

Apart from challenges related to COVID-19, BCA continued to manage other sustainability challenges, one of which is the impact of climate change. BCA's support and inspiration to reduce the negative impacts of climate change is manifested by implementing financing policies that cover the environmental, social and governance (ESG) aspects. Overall, in response to the sustainability challenges, BCA has developed a Sustainable Governance with three pillars as a strategy for implementing Sustainable Finance. These three pillars cover the economic, environmental, and social aspects, which are reflected in the Pillars of Responsible Banking, Sustainability Culture, and Social Value Creation. In 2020, BCA has reviewed the Basic Bank Credit Policy (KDPB) of PT. BCA, Tbk with the addition of a new policy to prohibit lending to businesses with potential environment, social and governance (ESG) risks.

Sustainable Finance Implementation and Target Achievement Strategies

Throughout 2020, BCA continued to carry out its operational activities to the maximum extent possible, especially by remaining at the side of its customers. All BCA employees adapted and carried out their respective responsibilities, including serving the needs of all customers and implementing the principles of Sustainable Finance.

Sustainability performance includes the economic, social and environment sustainable finance performance. For economic performance, we recorded a net profit of Rp27.1 trillion, down 5.0% compared to last year. Loans disbursed in 2020 amounted to Rp574.6 trillion, a decrease of 2.1% YoY. Sustainable financing amounted to Rp127.0 trillion (an increase of 1.5% YoY), with non-MSMEs contributing Rp49.8 trillion and MSMEs contributing Rp77.2 trillion. The non-MSME Sustainable Financing helped increase the overall Sustainable Finance portfolio in 2020.

We appreciated the regulator's swift response in relaxing the restructuring policy as this helped the banks and customers through these difficult times. BCA has always been on the side of its customers during these economic challenges, helping them by restructuring their loans since the beginning of the pandemic. As of the end of December 2020, BCA's total loans restructured amounted to Rp104.2 trillion, or around 18% of the total loans, for approximately 100,000 customers.

Apart from lending, BCA also remained focused and committed to providing excellent service during the COVID-19 pandemic to both customers and employees.

We continued to serve all of our customers and partners with enthusiasm and inspiration. Transaction Banking BCA goes hand in hand to support the Financial Inclusion program. Through LAKU BCA, we served 152,678 customers in the regions, supported by 2,633 LAKU BCA agents who assist customers in non-bankable areas with their financial transactions. One significant impact of this financial inclusion service was the opening of access to financial services for migrant workers and their families, as well as access to financial services in remote areas. Customers with special needs also enjoyed equal services, and ease in making their transactions, through the ATM Wicara.

In providing services to our employees, throughout 2020, BCA continued their competency development through webinars, with 39,237 employees attending online training. Sustainable Finance Training was also held, and was attended by 874 employees. The employee competency management activities respected the concept of human rights and ensured equal opportunities and mutual respect for diverse backgrounds. This diversity and equality policy is contained in the 2019-2021 Collective Labor Agreement. BCA used internal communication media for this education and development, using Community of Practice (COP), BLIMS (digital library), Instagram @bcasemuaberes. In November 2020, BCA held a Sustainability Awareness Month to introduce the concept of environment, social, governance (ESG) to all BCA employees. About 24,500 BCA employees were exposed to the values of Sustainable Finance when BCA organized this event.

We truly appreciate the excellent service and solid performance provided by the BCA personnel during the pandemic situation, despite the adjustments they had to make in their work activities. The spirit of "One BCA" with the tagline "One Goal, One Soul, One Joy" united the determination, ideas, and dreams into their work, creating a feeling of goodness within BCA. One of BCA's forms of concern for employees' health was to improve facilities and implement health protocols, at a cost of Rp47.6 billion. We will continue to maintain this healthy and safe working environment to ensure that all BCA personnel are able to perform well.

BCA's social responsibility through its Bakti BCA Program continued to show BCA's concern for the communities. Throughout 2020 Bakti BCA Program, 396 students took part in the non-degree Accounting Education Program, and 172 students took part in the non-degree Technological Information Education Program. In addition, the total distribution of Bakti BCA scholarships was worth Rp5.45 billion, an increase