

## Human Rights Policy

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### Statement

This document is the "Human Rights Policy" of PT Bank Central Asia, Tbk, which is prepared in accordance with the company's business processes and refers to national and international regulations and standards on human rights. This policy serves as an umbrella for human rights policy covering several aspects of human rights, including those concerning workers/employees, vendors, work partners, customers, and society in general. The implementation of this human rights policy shall be carried out gradually, effectively and efficiently in accordance with the availability of resources, needs, and the urgency of each of the aspects stipulated in this policy.

### Introduction

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

In running a sustainable business, BCA recognizes the importance of respect for human rights as a form of corporate social responsibility. BCA is committed to paying attention to the impact of the company's business on human rights and striving to minimize negative impacts.

This document is the "Corporate Human Rights Policy" as a manifestation of Bank BCA's commitment to human rights. The "Corporate Human Rights Policy" is also the basis for a variety of policies, procedures, and operational activities to be aligned with Bank BCA's human rights commitment.

### References

References adopted by BCA in respecting human rights include:

- Law of the Republic of Indonesia No.39 of 1999 concerning Human Rights
- Collective Labor Agreement PT Bank Central Asia Tbk.
- Good Corporate Governance Manual of PT Bank Central Asia Tbk.
- Universal Declaration of Human Rights
- United Nations Guiding Principles on Business and Human Rights (UNGPs)
- United Nations Global Compact and Children's Right and Business Principle (CRBP)
- Women's Empowerment Principles (WEP)

- The International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- The OECD Guidelines for Multinational Enterprises
- Various human rights conventions and other related laws

## **Human Rights Scope and Context**

The scope and context of Bank BCA's human rights is in accordance with the scope of its business operations in the financial services industry, which includes human rights related to civil and political rights, basic labor rights, human rights related to banking business, partners or supply chain, as well as community empowerment.

With regard to Civil and Political Rights, BCA is committed to ensure all Company personnel to have the freedom to take part in social and/or political process, as stipulated in the Corporate Governance Manual of PT Bank Central Asia Tbk. Employees are important assets for BCA, thus the company is committed to paying attention to basic labor rights, such as fulfillment of employee remuneration and welfare, social protection, career development, non-discriminatory practices in the workplace, gender equality, and occupational health and safety aspects. In addition, the right to associate and assemble, as well as the right to collective bargaining, are also basic labor rights at BCA.

BCA's commitment to human rights is closely related to the bank's business activities in channeling funding to debtors in the form of loans, or to other parties in the form of investments, and other forms, as well as developing banking products and services. As a form of BCA's human rights commitment, BCA encourages debtors and other parties where the bank's funds are placed to minimize the negative impact on human rights on their stakeholders, especially employees and the public. This has become BCA's concern, because the occurrence of an incident or violation of human rights can cause the bank's reputational risk and also increase the financing risk.

Furthermore, BCA pays attention to human rights in its relations with partners or supply chain. BCA encourages partners or supply chain to pay attention to human rights, particularly those related to labor rights. This is important because often human rights violations will increase the operational risk of business partners or supply chain, which in turn have an impact on their performance risks to produce products and services for BCA.

Furthermore, BCA is committed to fulfilling human rights through community empowerment activities under the umbrella of Bakti BCA. Community empowerment activities are one of the approaches and efforts to fulfill human rights aspect, particularly in the context of community socio-economic rights. Several issues that can be covered in community empowerment are people's rights to education, health, economy, and socio-culture.

## **Human Rights Policy**

### **1. BCA Respects Human Rights in a Strategic, Effective and Efficient manner**

BCA's commitment and policy to respect human rights in a strategic, effective and efficient manner are as follows:

- Increase the understanding of all Bank BCA personnel, including the Board of Directors, Board of Commissioners, management, and employees about human rights and the human rights context of Bank BCA.
- Conduct periodic human rights due diligence within the context of social responsibility and business of the bank.
- Review and ensure that BCA's policies, manuals and procedures are in compliance with human rights regulations, and apply the principles of non-discrimination and gender equality.
- Avoid direct or indirect involvement in activities that could lead to human rights incidents, such as human trafficking, prostitution and labor smuggling.
- Respond to potential risks and opportunities of human rights effectively and efficiently.
- Disseminate and educate BCA's human rights commitment to stakeholders in accordance with their respective context and scope.
- Involve relevant stakeholders in the framework of respecting human rights in accordance with their respective context and scope.
- Provide a complaint and remediation mechanism for human rights incidents in accordance with their respective context and scope.
- Collaborate with parties in respecting human rights, including in conducting human rights incident assessments.

### **2. The company's human rights commitment and policy in employment include:**

- Fulfill basic labor rights, in terms of wages and remuneration, social protection, occupational health and safety, social security and old age, benefits and assistance, and employee loans.
- Respect the working relationship with employees, especially in terms of clarity of employee status, job placement, recruitment of new employees, transfers, rotation, promotions and demotions.
- Respect the employees' rights to have good health, including providing guarantees for medical examinations and health care; definite working days and hours, including overtime, shifts and weekend services; as well as sick leave, menstruation leave, childbirth, miscarriage, collective leave and annual leave.

- Provide equal and non-discriminatory opportunities, as well as provide resource development for employees in the aspects of education, training, performance assessment and employee career development.
- Respect the employees' rights to associate and assemble, and collective bargaining through trade unions and in cooperative activities.
- Ensure that there are no child labor and forced labor in BCA's employment practices.
- Provide social facilities to all employees, including religious facilities, recreational and sports facilities, and scholarship foundation.
- Provide clarity and appropriate rewards in every action of suspension, termination of employment (PHK) and early retirement.
- Provide facilities for employees to file and resolve grievances.

### **3. BCA Considers Human Rights in Lending or Placement of Funds**

The company's human rights commitment and policy in providing loans or fund placement include:

- Formulate and implement policies and procedures that consider human rights in lending, investing and other bank fund placement activities, one of which is by conducting an assessment of fund placements that are at risk of human rights incidents.
- In providing loans or credit, consider environmental, social and governance (ESG) risks.
- Do not provide financing or funding for the business sectors that are covered in the "Exclusion List".
- Supervise loans, investments and other fund placement activities to ensure that there are no significant human rights incidents by other parties to whom bank funds are placed.
- Respond to the negative impacts that occur if there are human rights incidents related to lending, investment and other bank fund placement activities.

### **4. BCA Pays Attention to Human Rights in Product and Service Development**

The company's human rights commitment and policy in product and service development include:

- Pay attention to socio-economic rights in developing products and services, such as taking into account to aspects of financial literacy, financial inclusion, and developing products and services for children.
- Conduct marketing practices for products and services that consider human rights aspects, no violation of ethics, no discrimination, and do not offend certain stakeholders.

## 5. BCA Encourages Partners or Supply Chain to Respect Human Rights

The company's commitment and policy in encouraging partners or supply chains to respect human rights include:

- Develop and implement policies and procedures that pay attention to human rights in terms of selecting and implementing cooperation with partners or supply chain.
- Encourage every BCA partner to provide a statement of compliance of BCA partners regarding the implementation of occupational health and safety (OHS), no child labor and no forced labor.
- Supervise partners or supply chain to ensure that there are no human rights incidents that could have a significant impact on BCA and other stakeholders.
- Respond to the negative impacts if there are significant human rights incidents committed by partners or the supply chain.

## 6. BCA Helps Fulfill the Community's Human Rights

The company's commitment and policy in helping fulfill the human rights of the community include:

- Conduct effective and efficient community empowerment as an approach to help fulfill their socio-economic rights.
- Pay attention to local wisdom as a form of respect for human rights in carrying out community empowerment.

### Monitoring and Evaluation

The implementation of human rights policy for each scope is coordinated, monitored and evaluated by the relevant Head Office Work Unit (UKKP). The performance of implementing human rights policy is reported annually by the Environment Sustainability Governance (ESG) Subdivision in the Corporate Secretariat and Communication (DCS) Division annually to the Board of Directors, Board of Commissioners and all BCA stakeholders in the BCA Sustainability Report.

BCA may request an external independent party to conduct an objective assessment of human rights performance according to certain standards. This human rights policy is evaluated and, if necessary, revised according to developments in human rights aspect and the business context of BCA.

### **Problem Handling Mechanism and Procedures**

BCA is committed to always maintaining communication with every employee. Therefore, BCA has developed several facilities, one of which is Halo SDM (66900). Employees can contact Halo SDM to get information about employment or industrial relations. The company guarantees the confidentiality of data and information for employees who use Halo SDM services.

BCA's internal and external parties can report fraud or violations committed by perpetrators within BCA's internal environment through the whistleblowing system available on the website [www.bca.co.id/whistleblowing](http://www.bca.co.id/whistleblowing). BCA guarantees the confidentiality of the whistleblower's identity and the contents of the report. The results of investigations into reports of fraudulent act become the basis for the decision-making officers in imposing penalties.