internal Assessment regarding the implementation of Corporate Governance within the corporation is done through the mechanism of Self-Assessment	Grade 1 Self Assessment In accordance to the decree from the Financial Services Authority Number 13/SEOJK.03/2017 regarding General Bank Governance Implementation Implementation regarding the 5 (five) principles of basic Governance, which are monitored through periodic Self-Assessments and consists of 11 (eleven) assessment factors
External The assessment regarding Good Corporate Governance in the Company is conducted voluntarily through an independent external party	"The Most Trusted Company" Assessment result of CGPI by the Indonesian Institute for Corporate Governance (IICG) with SWA Magazine. The Corporate Governance Perception Index is measured through the fulfilment of assessment aspects and indicators, which consist of Governance Structure, Governance Process, and Governance Results. "Best Right of Shareholders" & "Top 50 The Biggest Market Capitalization Public Listed Companies" by the Indonesian Institute of Corporate Directorships (IICD). Corporate Governance (CG) Scorecard used by other Institutes of Directors in several ASEAN countries, which includes the principles of Good Corporate Governance published by the Organization for Economic Cooperation and Development (OECD) and used as an assessment guideline.

Implementation of Risk Management

The Bank implements a Risk Management Framework in an integrated manner as outlined in the basic Risk Management Basic Policy (KDMR), and implements integrated risk management in accordance with the laws and regulations supported by risk management information system. [102-11]

This framework serves as a basis for determining the Bank's strategy, organization, policy and guidelines, as well as the infrastructure to ensure all risks can be identified, measured, managed and reported properly.

The Board of Commissioners and Board of Directors are responsible for the implementation of Risk Management and Internal Control System in BCA with the support of the Risk Management Committee (KMR). The Risk Management Committee discusses comprehensive risk issues and provides policy recommendations to the Board of Directors as well as other committees

responsible in handling more specific risks, including the: Credit Policy Committee, Credit Committee, and Assets and Liabilities Committee.

The implementation of risk management and internal control in the Bank, which includes:

- Active supervision by the Board of Commissioners and Board of Directors.
- Adequacy of policy, procedure, and limit setting.
- Adequacy of risk identification, measurement, monitoring and controlling process, as well as presence of risk management information system.
- Comprehensive internal control system.



A thorough explanation regarding the Integrated Corporate Governance can be seen in BCA's 2018 Annual Report in the section regarding Corporate Governance

Risks Faced and Managed by the Bank

In accordance with POJK No. 17/POJK.03/2014 dated November 18, 2014 and SEOJK No. 14/SEOJK.03/2015 on the Implementation of Integrated Risk Management

for Financial Conglomerates, BCA, as the Main Entity of the Bank's Financial Conglomerates, has managed the following risks in an integrated manner.

RISK CATEGORY	IMPLEMENTATION IN BCA
Credit Risk	- Credit is underwritten based on the "four eyes principle" whereby credit decisions are made according to two considerations: business capacity and credit risk analysis. - The Bank has created Basic Bank Lending Policy that is continuously reviewed and refined in line with the changes and developments within BCA, as well as regulations issued by regulator, and in accordance with international best practices.
Market Risk	- In managing foreign exchange risks, the Bank centralizes the management of its Net Open Foreign Exchange Position at the Treasury Division, which consolidates daily reports of Net Open Positions from all branches. - The Bank sets the deposit interest rate based on market condition and competition by monitoring the movement of the benchmark interest rate and the interest rates offered by competitors.
Liquidity Risk	- The Bank focuses on maintaining adequate liquidity to fulfil its commitment to customers and other parties, in terms of lending, repaying customer deposits, and meeting operational liquidity needs. The overall liquidity management functions are carried out by ALCO and executed operationally by Treasury Division. - The Bank has complied with the regulations related to liquidity in accordance with the provisions set out by the regulators, which oblige banks to maintain the Rupiah liquidity (Statutory Reserves) on daily basis and on average for certain reporting period, consisting of Primary Reserves and LFR-Statutory Reserves in the form of Rupiah deposits in Bank Indonesia, and Secondary Reserves in the form of SBI, SDBI, and SBN, as well as foreign currency reserves in the form of foreign currency current accounts at Bank Indonesia.
Operational Risk	- To manage, mitigate and minimize operational risks, the Bank has Operational Risk Management Framework in place, and has implemented Operational Risk Management Information System (ORMIS). - To ensure that the Bank can serve banking transactions for 24 (twenty-four) hours a day without interruption, the Bank runs two data
Legal Risk	To identify, measure, monitor and control legal risks, the Bank has established Legal Group at the Head Office and legal units in most Regional Offices.
Reputation Risk	To manage and control reputation risk, the Bank is supported by Halo BCA Contact Center (24-hour hotline for information, suggestions, and complaints).
Strategic Risk	- Inherent strategic risk is assessed by applying parameters such as the suitability of strategy with business environment, low-risk and high-risk strategy, the Bank's business position, and the achievement of the Bank's Business Plan. - The quality of strategic risk management implementation is assessed by applying parameters such as risk governance, risk management framework, risk management process, Management and Human Resources Information System, and adequacy of risk control system.
Compliance Risk	The Bank has established compliance policies and procedures containing, among others, the process to constantly adjust internal provisions and systems with the applicable regulations, communicate the provisions to relevant employees, review new products/activities, and conduct periodic compliance tests and training for employees. The results of monitoring by the Compliance Director are reported quarterly to the President Director with copies submitted to the Board of Commissioners.
Intra-Group Transaction Risk	- Inherent intra-group transaction risk is assessed by applying parameters such as intra-group transaction composition in the Financial Conglomeration, and documentation and fairness of transactions and other information. - The quality of intra-group transaction risk management implementation is assessed by applying parameters such as risk governance, risk management framework, risk management process, Management and Human Resources Information System, and adequacy of risk control system.

RISK CATEGORY**IMPLEMENTATION IN BCA****Insurance Risk**

- Inherent insurance risk is assessed by applying parameters such as technical risk, priority of insurance risk towards overall business lines, product risk bias and type of benefit, and reinsurance structure.
- The quality of insurance risk management implementation is assessed by applying parameters such as risk governance, risk management framework, risk management process, Management and Human Resources Information System, and adequacy of risk control system.

In the context of risk control, BCA implements an Integrated Risk Management Framework as outlined in the Basic Risk Management Policy (KDMR). The framework is used as a means of determining the strategy, organization, policies and guidelines, as well as the Company's infrastructure so that all risks faced by the Company can be identified, measured, monitored, controlled and reported properly.

To implement risk management effectively and optimally, the Bank has established a Risk Management Committee that is authorized to review and provide recommendations on issues related to risk management to be decided by the Board of Directors.

In addition, the Bank has established several other Committees that are tasked with managing risks in a more specific manner, such as Credit Policy Committee, Credit Committee and Asset and Liability Committee (ALCO). The Bank continuously conducts a thorough risk review on the plan to launch new products and activities in accordance with the provisions set out by the regulators.

Implementation of Prudent Principles

In addition to consistently implementing risk management, the Bank also implements prudent management principles pursuant to the applicable laws and regulations, especially to prevent the abuse of financial services for negative purposes. These principles are focused on: [102-11]

Anti-Money Laundering and Counter-Terrorism Financing Programs

One of the primary duties related to know-your-customer aspect is to ensure that the Bank has implemented Anti-Money Laundering and Counter-Terrorism Financing Program. The Bank has carried out various activities as a manifestation of its commitment to participating in combating money laundering and countering terrorism financing. Activities related to the implementation of Anti-Money Laundering and Counter-Terrorism Financing Program during 2017 are as follows:

- Reporting the implementation of Anti-Money Laundering and Counter-Terrorism Financing program on regular basis to the Board of Directors and the Board of Commissioners.
- Monitoring suspicious financial transactions.
- Coordinating customer data updating activities by preparing the targets and monitoring the achievement of such targets.
- Reviewing new products and activities to ensure the compliance with Anti-Money Laundering and Counter-Terrorism Financing regulations.
- Filtering customers and transactions related to the List of Suspected Terrorists and Terrorist Organizations and the List of Financing of Proliferation of Weapons of Mass Destruction issued by the authorities.
- Conducting compliance test on the implementation of Anti-Money Laundering and Counter-Terrorism Financing programs at branch offices in cooperation with Branch Internal Supervisor.

THE IMPLEMENTATION OF ESG RISK MANAGEMENT [102-11]

In implementing our financial products and services, BCA has developed principles of Sustainable Finance that integrate the aspects of Environmental, Social, and Governance (ESG) risks.

As a fundamental policy, BCA does not grant finance to business entities that are not compliant with those principles of Sustainable Finance. BCA financing funds distribution always highlights the aspects of Environmental, Social and Governance. The system has been implemented since the initial induction process with the prospective debtors, credit management, up to the credit administration and monitoring process.

BCA has developed a debtor ranking risk system or Internal Credit Risk Rating/Scoring System.

The risk ranking provision allocated to each debtor will create valuable input to assist the authorizing officers in making a more accurate decision for credit proposals. In the credit procedure and policies, BCA has stated the following pre-requisites:

- BCA does not provide credit to business entities that are categorized as forbidden or disobeying the regulations
- BCA does not provide credit to business entities that are ranked Black and Red based on the Corporation

Performance Ranking Assessment Program (PROPER), which is conducted by the Ministry of Environment and Forestry

- BCA requires prospective debtors to comply with all laws and regulations in regards to environmental issues according to the scale of business that will be funded. These will include environmental licenses accompanied by
 - AMDAL documents (Environment Impact Assessment) or
 - UKL/UPL (Environmental Management Efforts/ Environmental Monitoring Efforts)
- BCA does not provide credit to business entities that are ranked Black and Red based on the Corporation Performance Ranking Assessment Program (PROPER), which is conducted by the Ministry of Environment and Forestry

With the principles of prudence, and Risk Management, which includes ESG risks, BCA has received positive feedback from its stakeholders including investors. BCA is considered as one of the companies included in the sustainable index which places its ESG performance as relative to the integrated business performance.

- Conducting compliance reviews of branch offices to ensure that the implementation of Anti-Money Laundering and Counter-Terrorism Financing is in accordance with the prevailing regulations.
- Reporting suspicious financial transactions, cash transactions, and bank transfer transactions to and from foreign countries and Data of Integrated Service User Information System (SiPESAT) to the Indonesian Financial Transaction Reports and Analysis Center (PPATK).
- Conducting training and disseminating information on Anti-Money Laundering and Counter-Terrorism Financing.
- Developing Anti-Money Laundering and Counter-Terrorism Financing Training Material
- Developing and implementing risk & compliance awareness program for branches through coordination with risk management unit

Ethics and Integrity

The Company's Code of Ethics serves as a reference for Company employees in making decisions and actions or working professionally. The Code of Ethics provides reference on what is expected from Company employees in their relationships with customers, shareholders, other employees, suppliers/partners, the government and the people where the Company located. In making every decision and action in representation of the

Company, Company Employees are demanded to fulfill the highest standards of integrity, including in cases where said standards are not stipulated in prevailing laws and regulations in Indonesia. Violations of the BCA Banker's Code of Ethics may be subject to sanctions in accordance with the applicable regulations.

BCA establishes guidelines for the BCA Code of Ethics that apply throughout BCA including the Board of Commissioners, Directors and employees as outlined in the BCA GCG Manual. The BCA Code of Ethics is determined based on Directors Decree No. 778 / SK / DIR / 95 and is a guideline for behaving both inside and outside of work.

In addition to the code of ethics, the Board of Directors also issued provisions regarding guidelines for BCA employees in dealing with customers, partners and fellow employees in Decree No.219 / SK / DIR / 2003 dated November 10, 2003. The main principles in the Company's Code of Ethics are:

1. Professionalism;
2. Integrity;
3. Excellent team;
4. Prime service;
5. Social care

[102-16]



BCA Code of Ethics for Bankers

1. Comply with existing laws and regulations.
2. Maintain the good name and reputation of BCA and safeguard corporate assets.
3. Maintain the confidentiality of BCA and customer data.
4. Ensure that personal interests do not conflict with the interests of BCA or customers.
5. Accurately record all transactions according to applicable policies.
6. Nurture and maintain harmonious working environment and healthy competition.
7. Will not abuse position and power for personal or family gain.
8. Will not commit an act of misconduct that may be harmful to the professional image and BCA's reputation in general.
9. Will shun all forms of gambling or speculation.
10. Will constantly build knowledge and broaden horizons by keeping abreast of the developments in the banking industry in particular and the business world in general

Enforcement of the Code of Ethics and Sanctions for Breach of Code of Ethics

The policy and Code of Ethics are binding in nature and must be understood and implemented in all earnestness by all the company employees to support the fulfilment of Good Corporate Governance principles.

In the event of a breach or non-compliance with provisions in the Company's policy and Code of Ethics, the offender is liable to sanctions according to the severity of the wrongdoing. Any decision on this matter shall be made by the company in proportion to the type and severity of the offense and based on a comprehensive evaluation of the individual who has committed the act of misconduct.

Naught

Significant violations of the Company's Code of Ethics throughout 2018.

Information Dissemination

Pursuant to the Board of Directors Decision Letter No. 778/SK/DIR/1995 on BCA Code of Ethics, the Code of Ethics applies to members of the Board of Commissioners and Board of Directors, and BCA employees. The Bank has utilized various means to disseminate Code of Ethics, including the followings:

1. The Bank's Code of Ethics is printed as pocket book and distributed to every employee of the Bank. The employees sign the statement that they have understood and promise to obey and execute the Code of Ethics as a guideline for good behavior, both inside and outside the workplace. Based on the Bank's Whistleblowing System implementation policy contained in the Board of Directors Decision Letter No. 146/SK/DIR/2017 dated November 1, 2017, the violation of the Code of Ethics is included in the actions that can be reported through whistleblowing facilities.
2. The Bankers Code of Ethics has been published on the Bank's internal portal (MyBCA), the Corporate Governance Guidelines under the Chapter of Code of Ethics, and on the Bank's website under the Corporate Governance Section.
3. Information related to the discussion of the code of ethics, such as about bank secrets, position confidentiality, fraud, and so on, are dissemination through sharing session in each Division/Work Unit in the Bank.
4. The Bank also disseminates the information on the code of ethics through e-learning. In 2017, 6,125 employees attended code of ethics training both through e-learning and in the classroom.

Vendor related Code of Ethics

In all duties related to interactions with vendors, an employee should always pay close attention to these Codes of Ethics:

1. In carrying out their duties, all Company employees must maintain the good name and reputation of the Company, including but not limited to:
 - a. Maintaining good grooming and appearance as well as ethics and gestures (actions and words)
 - b. Over-compromised to the vendor's pre-qualification process and verification regarding a vendors' invoice
 - c. Avoid meetings that may have an influence or be perceived to alter one's decision regarding the performed duties and tasks.
2. Avoid any situation where vendors could provide any personal benefit and/or contribute a loss to the Company
3. Keeping secure the Company's as well as the vendors' confidential information received from conducting one's duties and will not take any advantage for any personal use
4. Proactively providing information to the management should one of the vendors be related by family, or having any affiliation that could affect the objectivities in performing the duties
5. Will not take any advantage from vendors' mistakes
6. Will not request nor receive any form of cash/gifts/parcels/facilities and/or detach from any financial transaction
7. Obligated to return all gifts in the form of cash/gifts/facilities according to the designated rules and should demonstrate proof of the returned items with a signed letter by the Unit Head and a valid receipt
8. Always prevent any Conflict of Interest related to vendors.

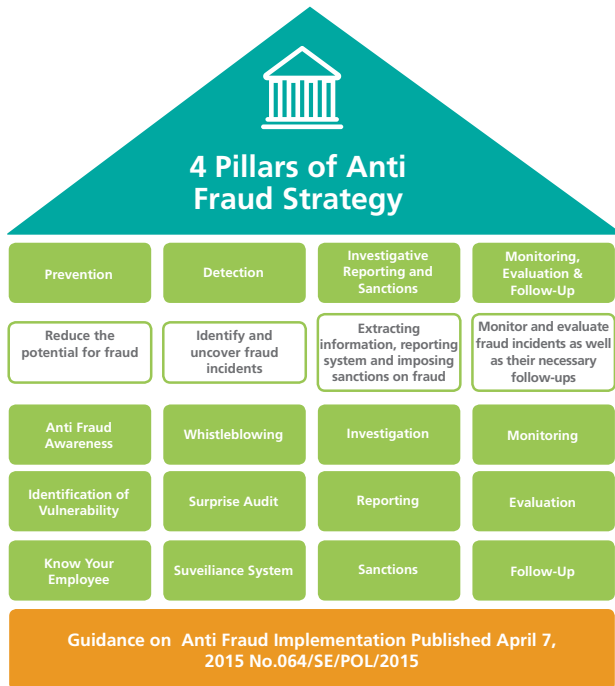
Implementation of Anti fraud Strategy

The Bank is committed to preventing fraud by implementing an effective and continuous fraud control system. On a certain scale, fraud can cause a systemic risk, which may destroy the public's trust in the Bank. [103-1]

BCA Approach [103-2]

Fraud refers to any violation or act of omission committed wilfully to deceive, dupe or manipulate the Bank, customers or other parties, that takes place within the Bank and/or using Bank facilities and causes the Bank, customers or other parties to incur losses, and/or fraud offenders to gain financial advantage or benefit either directly or indirectly.

The Bank is committed to preventing fraud by implementing an effective and continuous fraud control system. This fraud control system guides the Bank in taking the steps to prevent, detect, investigate, and monitor incidents of fraud.



The Company will make continuous efforts to establish an Anti-Fraud culture, which is listed as follows:

1. Employee Awareness Program

To increase employees' awareness related to the risks of fraud and cultivate an Anti-Fraud culture in the internal environment through Anti-Fraud statements, training/socialization for new employees' orientation classes or coordination

meetings, as well as national and regional forums. Socialization may also be conducted through e-learning. In 2018, as many as 30,402 existing employees and 987 new employees have received an Anti-Fraud awareness training via e-learning or through our in-class method.

2. Vulnerability Identification

Bank officers are to identify the vulnerability or fraud potential in the units corresponding with their authority.

3. Know Your Employee

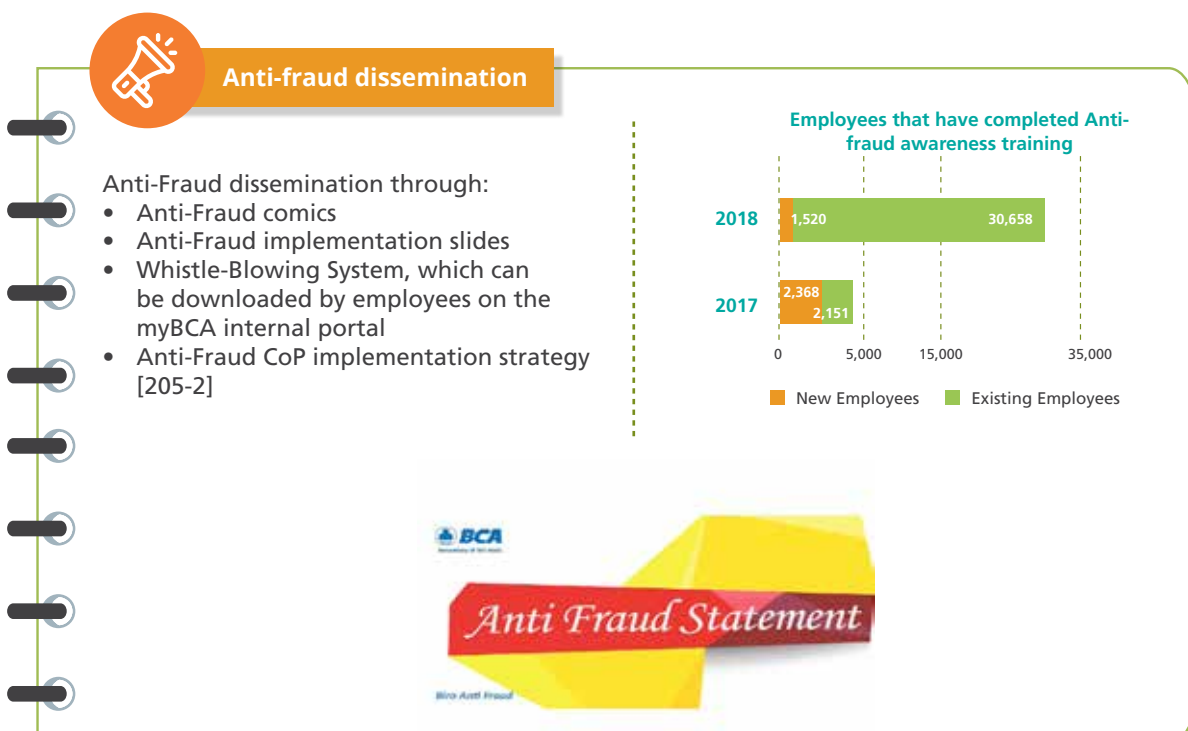
Perfecting our Human Resources policies regarding the implementation of "Know Your Employee", which starts from recruitment through to existing employees in the working units.

4. Supervision Effectiveness Increments

The supervision process is the most important factor in preventing the instances of fraud. With adequate supervision, all efforts related to fraud can be identified and prevented from the very outset.

Financial Crime Prevention

BCA actively supports the Government's efforts to eradicate corruption and financial related crimes, especially regarding the prevention of misused financial services for any disadvantageous purposes. The financial related crime prevention efforts were started since the



earliest stages through the implementation of “Know Your Customer and Know Your Employee” procedures according to the Bank’s regulations.

BCA has possessed and implements the Anti-Money Laundering Program (APU) and the Terrorism Funding Prevention (PPT) program. In order to assist in identifying any suspicious financial transactions, BCA possesses policies, procedures, and applications that have been continuously developed so as to monitor and identify customers’ transactions that are able to ease efforts in regards to the analysis and implementation of Risk Management concerning APU/PPT violations.

Financial crimes can be in the form of fraud, which is contra-productive to our customers. Customer education has been one of the most sought-after preventative efforts to prevent misuse in selling a product or transaction, or any fraud related activities. Therefore, BCA is actively developing several educational programs related to transaction safety when using BCA’s banking solutions through various educational channels and media.

Internally, BCA implements an Anti-Fraud strategy to prevent financial crime. The Anti-Fraud strategy is directing the bank in determining its steps in the prevention, detection, investigation, and monitoring of fraudulent activities.

Fraud can be defined as any misbehavior or action that is conducted purposely to trick, cheat, or manipulate the Bank’s, customers, or any other parties, which occur within the Bank or using the Bank’s facilities and cause the Bank, customers, or any parties losses, and/or the fraud subject is gaining financial advantages directly or indirectly.

Whistleblowing System

Whistleblowing System is used internally by the Bank to report fraud and violations of law, Collaborative Labor Agreement, code of ethics, and other internal policies of the Bank, and/or conflicts of interest occurring in the Bank. Complaints must be based on good will and not a personal complaint or based on bad intent/defamation.



The purposes of the implementation of whistleblowing system in the Bank are as follows:

- To create awareness of stakeholders (employees, customers, etc.) to report fraud or infringement within the Bank without fear and worry as the confidentiality of their reporting is guaranteed.
- To detect and prevent fraud or offenses as early as possible through the report from the whistleblower. [102-17]

Recapitulation of Whistleblowing System Reporting in 2018

The recapitulation of incoming report through Whistleblowing System is submitted to the Board of Directors periodically. As of December 31, 2018 23 complaints entered the Whistleblowing System with the following status:

Recapitulation of WBS cases [103-3]

Status	Total			Information
	2018	2017	2016	
Open (in process)	0	0	0	In investigation process
Closed (completed)	23	17	65	Status 2018 (Case): • Proven (2) • Unproven (2) • Related to customer’s information/complaints (13) • Incomplete data and whistleblower had not/could not provide the requested additional data/information (6)

The Challenge of Implementing Sustainable Finance

The implementation of Sustainable Finance has entered a new era through the establishment of OJK's regulation number 51/POJK.03/2017 concerning the implementation of Sustainable Finance to Financial Services Bodies, Issuers, and Publicly Listed Companies (POJK-51) which are also supported by POJK number 60/POJK.04/2017 regarding the issuance and pre-requisites of environmentally friendly bonds (Green Bonds). Both of these decrees create a foundation for the successful implementation of Sustainable Finance.

Qualitatively, the opportunities and challenges confronted by BCA in implementing Sustainable Financing are:

1. Indonesia possesses a great opportunity to absorb financing in order to achieve the Sustainable Development Goals and the business activities related to the mitigation and Climate Change adaptation, including sustainable farming, transportation and energy, and other sectors
2. Similar perceptions amongst stakeholders regarding concept, principles, regulations and the implementation of Sustainable Financing
3. Knowledge and technical skills concerning financial services bodies regarding the nature of relevant sustainable businesses to be developed in Indonesia according to the market segmentation including its risk and feasibility appraisals
4. Knowledge regarding the implementation of LST Risk Management in accordance to the situation and specific demands of Indonesia, which are also embodied in the Risk Management's regulations and procedures.

[102-15]



Stakeholders Engagement

The Company's stakeholders are parties that significantly affect the sustainability of the Company, as they are related to business activities. The approach that is implemented by BCA regarding the engagement of stakeholders is designed to receive continuous valuable input concerning BCA's financial products and services as well as the corporation's comprehension pertaining to the stakeholders' expectations, which is also included in Sustainable Management.

The Company co-operates and interacts with stakeholders through a process of engagement that is in accordance with the requirements and is done formally. Interaction with stakeholders is primarily managed by Public Relations and the Investor Relations Section. [102-42]

Customer and client



Inputs, complaints and requests for information regarding banking products and services can be accessed at any time through HaloBCA and information SDGs. Customer expectations are obtained from customer satisfaction surveys and interactions performed by the branch.

Investor



The financial performance and implementation of the Company's strategy are explained in public exposures and published reports as well as the Annual General Meeting of Shareholders.

Regulator (Financial Services Authority/OJK & Bank Indonesia)



Compliance and implementation of the principles of prudence and Good Corporate Governance are discussed in meetings and discussions with regulators when required.

General Public



The empowerment program through CSR activities is held based on the schedule of the Bakti BCA program.

Media



Company information and data, including the Company's finances, products and corporate actions are delivered when required through media releases and Company reports.

Employees



Industrial Relations and matters relating to welfare, rights and the obligations of workers are implemented through several means of communication or meetings.

[102-10][102-43][102-44]



Sustainability Performance: ECONOMIC

"To provide funding for Sustainable Finance, BCA continues to add to our financing portfolio for corporate and commercial segments that are utilized for sustainable business activities."

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Building Sustainability Culture

BCA is committed to implementing the principle of sustainable finance that integrates the aspects of environmental, social and governance (ESG) risk in the Bank's daily operations. This sustainable financial initiative was outlined in the Sustainable Financial Action Plan (RAKB), which contains the Long Term Plan for the 2019-2023 period.

Sustainability in the Bank's Vision and Mission

BCA aims to develop a culture of sustainability, starting from the vision of sustainability, to act as an important pillar of the Indonesian economy, which is actualized by applying the principles of sustainable development. The Bank's mission is to develop an excellent institution in the field of payment settlements and financial solutions for various demands, including financing products for sustainable development and inclusive financial services. Both have been consistently realized in the form of sustainable financing, MSME and LAKU BCA.

In its mission to increase value for franchises and stakeholders, BCA is committed to perform its role in the Indonesian economy, within the framework of sustainable development, by balancing business

purposes and management of ESG with the principle of prudence.

Policy

Through the implementation of financial products and services, BCA has implemented the principles of sustainable finance in our credit policies, including the process of approaching prospective debtors, processing credit, administration and credit monitoring. Credit procedures also require the relevant environmental permits valid according to the type of business activities.

In the context of implementing RAKB, the Bank has made adjustments in the overall lending process to apply the principles of sustainable finance. BCA includes the ESG factor in reviewing credit proposals.

In implementing sustainable finance, the Bank uses the principles of sustainable finance as regulated in POJK-51 of 2017 regarding the Implementation of Sustainable Finance for Financial Service Institutions, Issuers and Public Companies.

Sustainable Finance Implementation Aims

- Ensuring the availability of sustainable financing for MSME and non-MSME customers, including for environmentally sound business activities.
- Improving internal competencies and skills to implement sustainable finance at BCA.
- Integrating the aspects of ESG in the Bank's operations.

SUSTAINABLE
FINANCE

	Principles of Sustainable Finance	BCA Approach
a.	The principle of responsible investment	BCA provides financial products and services for business activities that are environmentally sound and inclusive through corporate financing and MSMEs.
b.	The principle of strategy and sustainable business practice	BCA's business strategy has been aligned with long-term sustainability through its vision of becoming a reliable first choice bank for the community, acting as an important pillar of the Indonesian economy. The business development strategy includes the development of financial products and services, including development financing and inclusive financial services. Sustainable business practices have been implemented with Go Green in several Bank's offices and applying aspects of ESG as a pre-requisite for conducting credit assessments with customers. The development of the Bakti BCA social responsibility program is directed toward a long-term program that utilizes BCA's core competencies so it can improve the economic independence of the community.
c.	The principle of managing social risks and living environment	BCA ensures that social risks and the living environment are managed in accordance with laws and regulations through evaluations made to debtors.
d.	The principle of governance	Aspects of social and living environment are integrated into BCA's governance by adjusting relevant personnel policies, procedures, duties and responsibilities.
e.	The principle of informative communication	Communication with stakeholders is performed through various media platforms, including publishing sustainability reports since 2015.
f.	The principle of inclusivity	BCA provides inclusive financial products and services, among utilizing digital technology to reach more people in remote areas with Laku BCA, Sakuku, DUITT and SimPel products. Credit facilities for the lower socio-economic segment are provided through the people's business credit (KUR) program and MSME loans.
g.	The principle of developing superior priority sectors	The significant portion of financing over the past three years is in line with the development demands implemented by the government, which are financing infrastructure including roads, railroads, and electricity.
h.	The principle of coordination and collaboration	In order to implement efforts to achieve Sustainable Development Goals effectively and on target, BCA, with government coordination, is involved in SDG Indonesia One and Indonesia's sustainable financial initiatives.

Process

The Bank includes ESG factors in making credit proposals and analyzes credit risk ratings to determine the credit worthiness of debtors. Credit funding is also a priority for BCA in developing environmentally friendly products and services that meet international standards.

Based on credit procedures, BCA implements ESG risk management in the credit cycle, from worthiness analysis to monitoring performed throughout the financing. ESG risk for financing primarily impacts the operational and reputation risk of the Bank. As a follow up, the related unit will implement risk mitigation in accordance with the Basic Risk Management Policy.

Aside from implementing ESG risk in banking products, the Bank manages the operational activities of the environmental and social aspects by encouraging all BCA employees and management to apply the principles of Reuse, Reduce, and Recycle in performing our daily operational activities.

Human Resources

BCA has established a special working group to prepare and implement sustainable finance effectively involving related units, including the Business Work Unit, Credit Risk Analysis Unit, Risk Management Work Unit, Corporate Secretary Unit and Compliance Work Unit. At this time, BCA has reviewed the sustainable financial implementation of existing organizations and made adjustments to the required job descriptions.



370 People

have followed sustainable
financial training

The process of integrating ESG factors and principles of sustainable finance into BCA's business was started in 2013, by developing the internal capacity to related units and branch offices through training regarding sustainable finance, and reviewing and drafting internal policies that will be used for the implementation of sustainable finance.

The Bank includes employees from units related to credit distribution, supervision, planning, and risk management in training and capacity building activities. The training was organized by the Financial Services Authority (OJK), WWF-Indonesia, the First Movers on Sustainable Banking 2015-2017 program, and the Indonesian Sustainable Financial Initiative. Since 2017

the Bank has been conducting independent in-house training for more employees.

As of 2018, 370 employees of the Bank have taken formal training regarding sustainable finance, which was held both internally and externally.

Sustainable Financial Products

BCA is committed to increasing the financing portion of environmental-based business activities (KUBL) and in the micro, small and medium-sized enterprises (MSME) sector in the long term. The Bank is targeting the growth of the sustainable financing portfolio equal to overall credit growth.

Based on POJK-51 in 2017, what is categorized as sustainable financing by BCA is a financing product or KUBL loan for the corporate and commercial segment, and financing for the MSME segment. The activities financed are those that have an impact on climate change adaptation or mitigation, which includes: renewable energy products, energy efficiency, and organic agriculture, in line with business growth and related business credit worthiness.

Portfolio

Every year, the Bank's portfolio for sustainable financing products always increases. Included in this portfolio is financing for the plantation sector that has been certified as sustainable. In the 2018 period there are 47 customers who implement and are certified by Indonesia's Sustainable Palm Oil (ISPO) and/or the Roundtable on Sustainable Palm Oil (RSPO), while any wood processing company must have the Forest Stewardship Council (FSC) certification.

Economic

Since being adopted at the United Nations General Assembly in September 2015, the Sustainable Development Goals (SDGs) or global goals have become a common aim for 2030. The SDGs include alleviating poverty, protecting the environment and ensuring that all people can enjoy peace and prosperity throughout the hemisphere.

In Indonesia, the global goals form part of the national development agenda, which is part of the National Medium Term Development Plan (RJPMN). This was confirmed in Presidential Regulation Number 59 of 2017 regarding the Implementation of Sustainable Development Achievement.

Financing Challenges

One of the biggest challenges to achieve the global goals is financing for sustainable development. The costs required to overcome climate challenges are estimated at USD81 billion for 2015-2020 or USD16.2 billion per year. While funds that can be allocated by the government are just USD55.1 billion over the five-year period, so there is still a lack of funding. (Third National Communication in 2017)

This is where the private sector is expected to be present through financing instrument innovations that can be utilized for development. To support the financing required to achieve the SDGs, the government through the Financial Services Authority (OJK) started a sustainable finance initiative in 2014 by issuing two regulations. First, OJK Regulation (POJK) No. 51 of 2017 regarding the Implementation of Sustainable Finance for Financial Service Institutions, Issuers and Public Companies and; second, OJK Regulation (POJK) No. 60 of 2017 regarding the Share Issuance and Requirements Trends and Environmental Debt Insights. Both are

formal rules that provide space for sustainable financial development in Indonesia, that aims to ensure the availability of financing for sustainable development, and financing for mitigation and adaptation to deal with climate change and the integration of ESG risks into the financial services industry. [103-1]

BCA Approach [103-2]

In line with BCA's vision to act as an important pillar of Indonesia's economy, it must contribute to achieving sustainable development through core competencies in financial services. BCA has sufficient capital to finance business activities in various segments. It provides financing facilities, especially for infrastructure development, which is a government priority program.

BCA also supports financing for sustainable development by providing loans to the community, especially MSMEs, and distributes KUR. MSME loans are expected to increase economic activities and improve people's lives and alleviate poverty. Whereas access to KUR will contribute to the growth of small-scale business people, because this credit is intended for feasible businesses not yet bankable. In order to implement all of these commitments, BCA will develop partnerships with the government, the business world and engage the community.

SDG Indonesia One

On October 5, 2018, the Ministry of Finance launched SDG Indonesia One, which is an integrated funding cooperation platform designed to support infrastructure development in achieving the SDGs.

SDG Indonesia One is a blended finance platform that includes project development facilities, risk mitigation facilities (de-risking facility), financing facilities and investment facilities (equity funds). The amount of support from partners at the time of launch was more than USD2.3 billion (Rp34.5 trillion), which was expected to continue to grow.

BCA is one of the banks that has committed to financing facilities for SDG Indonesia One which can later be used for infrastructure projects that are oriented towards achieving SDGs. SDG main priorities including health, education, renewable energy and infrastructure (transportation, water and waste management) sectors. [102-12]

In the near future, the platform managed by PT Sarana Multi Infrastruktur, BUMN under the Ministry of Finance, will be utilized to support the government's efforts in handling reconstruction and rehabilitation in disaster areas, including Palu, Sigi, Donggala and Lombok, along with partners who specifically pay close attention to disaster management efforts.

In 2018, BCA has channeled loans to the MSME segment amounting Rp71.12 trillion or 13.22% from the total loans, which recorded an increase of 27.6% when compared to the previous year.



Sustainable Financing Portfolio

BCA takes an important role in financing development in Indonesia by providing funds that are distributed into the financial system, which are then used for business activities and consumption and to boost economic growth through investments, financing and financial services. Financing provided by the financial services industry will have either a positive or negative impact.

A positive impact will occur if the financing is used according to its designation, in accordance with the laws and regulations, so that it can provide economic added value both directly and indirectly. Financing that is used unwisely can cause environmental damage, social conflict and governance issues that harm stakeholders. If this happens, both customers and banks are affected by the negative impacts because the risks that must be anticipated are increasing.

In order that the financing for development can be continuously increased and create a positive impact, the Bank must balance the application of policies and prudential principles in its distribution so that it remains within the rules of governance and sustainability.

In providing financing for Sustainable Finance, BCA continues to add financing portfolio(s) for corporate and commercial segments that are utilized for sustainable business activities (KUBL, Non SME). BCA's Portfolio to finance sustainable business activities in 2018 achieved Rp27.81 trillion, which was an increase from the previous year at Rp22.51 trillion. Sustainable business activity is project/activity/product/service that meets the principles of Sustainable Finance and are included in the criteria of a sustainable project/activity/product/service that contains activities that improve the efficiency and effectiveness of natural resources, mitigation and adaptation to climate change.

BCA supports the government's target for climate change by providing syndicated financing for rail-based transportation. The Bank distributed syndicated loans to PT Kereta Api Indonesia (KAI) at the beginning of 2018 for the integrated Light Rail Transit project in Jakarta, Bogor, Depok and Bekasi. Previously, BCA also provided funding for the Soetta Airport train and additionally financed the construction of several power plants from lower carbon renewable energy. [103-2]

Portfolio in Financial Instruments or Projects in Line with the Implementation of Sustainable Finance [103-3]

Description	Unit	2018	2017	2016
Total Credit/Financing for Sustainable Business Activities (KUBL, Non MSME)	Rp trillion	27.81	22.51	18.88
Percentage of total credit/financing of ongoing business activities to total bank credit/bank financing	%	5.17	4.81	4.54

Renewable Energy Financing

Energy is one of the most important infrastructures to accelerate the implementation and distribution of development outcomes. One of the energy challenges is equitable access to energy, in this case electricity to the community, especially in remote areas that have not been reached by electricity infrastructure. Indonesia is also rich in new and renewable energy sources (EBT), which includes wind power, water, geothermal energy, sunlight and others. EBT potential, according to the

Director General of EBTKE, to achieve more than 441 GigaWatts, while the utilization was only around 2% in 2017.

BCA supports the achievement of the government's target of optimizing EBT by 23% by 2030, through financing the construction of EBT power plants, one of which is hydropower. The Bank has provided mini hydro power plant (PLTMH) financing since 2012 for eight PLTMHs and one hydroelectric power plant (PLTA).

Mini Hydro Power Plant (PLTMH)

1. Bentek Village, North Lombok - West Nusa Tenggara
2. Kapundutan Village & Batar Kulon Village, Lebak Barang - Pekalongan, Central Java
3. Buntu Turunan Village, Simalungun - North Sumatra
4. Tassililu Village, Sinjai - South Sulawesi
5. Curug Luhur Village, Sukabumi, West Java
6. Jorong Village Sub-district Hilir Gumanti, Solok - Padang West Sumatra
7. Semangka Village - West Lampung
8. Manalu Dolok Village, North Tapanuli - North Sumatra

[203-1]

Utilization of EBT for power plants supplies energy demand that is environmentally friendly and equalizes energy access for the community, for example in the Aceh and Lampung regions where the electrification ratio is only 91.27% (2017), to achieve the target of 97.4% in 2019. PLTMH that were developed in remote areas also helped the economic activities of the community, as happened in Gili in Lombok, West Nusa Tenggara.

Support MSMEs

MSMEs are one of the driving forces of the Indonesian economy. The total number of MSMEs is estimated at 58.97 million people, absorbing 116.7 million workers and contributing up to 9.1% of gross domestic product. (Bappenas, BPS, and UNPF)

Hydroelectric Power Plant (PLTA)

1. Nagan Raya District - Nanggroe Aceh Darussalam

With the consideration that MSMEs are one of the leading sectors in the economy, BCA continues in striving to support their development through financing and increasing the capacity of business enterprises. It is expected that MSMEs will grow sustainably and independently. Throughout 2018, BCA distributed loans to the MSME segment of Rp71.12 trillion, achieving 13.22 percent of total loans and an increase of 27.6% when compared to the previous year.

There was an increase of market share in MSME loans from BCA, from 6,45% in 2017, up to 7,33% in 2018. The MSME loans of BCA grew above the average market growth.

MSME Partnership

To boost credit growth in the MSME sector, BCA has partnered with feasible institutions and had access to business enterprises with the executing and channeling credit distribution cooperation scheme. One of the collaborations established in 2018 was channeling with PT Aman Cermat Cepat (ACC), a financial technology company that provides a digital funding platform based on the Indosat voucher merchants partnership system. The maximum amount of credit provided to debtors through this collaboration was Rp300 million. Another approach was a linkage program (executing scheme), where BCA provided funding of up to Rp30 billion to BPR Lestari Bali to be distributed into financing for MSMEs in Bali.

BCA has also taken on the role of the KUR distributing bank, which is a credit facility for MSMEs with interest subsidized by the government. Up to end 2018, BCA distributed a total KUR of Rp116.2 billion to 1.078 debtors, which consists of Rp9.8 billion of Micro KUR (418 debtors) and Rp106.3 billion of Small KUR (660 debtors).

BCA also offered KUR to several productive activities, including agriculture, livestock, plantation and fisheries. In Depok, West Java, BCA distributed financing through PT Widodo Makmur Unggas, which enabled MSME guided chicken farmers to receive capital loans. A similar scheme was implemented to distribute KUR to cattle farmers in areas around East Java, in this case, BCA partnered with PT Santosa Agrindo.

The Proportion of KUR channeled to productive sector

Economy Sector	Number of debtors	Achievement (Rp)
Agriculture	5	425,000,000
Farming	15	1,296,000,000
Plantation	122	3,443,000,000
Fishery	21	1,105,000,000
Total	163	6,269,000,000

Total Number of KUR Loans in 2018



Rp116.2 billion

An increase in number of KUR Loans for 2017-2018



12.2 %

[203-1]

Making MSME more empowered

To achieve long-term success, MSMEs require not only financial support. MSMEs are required to have the ability to innovate according to consumer expectations. BCA facilitates through increasing capacity by holding workshops for businessmen/women to learn from and exchange ideas with business experts.

BCA facilitated seminars for MSME enterprises on macroeconomics in the digital age, online marketing, and sharing sessions, also inviting workshop participants to tour the warehouse and directly see supply chain activities at blibli.com. Through this activity, BCA expects MSMEs in Indonesia to create superior products that can compete both domestically and abroad.

MSME WORKSHOPS



- One Opportunity for a Million Happiness in five cities
- Seminar regarding the digital economy and entrepreneurship "jaman now" in two cities



7 Cities

Bandung, Padang, Surabaya, Solo, Malang, Makassar, and Samarinda

MSME workshop participants



634

Invitation to UMKM subjects



Speakers from:
Blibli.com, Payment MOKA and Yuswohady, marketing and branding experts and BCA



“Emprit” Ginger Increases Farmer’s Income

The agricultural sector employs the largest amount of workers in Indonesia, achieving 31.86 percent or 39.68 million people (BPS, 2017). Agriculture is an important activity because it is related to national food security. Aside from the basic needs, the potential of agricultural commodities in Indonesia to be developed is very large. This is the main business of one of BCA’s customers, PT Haldin Pasific Semesta (Haldin). This company challenged BCA to help the supplier of raw materials, which is “emprit” ginger, a type of ginger plant whose tuber size is smaller and tastes sharper, and whose extract is considered to be a superior export commodity.



BCA’s response was to create synergy through a partnership with PT Azma Agro Nusantara (Azma) to guide a group of farmers to cultivate “emprit” ginger as required by Haldin in Central Java. This synergy was also supported by the Bakti BCA program that distributed assistance in the form of guidance to farmers groups through Azma and the distribution of KUR to groups. Three BCA branches were involved in this collaboration: the Tegal, Kudus, and Pemalang branches.

Beginning with a 5-hectare demonstration plot in Jepara, farmers started planting “emprit” ginger with organic farming techniques under the guidance of Azma, starting from planting, raising, to seedlings in April 2018. In two plantations, BCA distributed KUR directly to 114 farmers with a total distribution of more than Rp2.8 billion.

The added value of superior “emprit” ginger cultivation is ideal for the use of idle land and yards for agricultural commodities and the emergence of new business opportunities - making organic fertilizers and polybags involving women in the surrounding villages. This initiative is BCA’s approach to carry out CSR through Bakti BCA to help implement sustainable finance synergized with KUR distribution for productive activities.



BCA supports the financing of infrastructure projects.

Infrastructure Project Financing

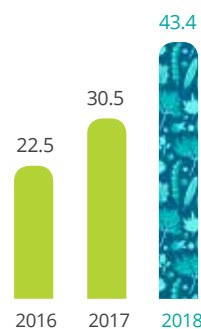
As an intermediary, BCA's support for development is performed by providing safe, convenient and reliable banking transaction services. BCA provides a multi-channel network, which consists of branch networks and electronic banking, to provide flexibility for our customers to conduct banking transactions.

Funds collected from the community are allocated for financing, including financing infrastructure development. Over the past few years, along with the vigorous development of infrastructure, BCA's infrastructure financing portfolio has always increased.

Throughout 2018, BCA and several other national banks provided financing commitments for the construction of 8 toll road sections through syndication. BCA was also one of the banks in the syndication to finance the construction of substations and transmissions in the central Java region, part of the 35,000 MW electricity program worth Rp1.1 trillion. BCA also participated at PLN financial expenditure Rp2.5 trillion.

BCA believes this participation in project financing will enable the availability of basic infrastructure including energy and equitable transportation and in turn will increase the economic and social activities of the community.

Infrastructure Financing Portfolio (Rp trillion) [203-1]



Evaluation of BCA Business Performance ^[103-3]

As a banking institution that is always present in the Indonesian economy and community, BCA has never stopped offering a range of services and product innovations, to make it more convenient for our customers to transact quickly, safely, and precisely. With a mission to develop a superior institution that excels in the field of the settlement of payments and financial solutions for businesses and individual customers, BCA pushed through 2018 with a better performance than in the previous year, in conditions that saw continuously turbulent economic growth and growing global risks.

BCA's performance was shown, among others, in the growth of third party loans and funds amid competitive business conditions in the banking sector. BCA and its subsidiaries provided a healthy growing balance sheet position, with its loan portfolio increasing 15.1% up to Rp538 trillion.

Customer trust in BCA supported the increase of deposits and savings (CASA) funds. As of the end of December 2018, BCA CASA rose by 8.9% up to Rp483 trillion. CASA remains the main portion of Third Party Funds, which was equal to 76.7% by the end of 2018.

By always applying the prudent principle consistently, BCA recorded the ratio of non-performing loans (NPLs) at the level of 1.4%, which is in the acceptable level of risk tolerance. The ratio for loan loss coverage is recorded at 178.7%. BCA maintains a healthy liquidity and capital position with Lending Funding Ratio (LFR) of 81.6%. The Capital Adequacy Ratio (CAR) was 23.4% as at 31 December 2018. BCA closed 2018 with an increase in net profit of 10.9% up to Rp25.9 trillion.



Sustainable Financing Portfolio [103-3]

		2018	2017	2016
Sustainable Financing Portfolio (KUBL, Non MSME)	Rp trillion	27.81	22.51	18.88
Sustainable Financing Portfolio Segment base (KUBL, Non MSME)				
• Renewable energy	Rp trillion	2.34	2.12	1.51
• Energy efficiency	Rp trillion	1.59	1.78	3.02
• Sustainable natural resources and land-use management	Rp trillion	16.53	13.18	10.20
• Eco-friendly transportation	Rp trillion	1.47	0.59	0.34
• Water and waste sustainable management	Rp trillion	1.04	0.01	0.02
• Eco-friendly and eco-efficient product (less residue)	Rp trillion	1.86	1.82	0.71
• Business and/or other environmental friendly activities	Rp trillion	2.98	3.01	3.08
Financing of Eco-friendly business Sector base				
• Corporation	Rp trillion	26.86	21.65	18.07
• Commercial	Rp trillion	0.95	0.86	0.81
MSME loan portfolio	Rp trillion	71.1	55.7	48.2
Infrastructure Financing Portfolio	Rp trillion	43.4	30.5	22.5
Infrastructure Financing by sector				
• Highway	Rp billion	15,239	10,180	5,432
• Electricity	Rp billion	18,476	15,412	11,654
• Train	Rp billion	4,592	2,161	3,205
• Telecommunications	Rp billion	2,972	1,782	1,433
• Airports and Ports	Rp billion	1,000	1,000	1,000
• Drinking water and sanitation	Rp billion	1,094	15	21

Financial Highlights

Financial Highlights in the last 5 years (Audited, Consolidated, as of or for the year ended December 31)

(in billion Rupiah)	2018	2017	2016	2015	2014
Financial Position					
Total Assets	824,788	750,320	676,739	594,373	553,156
Total Earning Assets	734,401	672,235	604,049	527,407	483,945
Loans - gross	538,100	467,509	415,896	387,643	346,563
Loans - net	524,531	454,265	403,391	378,616	339,859
Securities (including Securities Purchased Under Agreements to Resell)	118,385	140,873	112,135	52,521	98,589
Placements with Bank Indonesia and Other Banks	31,682	18,969	35,364	56,259	12,020
Total Liabilities¹	673,035	618,918	564,024	504,748	477,430
Third Party Funds ²	629,812	581,115	530,134	473,666	447,906
CASA	483,004	443,666	408,205	360,261	336,412
Current Accounts	166,822	151,250	137,853	115,653	107,419
Savings Accounts	316,182	292,416	270,352	244,608	228,993
Time Deposits	146,808	137,449	121,929	113,405	111,494
Borrowings and Deposits from Other Banks	8,588	8,799	7,690	5,899	6,835
Debt Securities Issued ³	240	610	2,332	2,821	2,504
Subordinated Bonds	500	-	-	-	-
Total Equity	151,753	131,402	112,715	89,625	75,726
Comprehensive Income					
Operating Income	63,034	56,982	53,779	47,876	41,373
Net Interest Income	45,291	41,827	40,079	35,869	32,027
Operating Income other than Interest	17,743	15,155	13,700	12,007	9,346
Impairment Losses on Financial Assets	(2,676)	(2,633)	(4,561)	(3,505)	(2,239)
Operating Expenses	(27,651)	(25,190)	(23,379)	(21,714)	(18,393)
Income Before Tax	32,707	29,159	25,839	22,657	20,741
Net Income	25,852	23,321	20,632	18,036	16,512
Other Comprehensive Income (Expenses)	910	755	6,772	(344)	(147)
Total Comprehensive Income	26,762	24,076	27,404	17,692	16,365
Net Income Attributable to:					
Equity Holders of Parent Entity	25,855	23,310	20,606	18,019	16,486
Non-Controlling Interest	(3)	11	26	17	26
Comprehensive Income Attributable to:					
Equity Holders of Parent Entity	26,766	24,064	27,378	17,674	16,339
Non-Controlling Interest	(4)	12	26	18	26
Earnings per Share (in Rupiah, full amount)	1,049	945	836	731	669

Terms of Bahasa Indonesia are used in all figures in this Sustainability Report, unless stated otherwise.

1. Including temporary syrikah funds amounting to Rp4,596 billion in 2018, Rp3,978 billion in 2017, Rp3,467 billion in 2016, Rp2,802 billion in 2015, and Rp1,952 billion in 2014
2. Third party funds excluding deposits from other banks.
3. The debt securities issued represent bonds and medium-term notes issued by BCA Finance, a subsidiary of the Bank that is engaged in 4-wheeler financing.

	2018	2017	2016	2015	2014
Financial Ratios⁴					
Capital					
Capital Adequacy Ratio (CAR) ⁵	23.4%	23.1%	21.9%	18.7%	16.9%
CAR Tier 1	22.4%	22.1%	21.0%	17.8%	16.0%
CAR Tier 2	1.0%	1.0%	0.9%	0.9%	0.9%
Fixed Assets to Capital	19.4%	19.8%	22.4%	18.6%	21.2%
Assets Quality					
Non Performing Earning Assets and Non Earning Assets to Total Earning Assets and Non Earning Assets	0.9%	0.9%	0.8%	0.6%	0.5%
Non Performing Earning Assets to Total Earning Assets	1.1%	1.1%	1.1%	0.7%	0.6%
Allowance Provision on Earning Assets to Total Earning Assets	1.9%	2.1%	2.3%	2.0%	1.6%
Non Performing Loans (NPL) - gross ⁶	1.4%	1.5%	1.3%	0.7%	0.6%
Non Performing Loans (NPL) - net	0.4%	0.4%	0.3%	0.2%	0.2%
Rentability					
Return on Assets (ROA) ⁷	4.0%	3.9%	4.0%	3.8%	3.9%
Return on Equity (ROE) ⁸	18.8%	19.2%	20.5%	21.9%	25.5%
Net Interest Margin (NIM) ⁹	6.1%	6.2%	6.8%	6.7%	6.5%
Cost Efficiency Ratio (CER)	44.3%	44.4%	43.9%	46.5%	44.2%
Operating Expenses to Operating Revenues (BOPO)	58.2%	58.6%	60.4%	63.2%	62.4%
Liquidity					
Loan to Deposit Ratio (LDR) ¹⁰	81.6%	78.2%	77.1%	81.1%	76.8%
Current Accounts & Savings Accounts (CASA) Ratio	76.7%	76.3%	77.0%	76.1%	75.1%
Liabilities to Equity Ratio	454.2%	479.3%	507.5%	570.4%	635.8%
Liabilities to Assets Ratio	82.0%	82.7%	83.5%	85.1%	86.4%
Liquidity Coverage Ratio (LCR) ¹¹	278.2%	353.0%	391.3%	363.3%	na
Compliance					
Percentage Violation of Legal Lending Limit					
a. Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
b. Non Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage Lending in Excess of Legal Lending Limit					
a. Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
b. Non Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
Minimum Reserve Requirement					
a. Primary Reserve Requirement - Rupiah	6.6%	7.0%	7.3%	7.5%	8.4%
b. Reserve Requirement - Foreign Currency	8.4%	8.5%	8.5%	9.1%	8.6%
Net Open Position (NOP)	0.5%	0.5%	0.2%	0.4%	0.6%
Other Key Indicators					
Number of Accounts (in thousands)	19,040	17,048	15,583	14,129	13,370
Number of Branches ¹²	1,249	1,235	1,211	1,182	1,111
Number of ATMs	17,778	17,658	17,207	17,081	16,694
Number of ATM Cards (in thousands)	17,594	15,767	14,402	13,090	12,429
Number of Credit Cards (in thousands)	3,609	3,296	2,983	2,748	2,583

4. Parent company only, financial ratios have been presented based on Circular Letter of Indonesia Financial Services Authority No.43/SEOJK.03/2016 dated September 28, 2016 regarding Transparency and Publication of Commercial Bank.

5. CAR is calculated with credit risk, operational risk and market risk based on Circular Letter of Bank Indonesia No.11/3/DPNP dated January 27, 2009 which was later changed into Circular Letter of Indonesia Financial Services Authority No. 24/SEOJK.03/2016 dated July 14, 2016 regarding the Risk Weighted Assets Calculation for Operational Risk using the Basic Indicator Approach; and calculated based on Indonesia Financial Services Authority Regulation No. 11/POJK.03/2016 dated January 29, 2016, regarding Capital Adequacy Ratio (CAR) for Commercial Banks.

6. Calculated from total non performing loans (substandard, doubtful, loss) divided by total loans.

7. Calculated from income (loss) before tax divided by average total assets.

8. Calculated from net income (loss) divided by average Tier 1 Capital.

9. Calculated from net interest income (expense) divided by average of earning assets.

10. Calculated from total loan portfolio to third party divided by total third party funds.

11. Calculated from total High Quality Liquid Asset (HQLA) divided by total net cash flow based on Indonesia Financial Services Authority Regulation No 42/POJK.03/2015 regarding Liquidity Coverage Ratio for Commercial Bank.

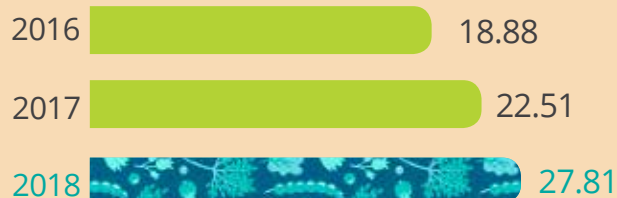
12. Including cash offices.

SUPPORT NATIONAL DEVELOPMENT THROUGH FINANCING



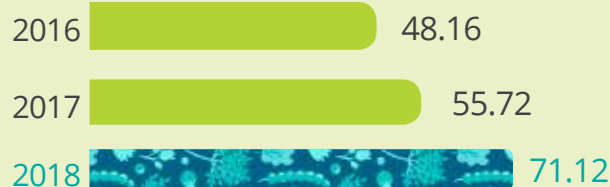
Sustainable Financing
in accordance with
POJK 51/ 2017

Sustainable Financing portfolio (KUBL, Non SME) (Rp trillion)



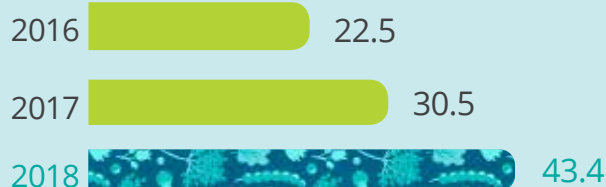
Support Micro,
Small Medium Scale
Enterprise

MSME portfolio (Rp trillion)



Infrastructure
Financing

Infrastructure financing (Rp trillion)



"One chance to
Million Happiness"
and #LevelUpBizGuide

27.6 %

Increase in
SME portfolio
(YoY)

Rp 116.2 billion

KUR Loans

12.2 %

Increase in
KUR Loans
(YoY)



workshops in
7 Cities



814
Participants of MSME
Entrepreneurs' workshop

SUSTAINABLE BENEFITS FOR STAKEHOLDERS

As a financial services institution, BCA's main contribution to the economy was through lending, which is used to improve the performance of economic activities. Other contributions are the

benefits of the Bank's activities that are distributed through employment, purchasing goods and services, paying taxes to social investments made through CSR programs. [201-1]



BCA's vision is to be the bank of choice and a major pillar of the Indonesian economy.





Sustainability Performance: SOCIAL

"Regarding the social aspect, BCA manages and protects its stakeholders, especially customers, employees, and the general public in Indonesia."



2.67 million
Employee training hours.



3,000 Students
participating in financial literacy education

- 69 Commitment to Provide Equal Products and Services
- 71 Employment
- 79 Community
- 102 BCA Patronage Tourism Village

Commitment to Provide Equal Products and Services

To realize the vision of becoming the bank of choice and a major pillar of the Indonesian economy, and to provide the very best financial services to all Indonesian customers, BCA is firmly committed to keep and enhance the trust of the community, customers, business partners and regulators.

BCA Approach [103-2]

BCA's commitment to customers is contained on one of BCA's values, which is to focus on customers. BCA's effort to maintain the trust of customers is implemented through the commitment of being responsible to our customers. BCA is committed to "always be by your side" by providing banking solutions that are suitable with the expectations of our customers and the community. BCA always pays close attention to our customers protection and security, and we perform it consistently and continuously.

Customer Service

BCA provides a clear, accurate and up-to-date information facility for BCA banking solutions for the community. To ensure that the right information is received by customers, BCA officers always receive product knowledge briefings and updates related to various BCA banking solutions.

The socialization of banking solutions is intended for our customers to fully understand about a financial product, also the rights and obligations of each party attached to the marketed banking services. BCA does not ask customers to use or buy products they don't require.

Apart from Bank officers, information regarding banking solutions are available through various digital channels. The customers are also able to obtain information through the Halo BCA call center service. Along with the expectations of our customers, in 2018 Halo BCA transformed from a contact center to the BCA Digital Services Center.

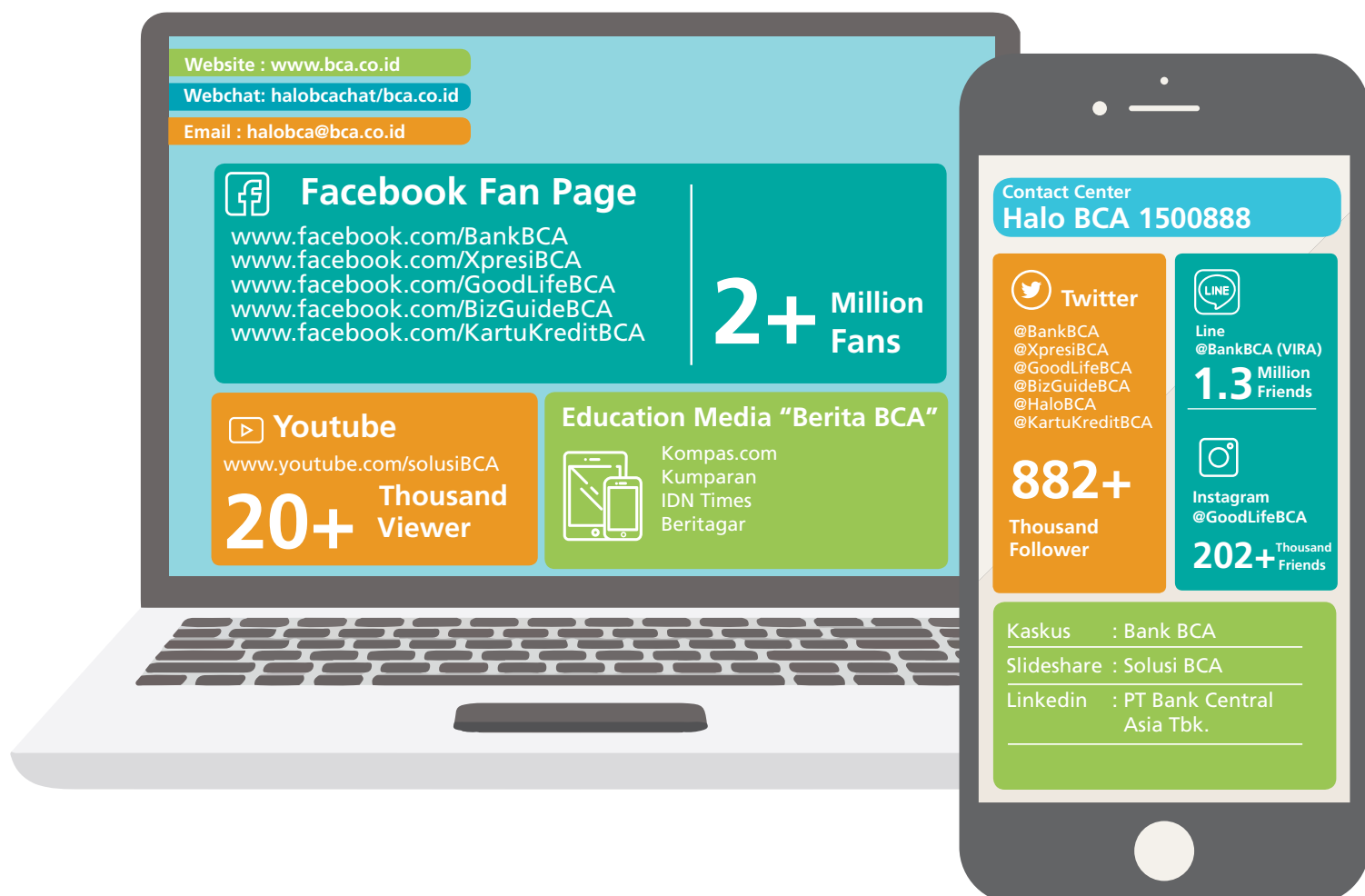
As a service center, Halo BCA not only provides information and handles customer complaints, but also develops BCA digital services innovations. In 2017, BCA introduced VIRA, a new technology for virtual assistant chat banking. VIRA was developed using Artificial Intelligence (AI) technology. In addition to chat, customers are also able to perform various other banking transactions.

VIRA complements the customer information services that BCA has. Various other information tools that can be used by customers, include brochures, social media, digital services through Halo BCA video calls and video banking.

Customer service also includes handling customer complaints. The handling process of customer complaints is that they are received and processed immediately and accurately. BCA gives serious attention to each and every customer input and complaint. This is feedback valuable for us to improve our service excellence for customers. BCA provides and informs our customers concerning customer complaint procedures and dispute resolution in accordance with Bank Indonesia's regulations regarding customer complaints and banking mediation.

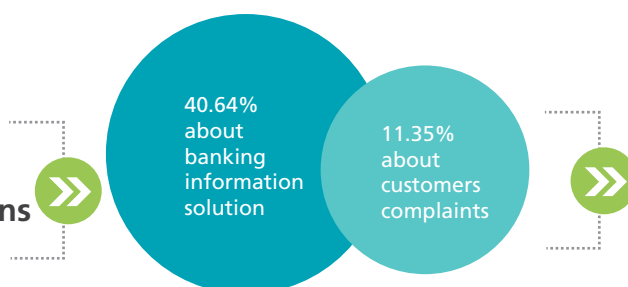
The customers are able to deliver their complaints to Halo BCA or to the BCA branches through phone, email, twitter, Halo BCA chat, video call, and video banking. BCA is committed to following up every complaint from our customers immediately.

Customer Product Information Channel and Education Media



HaloBCA

16.6+ million calls
 487+ thousand e-mail
 260+ thousand mentions
 61 readers letter



98.23%
 Solved according to service level



**Sitecore
 Experience
 Award 2018**

Most Innovative User Experience
 BCA became the winner of the Asian region in the annual international Sitecore Experience Awards competition held in November 2018

Awards for HaloBCA

60 National Award

46 International Award

Employment

Continuous improvement is the key to provide products and services required by our customers. We constantly strive to develop and manage various programs and training to equip our employees with better skills and character strengthening so that BCA is able to perform continuous improvements.

Competent and motivated Human Resources are critical factors when it comes to success for BCA. Therefore, employees are provided with opportunities to further develop their abilities and opportunities to realize their career paths that are in accordance with the requirements of Bank.

In line with our tagline, "always by your side", BCA strives to provide the best service to its customers. Along with the development of lifestyle and technology, the expectations of our customers has also become increasingly diverse and complex, that requires Human Resources who are capable of translating those expectations into useful solutions.

The Bank requires more Human Resources with the skills and competence to develop digital products and services to our loyal customers. The fulfillment of this specific demand for skillful and competent Human Resources is also in line with the BCA's requirement to regenerate for the next 3-5 years ahead, as the cause of zero growth happened one decade ago. [103-2]

BCA Approach [103-2]

BCA is highly committed to be the Company of primary choice and the employer of primary choice by creating a comfortable working environment and upgrading continuously as our value proposition. To achieve an optimal performance, employees require a supportive environment and supportive people around them. BCA strongly encourage team work here, respect one another and support from the leaders. Comfortable working is also influenced by assurance and appreciation and these things provide the personal motivation to excel.

Equality Statement

BCA basic policy in maintaining our Human Resources is through providing equal opportunity to every employee without any discrimination regardless of ethnicity, religion, race, class, or gender. Therefore, the Company policy concerning placement is always emphasizing individual performance and competency. [103]



Growing up with the Millennials

BCA is always holding recruitment drives in pursuit of the regeneration of Human Resources to keep up with business growth. Currently, about 46% BCA employees are considered as Gen Y who are aware of technology and digital media that we welcome by developing digital interaction platforms for training and cross employee interaction.

BCA balance the millennials approach by encouraging different stage employee collaboration with mini Company initiatives, an approach that is oriented towards increasing productivity and achieving the optimal results, but still remaining focused on involvement and team work. Mini Company is allowing the cross culture and thinking pattern in each team to make everyone motivated for achievement.



Learning for Millennials

The number of BCA employees keeps increasing and now 46% of employees are considered as Gen Y and very aware of technology. BCA create a culture of digitalization through various approaches, which includes experience and also new understanding provided throughout the learning process.

Learning digitalization

- e-learning
- mobile learning
- gamification content, video and YouTube

Human Resources Digitalization Services

- MyChat
- MyGuide
- MyMedical
- MyStatus
- MyLearning
- MyTransaction
- MyContacts



BCA Library Management System (BLIMS)

- Digital Library
- 20,776 members
- 1,656 titles, from general subjects to the BCA collection, and more than 6,000 exemplars of 21 newspapers and 14 magazines

BCA employee



60.4 %

Female Employee

43.8 %

Age <35 years old

Employee



Inclusive

Equal Opportunity is provided to everyone to join and make their career with us. Every year BCA hires employee candidates from all across Indonesia.

Recruitment

Gender
Diversity

As a bank, we uphold gender equality. The opportunity to further develop is provided to female employees as much as their male colleagues.

Women at BCA



32% of Executives including the Board of Commissioners and Directors are Female
53% of Managers are Female
65% of Staff Employees are Female
[405-1]

Recruitment

To fulfill the requirement of Human Resources, the Company provides opportunities for people to join with BCA. Recruitment is performed through the consideration of competencies and demands according to the Company.

To support the recruitment process, BCA develops additional interactions with the people regarding the job vacancy including karir.bca.co.id, social media accounts, and job fairs. The applicants who meet all the conditions will follow to further selection stages according to the regulations of BCA.

Since 2016 BCA has opened a special program called the 'Bankers Program' for management trainees to gain a complete knowledge concerning banking, on the job training experience in many working units in BCA,

also the opportunity to get involve in handling one project. The potential trainee will be placed in various managerial positions in BCA.

In 2018, BCA recruited 833 candidates for various positions as marketing sales, front-liner, and supporting workers as Information Technology staff and 4,190 Magang Bakti BCA interns.

Education and Training

Most of the learning is held by the BCA Learning Institute, in Sentul, Bogor, and is provided to the new employee, trainee and the permanent employees within the format of classroom or through e-learning. BCA is constantly improving the quality of learning methods with blended & experiential learning, which combines the learning materials with practice in the working place including on the job training, coaching, and mentoring. [103-2]

Learning methods have also improved to be more interactive with the use of video learning, video conference, and gamification which is always developing, and is able to attract more participants from outside the big cities.

Beside training and education, which is oriented towards the banking industry, BCA also emphasizes the development soft skills, which is as important as the technical skills improvement. Included in this program are topics concerning leadership, personal development, and coaching practices. [404-2]

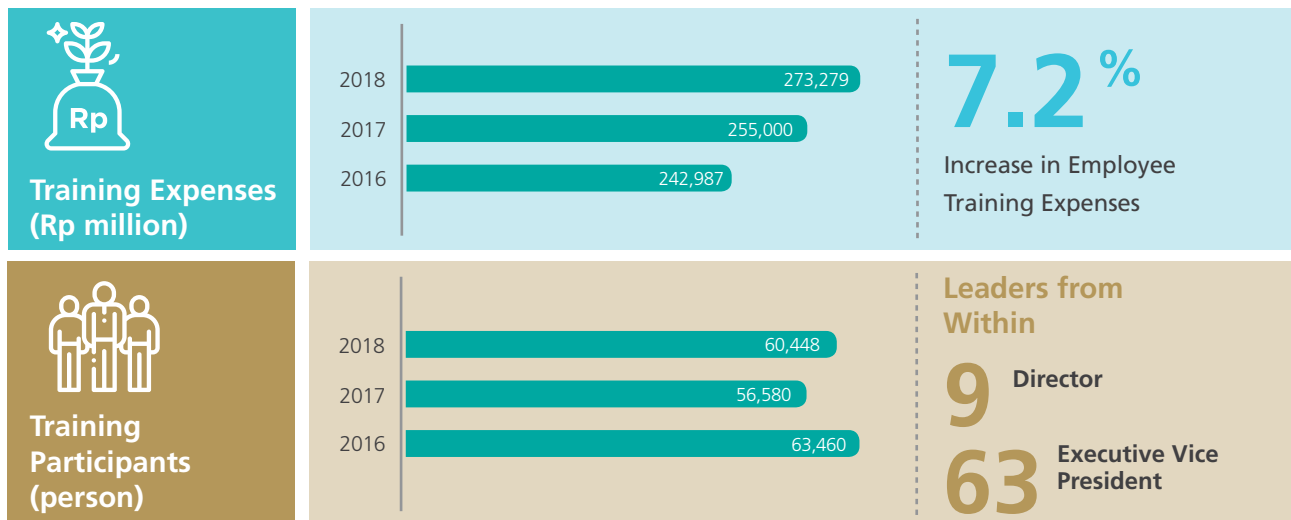
Leadership Continuity

Every BCA employee has the right of assurance for clear and planned career development according to the quality of target achieved by each individual and working unit. BCA is using a panel system to identify

talent in related working units with the Human Capital Management Division in order to plan individual development programs for each employee, succession and placement.

Leadership regeneration is one of the continuing challenges faced in BCA, because in the short term, many senior employees will soon be retired. Therefore, BCA is holding an acceleration program, where the chosen talents will receive a fast-tracked development program for two years compared to the usual three year scheme. We have prioritized internal Human Resources through our leadership program. Talent from outside will be hired if the internal Human Resources are not available, they do however need to be able to, and be ready to absorb BCA's culture and values.

Increasing Competence



BCA – Innovation Bank

BCA develops a culture of innovation from the employees ideas and observation of internal business processes, which is designed to increase our customers' satisfaction. The learning culture is developed formally through an independent learning process in groups of Communities of Practice (CoP), as the media for employees to share their knowledge and skills, meanwhile for leaders there is the CoP Forum that is often inviting special experts to discuss points regarding the latest strategic issues.

CoP is one part of the knowledge initiative in management in BCA, which began in 2009. Kaizen has been a working indicator for every leader, every working unit must apply projects each year.

Every year BCA hold its annual BCA Innovation Awards (BIA), which is a continuous improvement (Kaizen) competition and the idea is from CoP. From the BIA in 2018, out of a total of 1,906 employees, 798 innovation projects that were deemed to fit the criteria were

gathered. This figure has increased than last years, which gathered 681 projects.

Protection and Equality

BCA also strives to provide protection to all employees in their working place. Related to the protection of employees, BCA has developed some policies in which the purpose is to guarantee the rights and employment norms for each employee, which includes the following:

a. Strategic Company transparency policy in the field of employment

The employees are able to access employment policies, including the hiring, promotion system, and also online remuneration.

b. Transparency of information for employees

There are various platforms to deliver internal communication, from official correspondence, which includes handbill, e-mail broadcast, internal magazine (InfoBCA printed version and digital), call service Halo SDM, CoP (Community of Practice), and other media. BCA is also developing a communication tool through Facebook account called "*Semua Beres*", video sharing tool (MyBCA) and other tools.

BCA also applies technology through the HC Inspire application, which provides easy access to facilities for employees including MyChat, MyGuide, MyMedical, MyStatus, MyLearning, MyTransaction, dan MyContacts.

c. Labor Union

The Labor Union in the Company's environment has been present since 2000, the Labor Union is maintained independently by employees and is facilitated fully by the Company. The Labor Union is a strategic partner in maintaining Industrial Relations that are able to create enhanced productivity, which is useful for both sides.

The Company provides complete freedom to the employees to join in the Labor Union according to the rules and regulations applied.

d. Collective Labor Agreement

A Collective Labor Agreement is made and reviewed in order to better develop Industrial Relations, which are conducive and productive.

In 2019, BCA management and the BCA labor union entered into a new deal to apply the cooperation agreement for the 2019-2021 period.

100% of BCA's permanent employees' rights and obligations are protected through this PKB. [102-41]

100 %

Employees bound to the cooperation agreement



78.77 %

Employees as a member of the Labor Union (as of 31 August 2018)



6

The Labor Union in the BCA environment

e. Work Health and Safety

BCA provides additional focus when creating a safe working environment in the BCA offices, through developments and working room settings, which includes:

- Appropriateness and feasibility of facilities in work environment
- Cleanliness of the working environment
- Accord of the working room setting
- Precision in the placement of working tools
- Completeness and advisability of security tools.

BCA have applied our Business Continuity Plan (BCP), which forms a part of mitigation risk including work safety. Maintaining this aspect is coordinated by the Risk Management Working Unit located in the central office with regional offices covering all BCA branch offices across Indonesia.

To maintain the awareness and skill concerning Healthy and Safety in the Workplace, every employee must receive socialization, training, and drills every year. Some of the training for tall building evacuation training, fire or earthquake disaster, has been conducted in the regional and branch offices. An early warning is also provided to the employees through an Android application so as to raise the awareness and prevent any accidents. [103-2]

Beginning in 2014, BCA has performed internal assessments of the regional and branch offices concerning the readiness and responsiveness to prevailing emergency criteria. The result is then used as a reference for every bank office to ensure their places of work meet all the standards and to remedy and deficiencies.

In the aspect of health, BCA has implemented a health program for the employees which covers facility, insurance, and health education. The Health facility that BCA provides for employees includes the following: vaccination, inpatient, outpatient, maternity, optometry, dental, laboratory check-up, medical check-up and also Pap smear.

BCA facilitates the employees and their families to be members of BPJS health. Therefore, BCA has opened the BPJS registration collectively for the employees and their family members up to a maximum of 5 persons, with the related employee included. BCA also actively socializes health awareness.

Adopting a holistic approach towards maintaining Work Safety and Health, throughout 2018 there was no work accidents in the Company environment. [403-2]

f. Employment Complaint Mechanism

The Bank is fully committed to maintain communication with the employees, through various mediums, one which is Halo SDM (66900) which is accessible to employees in order to receive information concerning employment or Industrial Relations. This medium is accessible through the call network of BCA internal, with the security of confidentiality of all data and information provided to/by the caller.

Comparison of New Employee Salaries at the Lowest Level as compared to Regional Minimum Wages

1.45 : 1

Remuneration and Work-life Balance

Development of Human Resources is performed both continuously and in balance with the improvement of employees' prosperity as the medium to further develop the feeling of comfort and pride from the employees toward BCA.

BCA provides compatible remuneration as a reward for the employees in maintaining and increasing their performance based on the targets achieved, which were established. BCA is also compliant with all wage regulations applied in Indonesia.

Beside salary and allowance, BCA also provides extra bonuses like BCA shares with the purpose of raising the sense of belonging and ownership toward the Company. Shares will be distributed to permanent employees based on their performance over a certain period. [401-2]

BCA is also facilitating various activities to fulfill the employees' personal demands through group activities in order to support their hobbies and personal interests aside from their working routines. This community performs activities including photography, fishing, cycling, wayang culture lover, music, mountain climbing, and others.

Getting close to retirement, BCA conducts a preparation program for employees who are into the retirement age through training related to health, financial management, skills training, and others.

Employee Management Evaluation [103-3]

BCA realizes that to provide the best service to our customers, it is required that employees are first engaged with another team member, cross team, and with the Company. Therefore, BCA is focused on further developing a positive working culture in the BCA internal team through the Team Engagement (TE) program.

BCA has been developing the TE program together with Gallup since 2011. Its Process began with an internal survey and then through the implementation of an improvement and evaluation program by using a score card. The TE helps BCA employees to engage faster with their working environment so they feel comfortable working in BCA and hence they tend to be more productive in their shift.

Strong Engagement, competencies development, performance-based culture, career opportunities, which are in balance with work life are required to create a solid team of BCA employees who are committed and achieving well. The employee cycle is well kept and the Company is then able to concentrate on growth.

Counselling

Counselling service helps employees find solutions for their personal lives. BCA also organizes family prosperity training, including nurturing and raising children.

Day Care BCA

Since 2010, BCA has implemented a Day Care Program in several bank offices, for children of elementary school age, which operates after the Idul Fitri holiday.



Employee Expense

Rp 12,143 Billion

In the form of salary, allowance, etc.



Employee Shares Option

11,395,172 Sheet

With a price of Rp23,158.38 per share sheet
Average Buying Rate

HR Management Awards

Appreciation for BCA in managing its Human Resources also come from external parties. Regarding the consistency of managing Human Capital, which is in line with the business strategy, BCA received three awards in the 2018 HR Excellence Award event, which are the following: Recruitment Strategy-Rating A, Learning & Development Strategy-Rating A and Retention Strategy-Rating A.

The HR Excellence Award is an award event held by SWA magazine that has been working together with the Management Organization in the Economy Faculty in University of Indonesia (LM FE-UI) since 2008.

Team Engagement Survey
(Scale: 5)



Employee Turnover Rate (%)



Gallup Global Percentile



Community

BCA is implementing Social and Environmental Responsibility or Corporate Social Responsibility (CSR) as the realization of the Company's mission, which is to increase the franchise and stakeholder values. At the same time, BCA is also integrating a financial literacy mission into the CSR activities, specially through BCA Smart Solution pillar.

The Corporate sectors involvement is very much required to improve the living standards of society, especially those who are under privileged, since the government is limited in both access and finance.

BCA Approach [103-2]

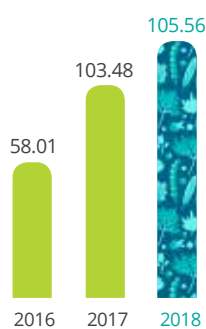
BCA implements a CSR program called Bakti BCA, which has three social initiatives, including BCA Smart Solution in education; BCA synergy solution in culture, health, sport, and empathy; also BCA Excellent Business

solution. Through Bakti BCA, we also take part directly in the effort to achieve the Continuous Development Purpose aside from the financial products and services that we provide. (look at page 20-21)

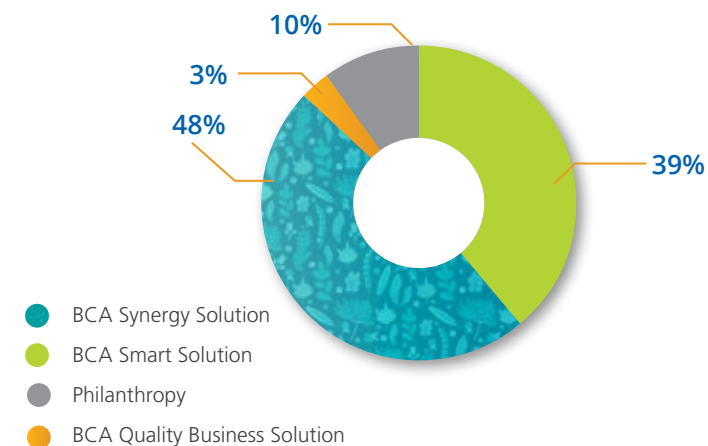
Together with our partners, BCA strives to enlarge the use for stakeholders by optimizing the use of resources, Bank networks and skills that BCA have.

Considering the importance of CSR, Bakti BCA's programs are managed and developed by the BCA CSR working unit with the division. This working unit is being led by the CSR Executive Vice President who are in charge of developing, executing, and coordinating the implementation of BCA's CSR. Furthermore, with the special division, CSR development can be more focused and targeted, and highlight its function as among the pillars of sustainable finance implemented by BCA. [103-3]

**Bakti BCA Fund Distribution
(Rp billion)**



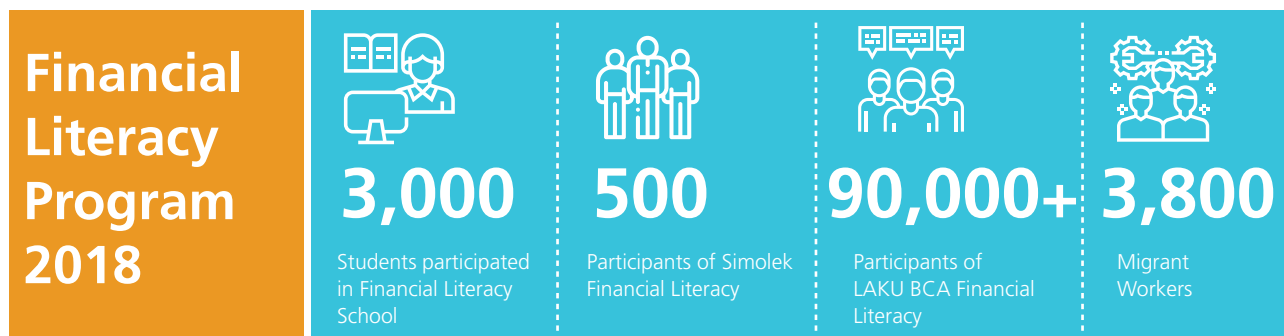
Allocation of CSR Fund Distribution



Financial Literacy Education [FS16]

Financial literacy education is one of the activities in BCA Smart Solutions, which endeavors to increase public understanding of the principles of financial management. In every Bakti BCA activity, financial

literacy becomes one of the key agendas in various forms. With an understanding of finance that is evenly distributed across all levels of society, financial inclusion can be achieved.



BCA actively supports financial literacy programs as part of its effort to increase Indonesia's financial literacy and inclusion index.

In 2018, BCA conducted several financial literacy programs, include:

- **Financial Literacy Education with Mobil Literasi Keuangan (SiMOLEK) initiated by the Financial Services Authority (OJK).** BCA supports OJK's SiMOLEK program by holding trainings in Samarinda, Tasikmalaya, Bandar Lampung, Medan, Bandung, Denpasar, Semarang, and Jakarta. Participants hail from various backgrounds, including traders, small and medium business owners, private sector workers, civil servants, lecturers and college students. Participants with small and medium businesses are taught how to manage their finances and separate them from personal finances. The activity aimed to improve financial inclusion and literacy index in regions with lacking infrastructure.
- **Financial Literacy for Indonesian migrant workers.** BCA collaborates with OJK, the Indonesian Consulate General in Hong Kong, the Agency for the Placement and Protection of Indonesian Migrant Workers (BNP2TKI) and other financial services agencies to hold a training on managing finances and financial services/products for Indonesian migrant workers. The training also

includes entrepreneurship education. It was attended by 3,800 participants.

- **Financial Literacy Education for Students.** Financial Literacy must be fostered since the early years. For this purpose, BCA holds financial literacy education for students, comprising trainings, savings simulation and edutainment.

In 2018, education was provided to students at several schools, including those in the Bakti BCA School Assistance program. Activities were held at SDN Taktakan 1 and SDN Taktakan 2 elementary schools in Serang, Bante; SDN 7 Gadingrejo elementary school in Gadingrejo, Lampung; SDN Ponjong 1, SDN Ponjong 2, SDN Banyubening, SDN Candibaru 2, SDN 3 Semanu, and SDN Kwangen elementary schools in Yogyakarta; as well as SD YPK Klawana, SDN Inpres 26, and SDN 12 elementary schools in Sorong Regency. These activities aimed at teaching children simple financial knowledge, including how to manage their pocket money. Children also learnt how to save money using the SimPel/SimPel IB products.

The activities also include mini expo of banking finance products packaged in an edutainment activity as well as introduction to wayang culture in Serang, Lampung and Yogyakarta. The events were attended by 3,000 students of middle and high schools.



- **Financial Literacy Education for Family Members of Indonesian Migrant Workers (Saba Desa).**

BCA holds trainings on financial management program, financial product/service knowledge and to disseminate BCA's FRe (Financial Institute Remittance) Cash program for family members and local communities in regions known as pockets of Indonesian migrant workers. Events were held in Ambulu Field, Jember, East Java; Cinangsi Field in Sidareja, Cilacap, Central Java; Juntinyuat Village

Hall in Indramayu, West Java; Jatirokeh Field in Songgom, Brebes, Central Java; and Campurdarat Field in Tulungagung, East Java. Each Saba Desa activity was attended by between 800 and 1,200 people.

- **Financial Literacy Education for Improving LAKU BCA Products.**

BCA holds trainings on financial management and savings for housewives, small and medium business owners, farmers and employees to advance the financial literacy program. Participants got the opportunity to learn about the differences between consumptive and productive debts. In 2018, events were held in West Java (Kuningan, Ciamis, Cirebon, Majalengka and Tasikmalaya), Central Java (Demak, Kudus, Jepara, Grobogan and Wonogiri) and Yogyakarta (Gunung Kidul). The events were attended by 91,425 people.



What do they say?

Ibu Nurhidayati

Housewife, Desa Sumber Giri,
Ponjong, Gunung Kidul

"Financial Literacy is very important for a housewife like me. The more the community understands how to manage the family finances, and understand the use of financial products and services, the bigger the financial transaction can be created. In the end, it will move the economic wheel."



What do they say?

Erna Kusmawati

Agent of LAKU, Dusun Grogol,
Nambuhan, Grobogan

"I am so happy to join the activity of financial literacy held by BCA. Beside meeting a lot of people, we were also awakened to the importance of saving money. By sparing some of our money routinely, we can increase our family's prosperity in the future."



"BCA will keep on striving to improve financial literacy in Indonesia, especially in the regions where the level of financial literacy is low. We also hope that this activity will motivate the students to build positive saving habits beginning at an early age for the sake of the future of Indonesia's young generation."

Cyrrillus Harinowo - Independent Commissioner of BCA

Bakti BCA and Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) have become an agenda for all stakeholders to work together in accordance with their respective contributions. There are 17 Global Goals which are the agenda to be achieved globally in 2030. As a financial services institution, BCA makes an indirect contribution for achieving this Global Goal through financing and

direct contributions through Bakti BCA activities. We want to play a role in achieving all those Global Goals, and at least as many as 12 Global Goals are directly related to the impact of the activities, products and services provided by BCA.

BCA Initiative	Impacted Global Goals				
Financing BCA financing products include commercial lending, project financing and lending to UMKM and inclusive financial services.	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY
Laku BCA and SimPel Branchless banking products in the form of basic saving accounts through Agent Laku BCA without having to come to the Bank office which eases the burden on the public. SimPel is a basic savings account specifically for students to develop a culture of passion and discipline in saving and financial literacy education. Both of them boost the financial inclusiveness in Indonesia.	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY
Bakti BCA Direct Social and Environmental Responsibility activities that touch beneficiaries in the fields of education, health, and empowerment are integrated with financial literacy education	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY
Human Resources BCA is the preferred workplace that provides equal opportunities including for women and opportunities for the best sons and daughters in Indonesia.	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY
Green Bank BCA initiatives to reduce negative environmental impacts with paper recycling, video conference, and smart building, and digital services for customers and contribute to the conservation of biodiversity.	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY
Sustainable Development Partnership Contributing actively with businesses and local and national entities in blended finance through SDG Indonesia One to finance SDGs infrastructure. Collaboration with other banking institutions in the Indonesian Sustainable Finance Initiative as an interaction medium for the implementation of Sustainable Finance in Indonesia.	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY

							Link
							Page 56-61
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BCA Smart Solution



Financial Literacy at BCA Day Care activities

Education is a major factor in the development of qualified human resources. It contributes to the advancement and development of Indonesia. BCA sustainably develops its social programs to contribute in the development of education for Indonesian youths. Such programs are developed through Smart Solution under Bakti BCA. In the long run, the program is aimed at improving the quality and competitiveness of Indonesia's human resource, especially the nation's youths.

Several Smart Solution programs developed by BCA include:

1. Non-Degree Education Program:
 - Non-Degree Accounting Program (PPA)
 - Non-Degree Information Technology Program (PPTI)
2. Bakti BCA Internship Program
3. Bakti BCA School Assistance
4. Bakti BCA Scholarship
5. Education Partnership
6. Financial Literacy Education.

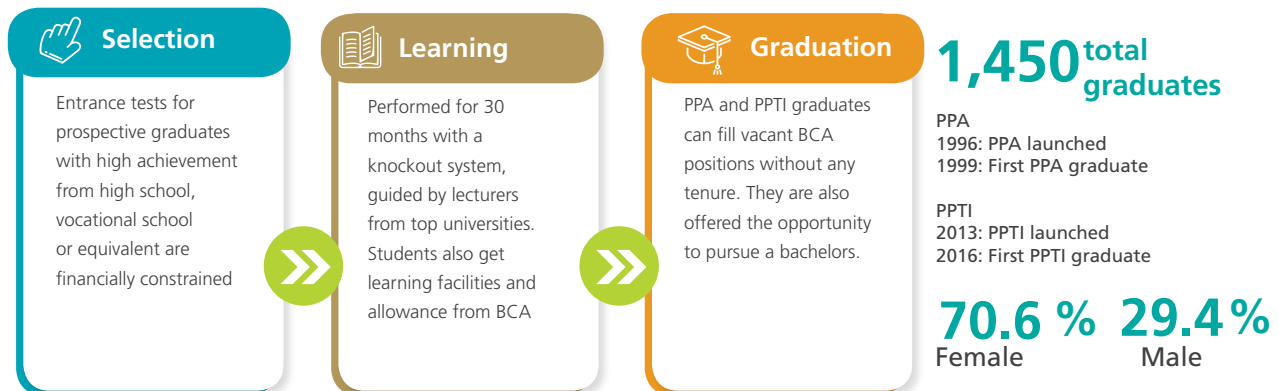
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Non-Degree Education Program

BCA has two Non-Degree Education Programs, which are the Accounting and Banking Program (PPA) and Informatics Engineering Program (PPTI). Both programs are intended for high school, vocational high school or equivalent graduates who are financially constrained. Participants of PPA and PPTI programs also come from outside of Java, with various backgrounds.

PPA and PPTI are managed by the BCA Learning and Development Division with very specific learning material from the banking sector. Educational participants also received soft skills training including leadership, cooperation, and financial planning. In its implementation, BCA collaborates with lecturers from top universities so that the graduates of this program have high quality, both in terms of academics and character. Aside from the activities in the classroom, students also have the opportunity to perform an internship at BCA.

Non-Degree Education Program



Bakti BCA Internship

As part of the effort to improve the quality of Indonesia's human resource, especially its youths, BCA develops the Bakti BCA Internship Program. It was first developed in 2002. The program is open to candidates with a high school or bachelor's degree. Only those who pass the selection process will be able to participate in the Bakti BCA Internship Program.

During the program, participants will get the opportunity to learn about banking operations. Learning materials include counting and sorting money, identifying the authenticity of Rupiah bank notes, skills as teller/CSO, knowledge on BCA products, mini banking and bank confidentiality simulations and many others.

Participants will have the opportunity to gain experience as a Customer Service Officer (CSO) or bank teller. Hopefully, the experience participants gain during the program will benefit them in the workplace.

The Bakti BCA Internship Program received 4,190 participants in 2018, more than 3,766 participants in 2017.

Bakti BCA Scholarship

Since 1999, BCA has held a Bakti BCA Scholarship program for undergraduate level education for selected students who have financial constraints in funding their studies. In contrast to other scholarship programs, scholarship recipients are included in activities to increase the skills of soft skills that are required when studying and preparing to enter the working world.

Bakti BCA Scholarship recipients will participate in mentoring activities, leadership training, sharing sessions from BCA and entrepreneurship. Through this self-development program, they are expected to be able to better know and develop their potential to achieve an optimal performance.

During 2018, BCA facilitated the provision of soft skills to Bakti BCA scholarship recipients, including leadership training at Sam Ratulangi University, Sepuluh Nopember Institute of Technology, Airlangga University, Bandung Institute of Technology, Padjadjaran University, Diponegoro University, Hasanuddin University, University of Indonesia, University Cendrawasih, Gadjah Mada University, Mulawarman University, Sriwijaya University, Brawijaya University, Udayana University, Bogor Agricultural Institute and University of North Sumatra. Previously, Bakti BCA Scholarship recipients also had the opportunity to receive mentoring from BCA management.

Participants and Graduates of the BCA Smart Solution Program

Program		2018	2018	2018
PPA	Number of Participants	376	378	378
	Alumni	134	128	122
	Join BCA	133	129	122
PPTI	Number of Participants	106	99	89
	Alumni	33	28	29
	Join BCA	33	26	29
Bakti BCA Internship	Number of Participants	4,190	3,766	3,721
Bakti BCA Scholarship	Receiver	629	637	588

16 Partners of State Universities

University of Indonesia, Bogor Agriculture Institute, Bandung Technology Institute, Padjadjaran University, Diponegoro University, Gadjah Mada University, Sepuluh Nopember Technology Institute, Airlangga University, Brawijaya University, Udayana University, University of North Sumatera, Sriwijaya University, Hasanuddin University, Sam Ratulangi University, Mulawarman University, Cendrawasih University. BCA also collaborates

with several institutions in offering scholarships. In 2018, BCA partnered with Santa Dharma University specially to provide scholarships to students from eastern Indonesia. The Bank also partnered with the Karya Salemba Empat Foundation (KSE), the Beasiswa Skripsi dan Tugas Akhir (BEST; scholarship for thesis writing) for students of the University of Indonesia, as well as Institut Koperasi Indonesia (Ikopin; Indonesia Cooperatives Institute).

Stimulating Future Generation Changes

In 2016 Indonesia was the 4th largest internet user in Asia, after China, India and Japan (internetworldstats.com). It is estimated that by 2020, 45% of internet users from a total of 480 million in Southeast Asia will be in Indonesia from around 88 million existing users in 2016. This high number does not mean that it is an advantage because of the Information and Communication Technology Development Index (IP) in Indonesia amounting to 4.34 it is still in the order of 111 out of 176 countries according to the International Telecommunication Union (ITU).

BCA also actively support the improvement of the quality of Human Resources (HR) by holding public lectures at The Padjadjaran University and Harapan Bangsa Technology Institute (ITHB) Bandung. In the public lecture, BCA explained how technology can simplify and align with customers' evolving demands, as BCA did with digital applications, Virtual Assistant Chat Banking (VIRA), e-Branch and so on.

Applicative knowledge sharing sessions for students will open their knowledge to explore future development potential.

So that the young generation of Indonesia is not only literate in technology applications but are also developing into the initiator of the right innovations.



Aside from the Public Lectures, BCA also held leadership training for outstanding students receiving Bakti BCA Scholarships. BCA held a two-day leadership training event for students facilitated by its partners from Unison and MIC Transformer. Participants received motivational and character-building training regarding integrity, as well as preparatory training for entering the business world. A mandatory mentoring class was also held regarding self-development through sharing and interactive sessions with BCA management and other scholarship recipients.

Bakti BCA School Assistance

BCA began to develop the Bakti BCA School Assistance program in 2000, in three provinces, which were Yogyakarta, Lampung and Serang for selected schools that have the potential to develop but are in a weak economic region. The form of development came in the form of the expansion of educational infrastructure, development of teacher competencies and consultation

of Learning Implementation Plans, Supervision and Evaluation of teachers and the development of student competencies.

Through this program, BCA was able to participate in efforts to improve the quality of education, including primary, secondary and high schools. Until 2018, there are 17 Bakti BCA School Assistance, around 530 Teachers, and around 8,671 Students.



What do they say?

Gregor Henneka Chief Private Fundraising and Partnership UNICEF Indonesia

"When talking about education, we usually think of school. But the results of the study show that the most important period in developing a child's brain occurs from the ages of 0 to 6 years. This is why UNICEF has placed a big focus on Early Childhood Development (PAUD). Thanks to BCA's support, we can now run PAUD programs that have a major impact in Sorong and Raja Ampat Districts for the third year.

The integrative holistic approach that we take in the PAUD program not only focuses on education but also on other important factors in child development, including nutrition, health, and child protection - so that children not only receive the benefits of stimulation for their brain and social development, but also can grow healthy and feel safe.

UNICEF strongly believes in the strength of partnerships and collaborative efforts to ensure every child has the same opportunity to grow healthy, receive an education and be protected. We are proud to have BCA as a partner who shares the same vision that the most important investment we can make is the investment for the future generations. These programs will not be possible without BCA's contribution. On behalf of the children who receive benefit from these programs, we thank you."



What do they say?

Siti Zumrotul Arifah Principal of SMAN 1 Karangmojo, Gunung Kidul, Yogyakarta

"While working with BCA, we have received a lot of assistance that can be used to improve the quality and service of learning and assessment. With the help of books every school year and computer assistance in the library, making the SMA Negeri 1 Karangmojo's library as the first digital library in Gunung Kidul Regency.

This motivates the school to improve the quality of the library, in terms of physical, service, and collection of books that are owned so that the school library can be accredited."



What do they say?

Dea Ayu Ninda Asyifa XI Grade SMAN 1 Karangmojo

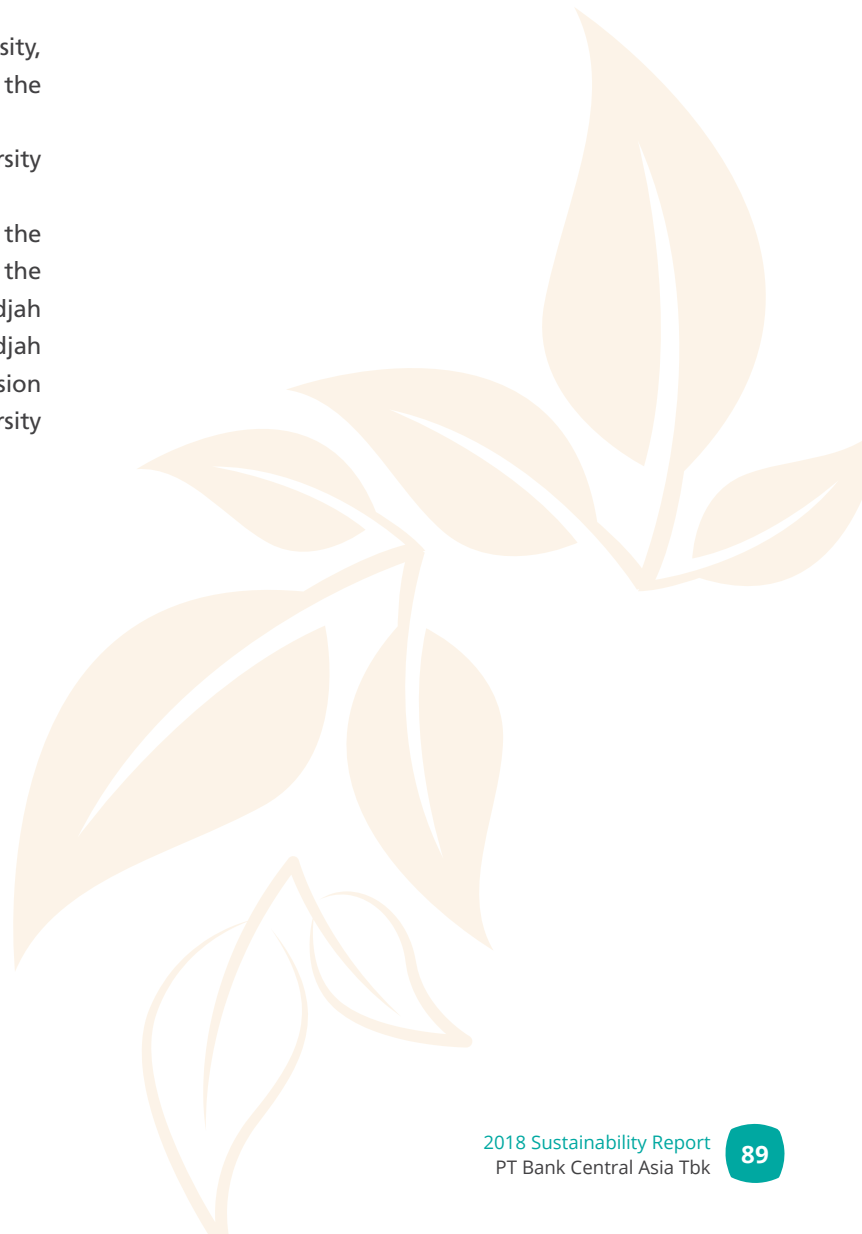
"In the Bakti BCA Scholarship program, I received a lot of knowledge, not only theory but through action. Besides getting financial management learning. Thanks to Bakti BCA, I took part in the Bhinneka Bagi Bangsa Expedition program in Jatiluhur, West Java with a friend from SMK 2 Ponjong, we represented DI Yogyakarta. In the program, I met friends from various regions, including Papua.

This is the first time I met in person and interacted with friends from Papua. I received many benefits from the program. We learned about tolerance, cooperation, loving Indonesia, diversity, and so on. Thank you BCA for the scholarship that was provided and entrusted to me."

Partnership with Educational Institutions

BCA works with institutions or universities with a view to improving the quality of education and learning in Indonesia. Programs of this nature are carried out continuously, include the following:

- In collaboration with the University of Indonesia, BCA supported various activities, such as the Bedah Kampus event, seminars, and delegating University of Indonesia students to various overseas activities;
- In collaboration with the Bogor Agricultural Institute, BCA supported the delegation of students to participate in overseas activities;
- In collaboration with the Technology Institute Bandung, BCA also supports the Real Work Lecture program and Study Excursion, as well as soft skills training for student organizations, regarding the characteristics of the current generation and the generation gap, learning evolution, teaching the innovative generation, and building excellent service;
- In collaboration with Diponegoro University, Semarang, BCA provided Bloomberg facilities at the Faculty of Economics and Business (FEB);
- BCA collaboration with Gadjah Mada University included the following:
 - Since 2015, BCA has been a sponsor in the development of a banking laboratory at the Faculty of Economics & Business (FEB) of Gadjah Mada University, improvement of the Gadjah Mada University library building, and provision of room facilities for the Gadjah Mada University music education program;
 - Support of vocational programs, including the development of mini banking at the Faculty of Economics and Business (FEB) and fintech academy at Gadjah Mada University;
- BCA actively participated in the Integrative Holistic Early Childhood Program (PAUD HI), coordinated by the United Nations Children's Fund (UNICEF). The Bank's involvement in this program demonstrates its support for government programmes. Together with UNICEF, BCA also submitted donations for learning support books, teacher handbooks, and educational teaching aids for PAUD in Sorong and Raja Ampat in West Papua.
- BCA directors and top management were also active as speakers at public lectures at several universities, including the Harapan Bangsa Institute of Technology, Padjadjaran University, and Bunda Mulia University.



BCA Synergy Solution



An all-night wayang kulit (shadow puppet) show featuring Ki Manteb Soedharsono was held at BCA KCU Semarang.

BCA Synergy Solution is one of the pillars of Bakti BCA in its efforts to support the development of the nations, including in the forms of culture, health, empathy, sport and environment awareness in Indonesia. In the implementation of this program, BCA works in synergy with a variety of credible and competent institutions.

Bakti BCA for Culture

Since 2012, BCA has actively developed the “BCA for Wayang Indonesia” program. Wayang is a unique Indonesian cultural heritage recognized by UNESCO. “BCA for Wayang Indonesia” comprises various activities, particularly addressing the younger generation. This is because the younger generation is born and raised in an environment that has minimal contact with wayang. Indonesian Wayang has been a means of passing down the noble values and culture of Indonesia over the generations. Events in the “BCA for Wayang Indonesia” program include:

- **Wayang for Student**

“Wayang for Students” program involves middle school and high school students in various cities. In 2018, 4,028 middle school and high school students were involved in the “Wayang for Students” program, which was held in four regions, namely Bandung (1,504 participants), Semarang (780 students), Jakarta (744 students and teachers) and Gunung Kidul (1,000 participants). BCA also

holds Wayang Day for elementary school students, attended by around 200 students in Bogor.

Wayang for Student is held continuously, as a follow up of various programs implemented prior to 2018. In May 2018, BCA held the “Wayang for Students” focus group discussion (FGD) with wayang artists, students and teachers. The FGD aims to explore locals’ views on the proper platforms and strategies to get the younger generations closer to wayang art.

In November 2018, BCA worked together with Asia Wangi to introduce wayang to elementary school students through the “Wayang Day” program, which comprised wayang coloring competition and a wayang performance to introduce wayang to the participants. The event was held at the BCA Bogor branch office. The event also included financial literacy session, where participants were encourage to open savings accounts.

- **Cultural Education**

In February 2018, to commemorate BCA's 61st anniversary, BCA Regional Office II worked together with BCA's Indonesian wayang lovers community (Asia Wangi) to hold the **Gelar Seni Budaya** (Arts and Culture Exhibition) at the Semarang Branch Office. There was a wayang performance of the "Saptaarga Binangun" act by puppet master Ki Manteb Sudharsono. In the occasion, Asia Wangi presented the Sembrana Laksmi dance that symbolizes BCA's four values.

BCA works together with Asia Wangi to distribute wayang-themed books to several schools and universities in several regions in Indonesia through the "**Wayang Book for Indonesia**" Movement in July 2018. Other than distributing books, BCA also held seminar with experiences speakers and the Topeng Malang wayang performance. Through the event, BCA hoped to increase youths' interests and knowledge on wayang to educators and the younger generation.

Bakti BCA in the Health sector

In its efforts to help improve public health, BCA works together with several institutions to provide healthcare for those in need. In 2018, BCA held the following activities:

- **Cataract Surgery**

Since 2001, BCA has worked together with the Cataract Blindness Control Unit of the Association of Indonesian Ophthalmologists (SPBK Perdami) to provide cataract surgeries free of charge for underprivileged patients.

Throughout 2018, BCA helped facilitate cataract surgeries for 574 patients in six hospitals, namely RSAU dr. M. Hassan Toto Lanud Atang Sendjaja Bogor (72 patients), RS Mata Prima Vision (47 patients), RS Colombia Medan (70 patients), Enggano Island Bengkulu (36 patients), RSUD Tais Bengkulu (80 patients), RSUD Morotai Maluku (127 patients). BCA also cooperate with Kick Andy Foundation to facilitated cataract surgery in RS Elim Rante Pao South Sulawesi (109 patients) and RSUD Siwa South Sulawesi (33 patients).

In 2018, BCA also donated two microscopes to SPBK Perdami's central board and one microscope to Perdami Jakarta chapter. Total donation given to SPBK Perdami was Rp1.315 billion. Previously, at the end of 2017, BCA donate one *Phacoemulsification Cataract Machine Intuitiv* AMO and three sets of cataract surgery supporting equipment, worth Rp659.5 million.

Through the program, BCA aims to support the government's program to reduce blindness rate due to cataract and support the World Health Organization's (WHO) Right to Sight program.

- **Free Medical Treatment**

BCA collaborated with Bakti Medika Clinic and Duri Utara Medical Practice to provide high-quality and affordable healthcare services. The program aims to help underprivileged communities enjoy quality healthcare facilities, including medical treatment and Family Planning (KB) consultations.



In 2018, 15,570 patients received healthcare services. Duri Utara Medical Practice served 11,383 patients. Meanwhile, Bakti Medika Clinic served 4,187 patients.

Apart from that, in 2018, BCA provides free medical treatment and eyeglasses in various regions, including:

- Duri Utara Clinic, Bakti Medika Clinic
- Gemah Sumilir Pekalongan
- Wukirsari Wayang Tourism Village
- Goa Pindul Tourism Area
- Pentingsari Tourism Village
- Tamansari Tourism Village.
- **Bakti BCA Blood Donation**
Bakti BCA Blood Donation has been carried out since November 1990 in cooperation with the Indonesian Red Cross (PMI). The activity was held three to four times a year, not only in Jakarta but also in BCA regional or branch offices. In 2018, BCA successfully collected 2,631 blood bags. BCA also four sets of Blood Scale and Mixer.

In 2017, BCA was awarded with a MURI Record Award as the First National Private Bank with 100 Blood Donation Events. In the occasion, BCA donated one operational vehicle to PMI's Jakarta chapter, which was symbolically carried out on November 3, 2017. It is hoped that this will help PMI's Jakarta chapter to fulfill blood needs in Jakarta and the surrounding areas.

- **Health Education**

Apart from actively supporting the procurement of healthcare facilities, BCA also held healthcare education sessions for Indonesian youths. In 2018, the sessions were provided to 700 students of SD Negeri 1, SD Negeri 2, SD Negeri 4 and SD Negeri 5 elementary schools, as well as MI Sunan Giri Islamic boarding school, in Tamansari Village. The event will hopefully increase locals' awareness on health issues, preventive ways and health knowledge.

- **Other Health-Related Activities**

In 2018, BCA supported various healthcare institutions, including the Alzheimer Indonesia Foundation (ALZI), TB eradication, and other initiatives, both in the form of donation and sponsorship.



What Do They Say?

dr. Endang Pratiwi

Head of the Division of Blood Procurement,
Jakarta PMI Blood Donation Unit

"Blood Donation Activities are held routinely at BCA, one of which is at the Head Office, this really helps us to fulfil the blood stock for blood transfusion services in DKI Jakarta Province.

At the end of this year, we were very grateful to BCA for donating a blood mixer and scale tool for PMI unit cars. The tool is very crucial for the safe and quality blood preparation process. We hope that BCA will continue and always support the efforts of DKI Jakarta UDD PMI in fulfilling blood stocks and producing safe and quality blood for patients."



What Do They Say?

dr. Umar Mardianto, SpM(K)

Chairman of SPBK PERDAMI Center

"We have collaborated with BCA for Social Services for Cataract Surgery in many regions across Indonesia, even in remote areas since 2011. Indonesia's diverse geographical conditions and the limitations of ophthalmologists, often become obstacles for people to receive health services, especially cataract surgery. However, with BCA, we can reach remote areas, even if the terrain is difficult.

For every cataract patient in one family, especially with sharp eyesight which is categorized as blind, causing one family member of the productive age who must take care - become unproductive. This will have an effect on the disruption of economic stability in the family. After undergoing cataract surgery and being able to see again, patients can take care of themselves and one more family member can be productive again so that the family's economy will also be helped.

Meanwhile, the limitation of the number of cataract surgeries in all hospitals covered by the Social Security Administering Agency (BPJS) can result in an increased Cataract Surgical Rate (CSR) and increased queues or buildup the number of cataract patients who require cataract surgery.

Inevitably, the Social Services for Cataract Surgery conducted with BCA has helped improve the Cataract Surgical Rate (CSR), which is a benchmark in the effort to eradicate cataract blindness. This activity has certainly helped in reducing the rate of blindness in Indonesia, and is ultimately helping to achieve Vision 2020."

Clean water for Gunungkidul

The drought that hit the Gunungkidul area in June 2018 triggered BCA to help and provide clean water through a drill well worth Rp300 million. The donations collected were used for the construction of two new drill wells in order to improve clean water services and meet various community demands.

Besides overcoming droughts that affected 4 villages out of 11 sub-districts in Gunungkidul Regency, the availability of clean water was expected to support the economic activities of the community through tourism. Gunungkidul is one of the tagged tourism potentials for local and foreign tourists, because it has 13 geopark sites that have entered the Gunungsewu geopark network and have been designated by UNESCO as a unique form of Gunung Kidul.

BCA activities to improve access and quality of public health



Bakti BCA Empathy

In 2018, BCA provided financial aid of Rp250 million to Asmat people, including for tackling measles and malnutrition emergencies. BCA donated Rp175 million and through employees' social action, BCA donated Rp311 million for the Lombok disasters. This aid not only provided for the basic needs for the people but also contributed to the construction of the Aula Sahabat Lombok for people to carry out daily activities. The remaining amount is donated in the form of staple needs. For Palu disasters, BCA worked together with BCA Syariah to raise Rp1,000 million and through employees social activities action to raise Rp300 million.

BCA also gave donations to locals in other disaster-affected regions. In 2018, donations were distributed in Pidie Aceh, Gunung Kidul, Asmat, Sinabung, Lombok, Palu and victims of the Sunda Strait tsunami. BCA also gave donations to support the construction of 2 (two) bored wells in Gunung Kidul, in order to provide clean water and help fulfill clean water needs, especially during the dry season.



BCA and BCA Syariah have provided aid to victims of the September 28, 2018 tsunami and earthquake in Palu and Donggala, Central Sulawesi. Following the August 5, 2018 Lombok earthquake in West Nusa Tenggara, BCA built the Lombok Aula Sahabat (Lombok Friendship Hall) in Orong Kopang village, North Lombok regency, which was inaugurated on Nov. 26, 2018.

Tenun Ikat, Indonesian Legacy into the Spotlight

Indonesia has a variety of archipelago insight wealth, one of which is unique weaving, complicated but charming. This wealth is the masterpiece of the creative work of the community which is passed down from generation to generation.

The characteristic of weaving that inspired BCA to make the Trosro tie weaving as our employees' new uniforms starting in 2018. We collaborated with Didiet Maulana from IKAT Indonesia to design and create the corporate identity uniforms while empowering ikat weaving craftsmen.

On July 9, 2018, after a process of 2 years, BCA employees simultaneously wore a new uniform with a Trosro weaving accent, a distinctive natural blue and yellow color with clove motifs that reflected BCA's identity. The launch was implemented through the BCA Cafe event titled "Tenun Ikat, Indonesian Legacy into the spotlight" featuring BCA directors Jahja Setiaatmadja, Lianawaty Suwono, Vera Eve Lim, fashion designer Didiet Maulana and economist A.Prasetyantoko.

Aside from showing identity as a domestic bank, with weaving we want to provide a deeper meaning to our uniform. With that design, employees are expected to be encouraged by their loyalty, dedication and pride BCA hopes to inspire other institutions to preserve culture in a sustainable manner by creating mass demands that will revive the creative long-term economy in Indonesia.

Each employee at the same time becomes a tie weaving fashion ambassador, because they gain knowledge about how to make, how to use it, and how to maintain it so that they can educate customers and encourage more interest in the community.



Troso Village is located 15 km from the city of Jepara, Central Java, almost every house there is a cloth craftsman Troso, shop and home industry sometimes as a gallery.

After a while, this village tended to be deserted because most young people preferred to work in garment factories rather than becoming weavers, which were hereditary activities. Troso woven fabric is indeed expensive, but the manufacture takes 3-4 days to weave for 1 meter or a month to finish a piece of cloth.

But this condition changed when BCA moved the village located in Pecangaan District-Center Jawa to complete orders for Troso woven fabric to be used as uniforms.



45,000 meters

Troso woven fabric
made to be uniform



2 year

process of manufacturing
from the creative
process to uniform
manufacturing



2,500 weavers

The uniforms are hand-dyed,
so each uniform is unique.

BCA Excellence Business Solution

BCA Excellence Business Solution is a program that focuses on community empowerment through economic activities so that people can grow and achieve progress independently. The target of this program is MSME and community-based economic activities including creative economic activities.

One of the focuses of community empowerment is through tourism which is a leading sector in increasing economic growth. The tourism sector is ranked fourth in the national Foreign Exchange contributor, which is at 9.3 percent and contributed significantly to the national GDP (Minister of Tourism, Arif Yahya - October 2017). The Government expects GDP from the tourism sector to achieve 8% in 2019 up from the previous 4% in 2015.

Seeing this potential, one of the community empowerment activities performed by BCA is the development of guided tourism villages with their respective advantages. BCA works with the community to facilitate in developing the tourism potential in each village. The forms of facilitation provided include improving the quality of Human Resources administrators or managers of assisted villages.

1. Gua Pindul Tourism Village

BCA works together with Gelaran II Tourism Association in supporting the establishment of Gua Pindul Tourism Village in Bejiharjo Village, Karangmojo District, Gunung Kidul, Yogyakarta. The Gelaran II Tourism Association is a community initiated by the Bejiharjo village youth group. The partnership aims at developing tourism Gua Pindul, a tourist destination in the form of a cave with a 350-meter-long and five-meter-wide river. The tourism village development is aimed at empowering the local community through creating jobs and business opportunities.

Support for the Bejiharjo Village youth group was adjusted to BCA's competency and excellence, including:

- o Various human resource capacity development trainings, including on tourism development soft skills such as the Golden Heart Leadership and Creative Selling Skills trainings.
- o Tourism facility development assistance, including to renovate tourism supporting facilities such as repairs of waterways, toilets, praying spaces and road access heading to tourism sites.

2. Pentingsari Tourism Village

Pentingsari Tourism Village has been BCA partner since 2014. Pentingsari Tourism Village is located on the slopes of Mt. Merapi in Cangkringan District, Sleman Regency, Yogyakarta. Its tourism potentials include nature tourism, cultural tourism and agriculture. Among the tourism packages it offers is a live-in package, where tourists can live among locals and feel what it is like to live in a village.

BCA also trains locals on how to manage human resources and develop infrastructure and facilities. After helping in the construction of the village secretariat, standardization of homestay facilities, and construction and repair of a village hall to receive guests, in 2018 BCA helped renovate toilets for the disabled and construct a "welcome" gate.

In human resource development, BCA also provides trainings. In 2018, BCA facilitated several trainings, including on creative selling skill, leadership for village administrators, communications and leadership with respect to regeneration of managers, and homestay standardization refreshment for all homestay owners. In the long run, it is hoped that training programs can improve the quality of service and income of villagers.

3. Wukirsari Tourism Village

Wukirsari village is located in Imogiri District, Yogyakarta. The region is known for its leather handicraft art, known as tatah sungging, including leather shadow puppets (wayang kulit) and other leather crafts. Wukirsari Village is famed as a learning destination for the wayang art, among both local and foreign tourists.

BCA has provided guidance at Wukirsari Tourism Village since 2015. In its development, Wukirsari villagers has gained skills not only in producing and marketing their shadow puppet handicrafts. Currently, Wukirsari has also provided cultural education classes for the preservation of the traditional shadow puppet art for the younger generation. For this purpose, in 2018, Wukirsari Tourism Village worked together with BCA's "Wayang for Student" program to develop shadow puppet training and performance program for students of several local schools.

To support progress of micro, small and medium enterprises (MSME), BCA facilitates several trainings, including on creative selling skills for the village's marketing team and the Golden Heart Leadership training for village administrators. BCA also invited MSMEs from Wukirsari village to several exhibitions, such as the Jakarta Fair and the Indonesia Knowledge Forum (IKF) in Jakarta.

BCA supports the renovation of shadow puppet performance space to help preserve shadow puppet culture in Indonesia. To follow up on this, in 2018 BCA helps improve the shadow puppet performance space.

4. Gemah Sumilir Tourism Village

Gemah Sumilir Tourism Village has tourism potential as a batik center with batik education and research facilities. The village is located in Kajen, Pekalongan Regency, Central Java.

Since 2016, BCA has provided guidance, including to facilitate soft skill development for tourism village administrators and donations to develop infrastructure and facilities.

Trainings provided for BCA in 2018 include on providing professional services, leadership and creative selling skill in order to help the development of micro, small and medium batik businesses (UMKM batik) in Pekalongan. BCA also provides opportunities for UMKM members of the Gemah Sumilir Cooperative to market their batik products in various exhibitions such as the Jakarta Fair, the Indonesia Knowledge Forum & Expo and various other exhibitions in several cities.

5. Dusun Kopi Sirap - Gunung Kelir

Kelir is the name of a mountain in Semarang Regency, Central Java. On its slopes, dozens of hectares of coffee plants are cultivated by village-based farmers. In Dusun Sirap, Jambu District, there is coffee shop called Warung Ndeso Doesoen Kopi Sirap that is established by children of local coffee farmers.

Dusun Kopi Sirap - Gunung Kelir offers culinary tourism focused on coffee as the hamlet's natural product under the theme of "Ngopi Asyik di Alam Indah Doesoen Kopi Sirap" ("Fun Coffee-Drinking in the Beautiful Nature of Dusun Kopi Sirap"). Tourists can obtain knowledge on coffee cultivation, processing and serving. Apart from that, there are various coffees on offer, each with their own unique characteristics. Visitors can sip their coffee while enjoying the serene and comforting natural surroundings.

In 2018, BCA provided fostering and guidance, including in prime service refreshment, creative selling skill training, services and branding standardization and assistance to build coffee house and the necessary equipment. BCA also provided tourism village package curation from Pentingsari Village.

6. Tamansari Tourism Village

Tamansari Tourism Village is located on the slopes of Mt. Ijen, Licin District, Banyuwangi Regency. As a tourism destination, Tamansari Village focuses on giving tourists the village life experience, which includes farming; cultivating coffee, clove and chocolate; and sulfur-mining. Apart from that, the village is also famed for its wealth of floras, faunas and local culture, such as Gandrung Dance. BCA has worked with the village since 2015.

In 2018, BCA gave trainings on leadership, creative selling skill and batik-making, as well as helping provide supporting infrastructure and facilities such as permanent stairways to Sendang Seruni, toilets for Sedang Seruni visitors and Gapura Sendang Seruni.

7. Pucak Tinggan Tourism Village, Badung, Bali

Pucak Tinggan Tourism Village is located in Pelaga Village, Petang District, Badung Regency, Bali. Pucak Tinggan is known as a religious tourism destination for Hindu adherents, especially Kharisma Pura Pucak Mangu. Other than the Pucak Mangu temple, Pucak Tinggan is also famed for its natural charms and culture. In the village, tourists can get to know more about nature, living environment, processing agricultural and farming products and local arts. Tourists can also trek around Pucak Tinggan.

In 2018, BCA held the Prime Service Standards and Golden Heart Leadership trainings. BCA facilitates service trials as a way for tourism village administrators to get reviews and evaluations from visitors.

In order to improve its tourism services, BCA helps provide information boards, signboards on tourism sites, directional sign boards, toilets at the trekking route and parks improvement.

8. Gunong Lumut

The Gunong Lumut protected forest area has potentials in the form of wealth of floras in an area of 42,000 hectares with its highest peak at 1,210 meters above sea level in East Belitung. At an altitude of 70 meters below the peak, tourists can find various types of moss on the soil, rocks and tree barks. Tourists can also find various types of orchids.

Since 2018, Gunong Lumut has been in partnership with BCA. At first, BCA provided trainings for tourism administrators, including on:

- Prime Services and Service Standards Training: it is hoped that administrators can obtain knowledge on the tourism industry and communications and service skills.
- Golden Heart Leadership training: to give leaders and leader candidates the understanding on the functions and roles of leaders and to inspire and effectively lead team members through positive behavior.

In its effort to standardize tourism services in Gunong Lumut, BCA helped renovate the hut's roof (atap pondok).

9. Bukit Peramun

The name Bukit Peramun (meaning "Concoction Hill") is derived from locals' habit of using indigenous plants to concoct medicines. The village is located at an altitude of 129 meters above sea level in West Belitung. Floral and fauna wealth is used to set up various photo spots, including hobbit house, love bridge, twin stone and flying car. Bukit Peramun is also famed as a digital village, due to its administration's success in applying a QR Code-based system to introduce visitors to local plants, as well as a dual-language Virtual Guide, namely in Indonesian and in English.

BCA began to work with the village in 2018. At first, BCA facilitated several trainings, including Prime Services, Service Standards, Creative Selling Skill and Golden Heart Leadership. In order to support facilities and infrastructure, BCA provides donations to develop praying space (mushola), digital information system, monument/inscription, and others.

10. Aik Rusa' Berehun Tourism, Terong

Aik Rusa' Berehun tourism in Terong is famed as a creative village due to its administration's success in transforming a local abandoned mine into a tourism destination in West Belitung. In the village, tourists can enjoy Belitung's local delicacy known as Bedulang, alongside water-based tourism, homestay, camping ground and the stunning vistas of Tebalu Hill, mangrove area and vegetable farms.

Starting in 2018, Aik Rusa Berehun tourism in Terong has worked with BCA. At first, BCA provided trainings for village administrators, including on Prime Services and Service Standards, Creative Selling Skill and Golden Heart Leadership. To maximize the village's potentials, BCA provides donation to build kitchens, selfie spots, bridges and other infrastructures.

11. Sijunjung Minangkabau Traditional Village

Among the tourism assets the Sijunjung Minangkabau traditional village has is the Rumah Gadang (Minangkabau traditional house) that locals still preserve. What is unique is that villagers in the area that surrounds the Rumah Gadang hail from various ethnicities. Visitors can get to know directly the Minangkabau culture preserved by villagers.

Currently, BCA provides support in the form of soft skills training for village administrators, including Prime Services and Prime Service Refreshment. BCA also provides help with facilities and infrastructures, including cleaning and other equipments for 15 traditional houses. Other than that, BCA also supports promotional item development, such as tourism village video production and donation of volley ball equipment. A Youth and Sports Ministry Cup was held in the traditional village.

12. Silokek Village

Silokek Village was declared as a national geopark. Its exotic panorama, geological heritage and floral and fauna diversity are some of the area's wealth. Stalactite and stalagmite caves with its natural beauty are major tourism attractions. Stalactite and stalagmite caves with their natural beauty are a major tourist attraction. Other than that, there are waterfalls, white sandy beach and a legacy of the Japanese colonial era in the form of a steam locomotive.

BCA develops soft skill training for tourism village administrators and tourism infrastructure help to traverse the cave, including helmets, head flashlight, boots and cleaning equipment such as wheeled garbage carts. Apart from that, BCA also helps produce a tourism video of Silokek tourism and donates the Sepak Takraw sports in the competition for the Youth and Sports Ministry Cup at Pasir Putih, Silokek.

Other donations

To ensure the sustainability of BCA's programs in developing arts and culture in Indonesia, BCA actively supports several organizations with dedication and integrity in developing national culture, both in donation or sponsorship. Organizations partnering with BCA include the Indonesian Puppeteers Association (Pepadi), Unima Indonesia and the Indonesian Puppetry Society (Senawangi).

BCA Patronage Tourism Village

WEST SUMATERA

SILOKEK VILLAGE

Rafting Tour, Geopark Tour, Dutch Steam Train.

SIJUNJUNG CUSTOMS VILLAGE

Village Tour & Traditional Houses, Padang Weaving, Dance and Homestay.



BANGKA BELITUNG

AIK RUSA' BEREHUN TOUR, WEST BELITUNG

Water Tour, Kremis Hunting, Agro-tourism, Bedulang Culinary, Homestay, Camping Ground, Weaving and Cat Camping.

PERAMUN HILL, WEST BELITUNG

Nature Tour, tarsius Observation, Educational Tour, QR Code Facility, Bedulang Culinary, Selfie Spot, the Twin Stones, Planting and Adopting Trees, Geo-tourism.



GUNONG LUMUT (MOSS MOUNTAIN), EAST BELITUNG

Gunong Lumut Trekking, Various Moss, Various Forest Orchids, Selfie Spots.

CENTRAL JAVA

GEMAH SUMILIR TOURISM VILLAGE, PEKALONGAN

Culture Tourism (Batik Education, Practice of Batik, Weaving Practice).

KOPI SIRAP (SIRAP COFFEE) VILLAGE, KELIR MOUNTAIN, SEMARANG

Culinary and Agro Tourism (Processing of the Coffee Beans/ Production, Coffee Plant Seedling).



BALI

PUCAK TINGGAN (THE TOP OF TINGGAN) TOURISM VILLAGE

Trekking, Arts and Culture Tourism, Traditional Coffee Processing, Honey Bee Cultivation, Palm Sugar Processing, Taro Chips, Bio-gas Education, Camping Ground.



12 Patronage
Tourism
Village

Increased from 7 villages
in 2016

6 Province

Location of the fostered
tourism villages

DAERAH ISTIMEWA YOGYAKARTA

GOA PINDUL (PINDUL CAVE) TOURISM VILLAGE

Eco and Geo Tourism: Cave Exploration (Goa Pindul, Sri Oyot Cave, Cristal Cave, Sriti Cave), Team Building/Outbound, Homestay, Culinary, Transportation.

PENTINGSARI TOURISM VILLAGE

Live-in Package, Nature Tour, Homestay, Trekking, Outbound, Gamelan Lesson, Making Suket Puppets, Batik Education, Arts and Culture Attraction.

WUKIRSARI TOURISM VILLAGE

Wayang (Puppets) Education, Puppet show, Puppet Village Exploration, Gamelan Lesson, Homestay.



EAST JAVA

TAMANSARI TOURISM VILLAGE

Plantation and Agriculture Trekking, Coffee processing, Sendratari Gandrung (Gandrung traditional dance performance), Nature tour, Roam Kawah Ijen (Ijen Crater), Homestay.



What Do They Say?

Iswandi

Tourism Manager Aik Rusa' Berehun, West Belitung

With the cooperation in developing the guided tourism villages with BCA, we feel we have received help. On one hand, there is a strengthening of Tourism HR, which will improve the quality of Aik Rusa 'Berehun Tourism services. This of course adds motivation and insight into the development of tourism programs that we offer. Aside from that, on the other hand, we also received assistance in building the physical facilities and tourism infrastructure for tourism standardization at the Aik Rusa 'Berehun Tourism spot. We hope that the guidance and assistance can be performed continuously for the progress of the tourism village program. "



What Do They Say?

Adie Darmawan

Chairman of the ARSEL Community, Bukit Peramun, West Belitung

"Since the training conducted by BCA, we have gained new knowledge/insights regarding the tourism business service. Assistance from BCA eased our difficulties in developing Peramun Hill, especially in terms of tourism facilities and infrastructure. Aside from that, we also gained an unforgettable experience when transported by BCA outside the region to share knowledge with other tourist villages. Regarding that opportunity, we were able to meet fellow village tourism managers, share experiences and motivate each other, and gain a further reference to manage our tourism village. "



Sustainability Performance: ENVIRONMENTAL

"Efforts to minimize environmental impacts are also implemented by integrating environmental preservation principles into our banking solutions for customers."



350 MWh

Reduce the electricity consumption at Menara BCA, Wisma Asia II and Wisma Pondok Indah



34

Bank offices apply Green Office

- 105 BCA Approach
- 106 Environmental CSR
- 107 Material Use
- 107 Use of Energy
- 109 Water Savings
- 111 Bakti BCA for Environment
- 113 Evaluation of Environmental Performance

BCA is highly committed to manage banking operations responsibly and complying with all applicable environmental regulations. This commitment is to ensure all parties strive to maintain business sustainability.

BCA strives to mitigate the negative impacts of operational activities by implementing best practices in energy management, transportation, paper use, and water use in the workplace. [103-1]

BCA APPROACH [103-2]

Efforts to minimize environmental impacts have also been implemented by integrating the principles of environmental preservation into banking solutions for our customers, including the encouragement to utilize our digital products and services.

BCA has undertaken initiatives designed to minimize the use of materials that cause pollution. This activity is coordinated by the Logistics and Building Division (DLOG). In implementing its role, DLOG develops, monitors, and evaluates the use of natural resources and emissions from the Bank's operational activities.

BCA enthusiastically encourages the involvement of all employees in the Go Green movement. BCA realize that employee participants will be contribute to success the program.

BCA Approach



Media used to campaign Green Office movement

- MyBCA website
- Facebook group Semua Beres (it is a closed group for employees only)
- Community of Practice (CoP)
- Communication management
- Display ads on tv
- InfoBCA magazine

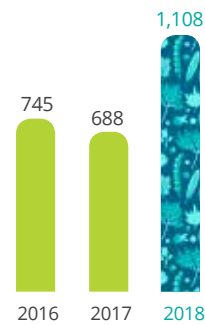
Employee's Involvements

- Turn off the lights during lunch breaks
- Bring own tumblers
- Use two sides of the paper when printing anything
- Use a digital library only
- Etc.

Environmental CSR

In addition to environmental management in banking operations, BCA contributes to environmental preservation through our CSR program in the Environmental Pillar, which is managed by the BCA CSR work unit.

Distribution of Environmental CSR Funds (Rp million)



Green Office Campaign material.



Material Use

Reducing paper usage for internal and external information has been a long-term effort by BCA. The main approach taken for this initiative was to use various digital communication platforms.

In our internal processes, BCA utilizes electronic medium like e-mail, the myBCA intranet portal, document search system applications, e-Filing, Enterprise Backoffice Integration (EBI), e-Approval, and Self Service/Employee Self Service (MSSESS) Managers that cater to the various demands of BCA employees. Human Resource services can be accessed through smart phones so that the process can be performed faster, without paper. If papers are still required, printing activities are regulated by printer pooling and the rules for using paper front and back.

By increasing the use of communication through various electronic medium like social media channels, BCA has been able to reduce the demand for printed items including BCA product brochures and fliers. [103-2]

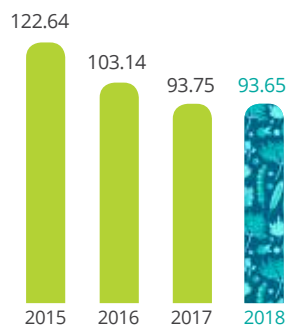
Use of Energy

Since 2011, BCA began to retrofit lighting using LED lights. The switch to LED lights has been implemented continuously and adapted to our building utility maintenance activities or the development of new buildings.

Lighting optimization began at Landmark - Pluit Building using motion & light sensors. The sensor is able to identify unused rooms so that it can save energy. The light will automatically turn on when someone enters a room with the right light intensity. The most significant energy consumption in the building is air conditioning. Therefore, BCA has begun to make further efforts in energy efficiency using inverter technology and a Variable Refrigerant Volume system that allows the use of air conditioners to be controlled based on the demands of each room.

BCA has started using direct solar energy for lighting in the basement. With the use of solar energy, it is expected to increase our energy efficiency in the BCA building. At present, BCA has used video conferencing as a means of communication between branch offices, regional offices

Use of A4 paper (equivalent in tons)*
[301-1]



9.2%

Reduced use of 2015-2018 HVS papers

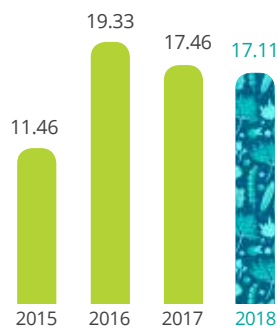
* average weight of 1 A4 size HVS paper ream - 80 grams = 2.495 kg /ream

and headquarters throughout Indonesia. BCA has also implemented a system of vehicle use between office locations, which is shuttle and car pooling. This initiative has had an impact in reducing the consumption of fuel. [103-2]

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to increase our energy efficiency in the BCA building. At present, BCA has used video conferencing as a means of communication between branch offices, regional offices and headquarters throughout Indonesia. BCA has also implemented a system of vehicle use between office locations, which is shuttle and car pooling. This initiative has had an impact in reducing the consumption of fuel.

**Electricity Usage (GWh)*
[302-1]**



11.47 %

Reduction of electricity
consumption in Menara BCA,
Wisma Asia II and Wisma
Pondok Indah 2016-2018

* The 2015 data includes Wisma Asia II and Wisma Pondok Indah, 2016 data plus Menara BCA, 2018 data plus Landmark Pluit.

Smart Building Solution

BCA took the initiative to implement a smart building solution with the Building Management System (BMS). This automation technology can effectively manage energy for air-regulating equipment, lighting, and the operation of pumps.

BCA has also planned a new building that uses a double glass facade design that will reduce the energy consumption of air conditioners, thus saving energy and being more environmentally friendly. The KCU Landmark Pluit Building has implemented a Building Automation System to further improve energy efficiency.

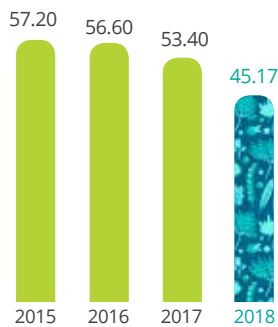


Water Savings

BCA continuously conducts campaigns to educate each of its employees regarding the efficient use of water. Although water is mostly used for domestic purposes, BCA is also obliged to look after water resources so that access and sustainability are maintained. There are various sources of water utilized by BCA, which include the supply of PDAM (water supply company) and ground water, depending on the location and availability of access to clean water where the bank office operates.

Water efficiency is implemented by maintaining water installations, using water-saving taps, eco-washer, and water saving campaigns. In several buildings equipped with domestic Waste Water Treatment Plants (IPAL), BCA uses processed water from Waste Water Treatment Plants (WWTP) for non-hygienic demands such as watering plants. BCA have implemented this system in the BCA Pondok Indah office and KCU Bintaro. [103-2]

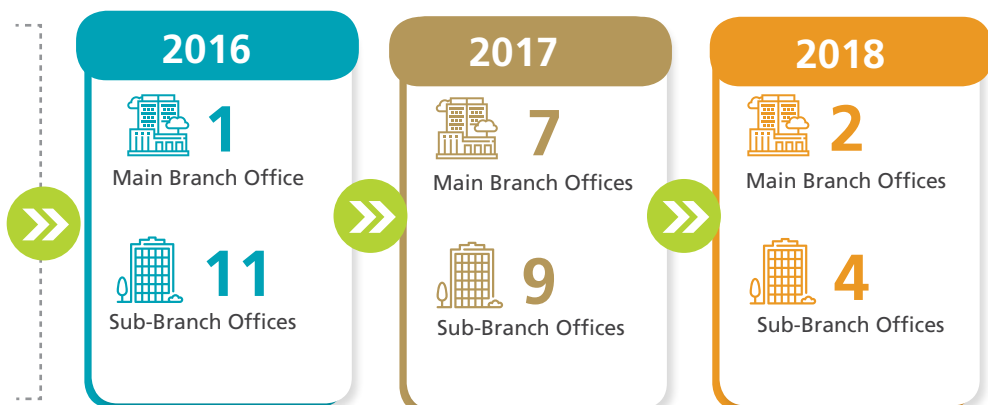
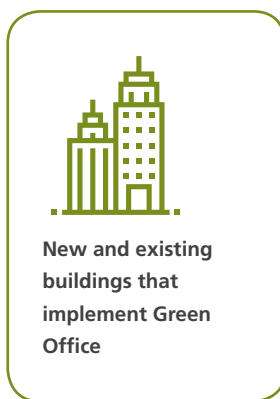
Retrieval of Water* (thousand m³)
[303-1]



20.19%

Reduction of PDAM water withdrawal at Menara BCA, Wisma Asia II and Wisma Pondok Indah 2015-2018

* Water consumption from PDAM, not including ground water. 2015 data includes Wisma Asia II, Wisma Pondok Indah, for 2016 data Menara BCA was added, and for 2018 data Landmark Pluit Building was added.



Digital Banking

BCA's digital financial products and services are expected to reduce the environmental carbon footprint. The most basic point regarding digital services is to reduce

customer visits to bank offices, so as to reduce fuel consumption, prevent air pollution, use of paper and save time significantly.

Digital services including e-statements and the like reduce the demand for paper use and transportation for shipping, and ultimately reduce waste. BCA sees that this effort should continue to be encouraged without reducing our service quality, customer privacy, and the principle of prudence.

In line with the development of lifestyle and the broader availability of internet access, the development of digital transactions were recorded at 98% in September 2018, while transactions carried out at branch offices were only 2%. However, in terms of transaction value, branch transactions accounted for 54% of the total transaction value at BCA.

myBCA

Banking solutions in the form of myBCA digital outlets in shopping centers enable electronic banking services, user friendliness, and supermarkets.



11




QR code peer-to-peer transfer for BCA Mobile and Sakuku e-wallet



Server-based electronic wallets



Mobile apps for access Internet and mobile banking services



Banking virtual assistant, accessible through popular chat apps

Location of bank offices * that are equipped with myBCA Video Banking facilities:

- myBCA Kota Kasablanka
- myBCA Central Park
- myBCA Emporium Pluit
- myBCA Bintaro Xchange
- myBCA Ciputra World Surabaya
- myBCA Grand City
- myBCA Learning Center Sentul
- KCP Hybrid Summarecon Mal Serpong
- KCP Hybrid Gandaria
- KCU Hybrid Thamrin
- KK Hybrid Sekolah Vokasi UGM



Bakti BCA for Environment

Indonesia is a country that has extraordinary biodiversity. Its wealth covers 15.5 percent of the world's total flora and 10 percent of the world's total fauna according to data from the Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2015-2020 compiled by Bappenas (National Development and Planning Agency), the Ministry of Environment and Forestry, and LIPI.

Biodiversity (or termed as Kehati in Bahasa Indonesia) is not only related to ecosystems and flora and fauna conservation but also demonstrates potential economic value. The Coordinating Ministry for Economic Affairs considers the economic potential of genetic resources derived from biodiversity to achieve USD19.4 billion or 1.9% of GDP. (Ministry of Economic Affairs, 2018).

However, this potential wealth is not presented without threats. The preservation of endemic flora and fauna in Indonesia is driven by human activities including deforestation and environmental damage including climate change. Given the importance of the biodiversity resources for life, BCA also contributes to the conservation of flora and fauna in Indonesia.

- **Releasing Orangutan**

In support of animal preservation in Indonesia, BCA gave donation to the Borneo Orangutan Survival Foundation (BOSF). In 2018, BCA collaborated with BOSF to release six orangutans from the Orangutan Rehabilitation Center in Samboja (BOS Samboja Lestari) to the Kehje Sewen Forest in East Kutai Regency.

Orangutan (*Pongo abelii*, *Pongo tapanuliensis*, dan *Pongo pygmaeus*) is a protected wildlife in Indonesia with an important role in the forest ecosystem, especially as an umbrella species. Currently, it is estimated that only around 57,000 orangutans still live in Kalimantan. The population has continuously decreased due to forest conversion, illegal logging, forest fires, wildlife hunting and illegal animal trade. This serves as the basis for BOS Foundation's efforts to rescue, rehabilitate and reintroduce orangutans to forests, with support by orangutan habitat conservation initiatives.

Other than reintroducing orangutans to forests, BCA and BOSF held Orangutan Conservation Education program. Under the Orangutan Goes to School program, 10 schools in Samboja participated in training sessions on the importance of conserving orangutans and their habitat. Public Awareness and Publicity Program is conducted through printing specially designed Flazz cards and playback of video on orangutan conservation on the BCA Tower big screen in commemorating the International Orangutan Day.

In 2018, BCA distributed Rp319.6 million in donation. In 2017, BCA donated Rp200 million. Also in 2017, BCA supported orangutan release from the Orangutan Rehabilitation Center in Nyaru Menteng to the Bukit Baka Bukit Raya National Park (TNBBBR) in Central Kalimantan.

BCA continuously supports BOSF. BCA has supported BOSF activities in preserving the habitats of protected wildlife since 2012.



What do they say?

Jamartin Sihite
CEO Borneo Orangutan Survival
Foundation (BOSF)

"So far, we have felt various benefits of having working relationship with Bakti BCA, one of which is the release activities on a regular basis. With the cooperation, it provides insight, community care about finances and conservation efforts for orangutans and their habitat, especially for the school students around the BOSF work area.

In the future, we sincerely hope that this collaboration and assistance will continue. By implementing this program, it is hoped that it can be an inspiration for other financial institutions to also participate in supporting efforts to conserve wildlife, especially orangutans and their habitat."



- **Environmental Conservation**

In 2018, BCA supported environmental conservation through several programs. BCA continued its support for WWF Indonesia's NEWtrees program.

For this purpose, BCA participated in mangrove planting at the Ujung Kulon National Park. Together with WWF Indonesia, BCA invited local communities to be involved in seeding, nurturing, planting and monitoring the growth of mangrove trees. Hopefully this provided not only positive impacts for the environment but also a sense of belonging and an alternative source of income for locals. Total donation for the program was Rp504 million.

The mangrove planting was a follow-up of a previous planting in various other locations, including the Mangrove Ecotourism site at Jakarta's Indah Kapuk Beach, Blanakan Subang, Tanggamus Lampung, Muara Kali Opak Yogyakarta, Lamong Bay Surabaya, Lam Ujong Aceh Besar, Bengkayang West Kalimantan, Muara Gembong West Java, Wringin Putih Banyuwangi and Pejarakan Bali. With a total of 18,000 mangrove seeds planted, approximately 36.84 tons/ha of CO₂ will be absorbed in the 10 years

after the planting. This will help improve various habitats in the coastal regions. As of 2018, BCA and WWF have planted 7,500 mangrove seedlings.

Apart from that, in 2018 BCA continued to support Banyuwangi Sea Turtle Foundation's (BSTF) sea turtle conservation program. This involved the release of baby sea turtles, or tukik, in the Selamatkan & Lestarian Aku (Rescue & Conserve Me) program. In the program, 100 sea turtle nests were conserved. The program also includes sea turtle conservation education aimed at students, fishermen and locals in Banyuwangi. This education was delivered to around 150 junior high school students, around 150 elementary school students, and some 125 fishermen and local people.

BCA has collaborated with the Crab Ball Mangrove Indonesia Foundation to organize mangrove conservation. It also created several Community Empowerment activities through a crab cultivation system, which is called Crab-ball, in Langensari village, Blanakan, Subang, West Java. The activities included the purchasing of 1,000 units of Crab-ball equipment, the purchase of tools to support the

Indonesia Biodiversity Facts

23% of the world's mangrove ecosystems are in Indonesia, which has almost **3.5 million** hectares of mangrove area.

6 of the seven species in the world can be found in Indonesia.

Within **16** years, nearly **150,000** orangutans became extinct in Kalimantan.

There are only **68** Javan rhinos living in Ujung Kulon National Park.

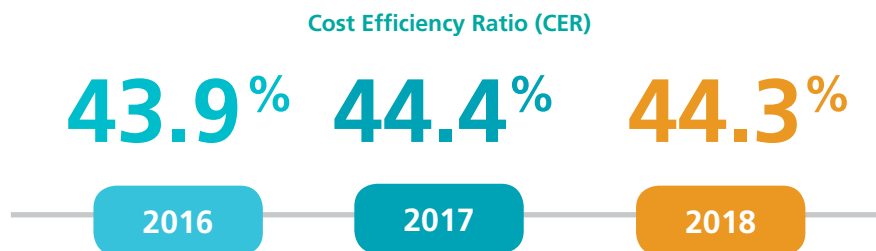
crab cultivation system and the buying of crab seeds and feed. BCA also facilitated operational activities, training assistance and intensive accompaniment support for one harvest period out of three months.

Some of the proceeds from the Crab-ball sales will be used to benefit the mangrove conservation funds. The funds will cover mangrove seeds, planting activities and maintaining the mangroves in the village's mangrove area.

Evaluation of Environmental Performance [103-3]

At this time BCA has not set any metrics related to Environmental Management. However, BCA targets that every business activity is to be performed efficiently. BCA acts efficiently in all environmental aspects, including

energy, water, paper and others are indirectly affected in efficiency in the form of decreasing the Bank's operating expenses.





RESPONSIBILITY IN DEVELOPING SUSTAINABLE FINANCIAL PRODUCTS AND SERVICES

"In order to be better and better, BCA never cease to improve the quality of its products and services through innovation."



"Best Data Governance in Banking Digital Services" Awarding from Asosiasi Big Data Indonesia & AI."



1,722
LAKU BCA Agents

- 114 Responsibility in Developing Sustainable Financial Products and Services
- 116 Innovation and Development in Products and Services
- 120 Benefits of Inclusive Financial Services
- 122 Customer Satisfaction Survey
- 123 Supporting Information
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- 127 POJK 51 Reference

Responsibility in Developing Sustainable Financial Products and Services

As an agent of trust, the Bank has inherent risks in providing its products and services to the community. The ongoing growth of technology that goes together with the increasingly diverse range of banking products, multiplies the risk exposure to financial products and services abuse that decreases the trust of stakeholders.

As a firm that relies on the trust of the people, BCA must manage its business in a transparent manner as a part of the Risk and Reputation Management. With a high level of trust, the Bank's customers and community will continue deposit funds and use the banking services provided. So, the Bank will continue to be able to distribute the aforementioned funds to move the nation's economy. [103-1]

BCA APPROACH [103-2]

BCA never stops improving the quality of its products and services to be a better bank by always implementing innovation. For BCA, innovation isn't merely about being in-the-trend or high sophistication, our spirit of innovation comes from a desire to provide more benefits and added-value for all Indonesian people and additional contributions to our national economic growth. Regarding this essential principle as well, we place our digital financial services, which we have developed in order to support multi-channel, integrated banking solution services.

Along with the ongoing development of our products and services, BCA is focused on maintaining the principle of prudence and the implementation of compliance, participating in the prevention of financial crimes and also developing Sustainable Finance.

Reliable financial services are inseparable from the aspects of customer security, from the introduction of financial products and services, through to the customer service stage and also the continuous protection of customers' data security.

As part of BCA's commitment to be a responsible and reliable bank, BCA organizes financial literacy education programs and provides inclusive financial services.

BCA - The Value of a Brand

From the very start, BCA remains true to its commitment for our customers, which is attention to service quality that is thorough, precise, and accurate for our customers. Service quality has developed in to one of the top priorities of BCA in creating excellent services for its loyal customers.

Revision and sustainable innovation according to our customers' demands as well as technological development is continuously implemented. BCA actively develops and pushes innovative digital banking services, so that our customers can enjoy seamless, fast, safe and comfortable banking transactions.



BCA's consistency to improve its service quality has resulted in appreciation from our customers and increased overall business. In 2018, BCA became the only Indonesian company in the Top 100 Most Valuable Global Brands on the BrandZ list. For 4 consecutive years, BCA has ranked first in the BrandZ Top 50 Most Valuable Indonesian Brands.

According to a Millward Brown survey, which was a survey that combines the financial value created by a brand and the brand's contribution.



USD12.7 billion

BCA Brand Value, increased 20.2% from USD10,53 billion in 2017



#99

Ranked in the Global Top 100 BrandZ, the only brand from Indonesia.



#1

Ranked in BrandZ Top 50 2018 Most Valuable Indonesian Brands, for the fourth time, consecutively.

Innovation and Development in Products and Services

BCA is always creating service innovations and developing features to improve our customer's convenience, comfort and flexibility. The form of services provided is also tailored to the segments and demands of our customers, which is in line with the values that have been instilled by BCA, they are "customer focus - integrity - teamwork - continuous improvement to achieve excellence." [103-2]

Digital Financial Services

BCA continues to develop financial products and services to meet our customers' financial demands in line with the latest developments in digital trends including internet banking, mobile banking and app tech based financial services. BCA has and will continue to develop a complete, reliable range of digital products with the right customer segmentation.

For an active millennial lifestyle, BCA provides the Sakuku app, this is e-money based on a smart phone app, which replaces physical debit cards that is also available for use by BCA non-customers. Sakuku makes daily banking transactions like payments, top up, bill splits and cash withdrawals seamlessly easy to do. Since its launching, Sakuku has been downloaded more than 500 thousand times on the Android platform.

BCA has taken innovative steps for the corporate and SME segments. BCA has developed the Application Program Interface (API). BCA API was created to meet the demands of the financial technology players for easy banking transaction services by integrating their sites and applications with the BCA banking transaction system.

BCA Empowers MSME and Cooperatives

BCA through the BCA Mitra Sejahtera Employee Cooperative in Bandung and KCU Bandung in collaboration with the Co-op Mart Community to support the empowerment of farmers' and electrification through account opening and the provision of electronic data recording machines (EDC). Thus, members of the Co-op Mart, especially MSME entrepreneurs and farmers in West Java can meet bankable criteria.

The Co-op Mart is a cooperative icon initiated by the National Cooperatives for cooperatives and SMEs who want to develop and gain more exposure in bigger markets, presented in a mini market format where the owner is a customer, or the customer is also the owner.

BCA also facilitates BCA customers and partners, to add insight through workshops. Since 2011, BCA has organized the annual Indonesian Knowledge Forum (IKF). In 2018, the IKF VII Forum titled Fostering



Innovation and Creating Value Through Digital Transformation, was held on October 9-10 2018 and presented approximately 20 inspiring speakers from various industries. On that occasion, the forum participants shared their knowledge and experience in developing innovation and strengthening the value of digital transformation.

BCA consistently strengthens its digital services in order to meet our customers' demands. In 2018, BCA introduced a transfer transaction service using Quick Response (QR) technology, under the name QR Ku. This banking solution also complements features in BCA Mobile and Sakuku.

Data security and customers' privacy

In developing digital products and services, BCA still prioritizes risk mitigation. This has been implemented so as to protect consumers, especially in operational risks, compliance risks and customer's privacy. Naturally, BCA is revising and updating its digital services including its security features. Since 2016, GSIT (Group

Strategic Information Technology) has received ISO/IEC 27001: 2013 certification for the Information Security Management System regarding Data Center Network Services and Data Center Operation Services. [103-2]

In terms of data management, BCA was awarded the "Best Data Governance in Banking Digital Services" from the Big Data Indonesia & AI Association (ABDI) at the DataGovAI Summit, 2018 Expo & Awards.

During the reporting period, there were no significant cases reported as violations of data security and customer privacy. [418-1]

PRODUCT EVALUATION

Before issuing financial products or services, BCA evaluates each product plan and new activity to ensure that the new product or activity meets the applicable regulations, including risk reviews.

In accordance with all laws and regulations, 100% of the financial products and services issued by BCA have been evaluated to cover all risks including customer security. Throughout the reporting period, all banking solutions launched by BCA went through a series of procedures and BCA did not terminate nor withdraw any of its financial products from the public. [417-1]

The risk assessment performed by BCA for new products and activities issuance plans, is according to the types of risks contained in the Bank Indonesia Regulations (PBI) No. 5/8/PBI/2003 dated May 19, 2003 along with the changes, including PBI No. 11/25/PBI/2009 dated July 1, 2009, and Bank Indonesia Circular Letter No. 11/35/DPNP dated December 31, 2009. [103-3][F56]

Financial Services Access

(Per Desember 2018)



Although digital banking continues to grow, BCA continues to develop its conventional services by expanding its branch offices to loyal customers. Even though branch transactions only represent **2%** of total transactions, the transaction value at the branch office still achieved **54%** of the total transaction value of **Rp27,664.7 Trillion** while the digital transaction value was **Rp12,798.6 Trillion**.

National Payment Gate

In 2018, the Government implemented the National Payment Gate (GPN) system in Indonesia, which united all the national banking payment gateways into one. With GPN, customers do not need to find the same transaction engine as the card issuing bank and the cost of interbank transactions have become cheaper as compared to those that have used services from abroad. More broadly, the payment system is more efficient because of the sharing of infrastructure between banks in Indonesia and encourages the independence of the national payment system.



Marking the support and participation for the success of this GPN, in May 2018, BCA launched the BCA GPN Passport Card. BCA has provided three types of cards, which are BCA debit cards, BCA Platinum debit, and BCA Gold debit. BCA GPN chip technology also applies to other bank machines.

Benefits of Inclusive Financial Services

BCA provides two Branchless Banking products, which are LAKU BCA, which is a Basic Savings Account and DUITT which is e-money based. The provision of LAKU BCA and DUITT services are performed through cooperation with other parties (agents) and supported by the use of Information Technology facilities.

Since 2015, BCA has been one of the key banks that organizes non-office financial service programs in the context of financial inclusion (LAKU Pandai) initiated by the Financial Services Authority (OJK). The LAKU Pandai program is an effort to facilitate and bring the community closer to banking services, so that more people have adequate access to various financial services and transactions.

LAKU BCA is an individual savings account, with simple requirements. BCA LAKU transactions can be performed through an agent, which is located around the community areas and not in the Bank's offices. LAKU BCA features are opening and closing accounts, cash deposits and withdrawals, account transfer inquiries, and balance checks.

DUITT or DUIT Telephone is a payment and financial system service which collaborates with a third party (agent) and uses an Electronic Data Capture (EDC) facility to transact. Unlike LAKU BCA, DUITT is not a savings account, so it is not guaranteed by the Deposit Insurance Corporation (LPS), the maximum balance is 5 million rupiah and it does not earn any interest. The opening of a DUITT account is very easy, by just providing a cell phone number and identity card, go to the nearest DUITT Agent, and fill out the form provided. [103-2]

Student Savings Account



For the student segment, BCA has launched the Student Savings products, which are SimPel and SimPel iB for students on October 25, 2016. SimPel is intended for PAUD (kindergarten), elementary, middle and high school students who are under 17 and who do not possess a KTP (national ID card).

The requirements for opening a SimPel savings account are very easy, besides the initial deposit is small, free of monthly administration fees, and the minimum amount

of deposit is affordable. Participants will be provided with and own a SimPel card with their own name on it.

SimPel and SimPel iB are the realization of the Presidential Regulation regarding the National Strategy for Inclusive Finance held by the OJK and the financial services industry. The purpose of Student Savings is to support and encourage students to cultivate their interest in saving money.

ATM Wicara or Talking ATM for with Visually Impaired People

In addition to inclusive financial products, BCA also provides financial services that are inclusive of people with disabilities. BCA provides an Automated Teller Machine (ATM) specifically for blind people. ATM Wicara is equipped with a headset to listen to the guides instructions and buttons that have braille touch points. This feature is expected to help blind people in conducting various banking transactions through BCA ATMs.

BCA Talking ATM are located at:

- | | |
|---|--|
| 1. Indomaret Raya Kramat Jati, Jakarta | 11. Enagoya Mart & Cafe 1, Jakarta |
| 2. Indomaret Bona Indah II, Jakarta | 12. Thamrin 2, Jakarta |
| 3. Alfamart Pluit Sakti, Jakarta | 13. Alfamidi Karang Tengah, Jakarta |
| 4. Indomaret Pluit Utara Raya 43, Jakarta | 14. Ramayana Kramat Jati, Jakarta |
| 5. Alfamidi Kelapa Gading, Jakarta | 15. Ramayana Cilegon, Banten |
| 6. Alfamart Daan Mogot Raya, Jakarta | 16. Indomaret Kopo Sayati 309, Bandung |
| 7. Alfamart Rusun Kemayoran, Jakarta | 17. Indomaret Secang, Jawa Tengah |
| 8. Indomaret Lontar Atas (T09D), Jakarta | 18. Circle K CK0112 Timoho, Yogyakarta |
| 9. Graha Kas Kebayoran 1, Jakarta | 19. Circle K CK0111 Sosrowijayan 2, Yogyakarta |
| 10. Intercon 1, Jakarta | 20. PT Sumber Makmur Anugrah 1, Temanggung |

Laku Pandai Program

Laku Pandai is abbreviated from Officeless Financial Services in the Context of Inclusive Finance, which provides financial products that are simple, easy to understand, and in accordance with the demands of people who are not able to reach financial services.



1,722

Number of LAKU
BCA Agents

LAKU BCA

Savings As Easy As Smiling

Customers are not limited to transacting through agents, but also through mobile phones. Only by accessing *141#, then choosing LAKU and choose the desired transaction.



55,979

Number of LAKU
BCA Accounts

Customer Satisfaction Survey [103-3]

BCA constantly innovates its services and upgrades features aimed at enhancing the convenience, comfort, and flexibility of customers. The types of provided services are also tailored to customer segments and needs, in accordance with BCA's values of "customer focus - integrity - teamwork - continuous pursuit of excellence".

To better understand customer perceptions, BCA conducts customer survey in collaboration with independent institutions. The results of the customer survey set a benchmark for constant customer service improvements. The survey is held twice a year with two measurement categories:

- CE (Customer Engagement), indicating customer loyalty to BCA.
- BSQ (Branch Service Quality), indicating the quality of Service Reception, Teller and Customer Service Officer at branch offices.

Results of BCA Service Performance Assessment



Supporting Information

Employee Profile

A. EMPLOYEE STATUS

Employee Status	2018		2017		2016	
	Male	Female	Male	Female	Male	Female
Permanent	9,418	14,504	9,664	14,679	9,654	14,163
Contract (including contract, probation period, trainee)	485	557	516	580	564	692
Total by Gender	9,903	15,061	10,180	15,259	10,218	14,855
TOTAL		24,964		25,439		25,073

B. BY YEARS OF SERVICE

Years of Service	2018		2017		2016	
	Male	Female	Male	Female	Male	Female
« 1 Year	510	667	671	1,041	1,862	893
> 1 - 5	2,262	4,705	2,247	4,801	2,846	1,514
> 5 - 10	928	1,698	685	1,117	609	431
> 10 - 15	327	446	268	353	613	324
> 15 - 20	600	1,112	706	1,230	3,735	2,312
> 20	5,246	6,440	5,603	6,717	4,303	4,540

C. LEVEL OF EDUCATION

Level of Education	2018		2017		2016	
	Male	Female	Male	Female	Male	Female
High School or Lower Level	2,380	1,977	2,688	2,180	3,075	2,324
Diploma (D1-D4)	571	1,427	642	1,609	745	1,795
Bachelor's degree	6,449	11,294	6,396	11,124	5,773	9,558
Master's degree	469	369	450	345	418	290
Doctoral Degree	4	1	4	1	3	1

D. LEVEL OF POSITION

Level of Position	2018		2017		2016	
	Male	Female	Male	Female	Male	Female
Executive	57	27	62	27	53	19
Manager	2,066	2,280	2,017	2,152	1,909	1,931
Staff	6,746	12,584	6,950	13,044	6,577	11,971
Non Staff	1,004	177	1,151	36	1,475	47

E. BY AGE

Age Range	2018		2017		2016	
	Male	Female	Male	Female	Male	Female
« 25 Years	953	1,787	1,082	2,305	881	2,079
> 25 - 30	1,969	4,159	1,848	3,858	1,395	2,671
> 30 - 35	804	1,256	676	953	516	695
> 35 - 40	415	788	525	1,070	791	1,644
> 40 - 45	1,258	2,454	1,498	2,780	1,938	3,133
> 45 - 50	2,429	2,946	2,605	2,824	2,674	2,611
> 50	2,045	1,678	1,946	1,469	1,819	1,135

GRI Standard Content Index

The 2017 BCA Sustainability Report was prepared 'in accordance with' the GRI Standards adopting the 'core' option. This report refers to the information disclosed for the public in the 2018 Annual Report of BCA.

Using the GRI 2016 Standard

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POJK 51 Reference

The Financial Services Authority (OJK) regulation No. 51 /POJK.03/2017 regarding the Implementation of Sustainable Banking for Financial Services Institutions, Issuers, and Public Companies.

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Memberi Inspirasi Sepenuh Hati To Inspire Wholeheartedly



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