

## Tax Policy

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### Statement

This document is the “Tax Policy” of PT Bank Central Asia, Tbk which is prepared in accordance with the characteristics of the company and refers to tax regulations, and both national and international standards. This policy is BCA's commitment to continue to be responsible and uphold the transparency and accountability principles in handling all tax matters of the Company. This Tax Policy will be implemented gradually, effectively and efficiently, in accordance with the availability of resources, needs, and the level of urgency of each of the aspect stated in this policy

### Introduction

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

In running a sustainable business, Bank BCA understands the importance of compliance with tax regulations and standards as a form of social responsibility and corporate sustainability commitment. Bank BCA is committed to ensuring that all taxation matters are handled proactively and responsibly, while still balancing the interests of our stakeholders, through various initiatives set forth in this policy.

The Corporate Tax Policy is the basis for policies, procedures and other operating activities to be aligned with all tax matters of Bank BCA.

### References

The formulation of this tax policy is based on tax regulations and standards that apply both nationally and internationally, such as:

1. Law Number 42 of 2009 concerning Value Added Tax (VAT);
2. Law number 7 of 1983 concerning Income Tax;
3. Financial Services Authority (OJK) Regulation Number 25/POJK.03/2019 concerning Reporting of Foreign Customer Information Regarding Taxation to Partner Countries or Partner Jurisdictions;
4. Organization for Economic Co-operation and Development (OECD) guidelines concerning taxes, such as Transfer Pricing Guideline;
5. All forms of OJK Regulations concerning Banking.

6. Any tax circulars for the financial services sector, particularly concerning tax for the banking sector.

## **Scope and Context of BCA Taxation**

As a company that is socially responsible and complies with laws and regulations, Bank BCA always carries out its obligation to pay taxes in accordance with existing rules and regulations. In the implementation of tax activities, BCA always prioritizes the transparency and accountability principles which are applied sustainably at all levels of the organization. It is done to ensure compliance with tax regulations and promote the good governance implementation. This tax policy applies at BCA head office and branch offices across Indonesia.

## **Tax Policy**

### **1. Compliance**

BCA is committed to fully complying with tax policies under laws and regulations that are relevant to the company in all operating areas.

### **2. Transfer Value**

BCA is committed not to avoid tax obligations by conducting transfer value to countries with low tax rates. This is in line with point 1 in this policy and also in line with BCA's status which has yet become a multinational company operating in many countries. Therefore, BCA is committed to paying the amount of tax under the jurisdiction in which we operate based on the value created during the operation of our business activities

### **3. Tax Structure**

BCA ensures that every transaction carried out has been well planned, to ascertain the transaction has commercial substance and is in compliance with banking regulations that are closely monitored by the FSA (OJK).

### **4. Transfer Pricing**

All related party transaction are conducted in compliance with the arm's length principle.

## **5. Tax Havens**

BCA is committed to never evading taxes by utilizing tax havens.

## **6. Engagement**

BCA will be transparent and cooperate with tax authorities in cases of suspected tax irregularities that require investigation.

## **Monitoring and Evaluation**

The Tax Policy is mandatory to be carried out by all relevant functions at Bank BCA. The implementation is coordinated, monitored and evaluated by the relevant Head Office Work Unit (UKKP). The performance of implementing Tax 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.

The Tax Policy is evaluated and if necessary, it can be revised every two years in line with developments in the existing regulations and the company's business.

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

## **Closing**

Further information regarding the Tax Policy and its implementation can be obtained through Environment Sustainability Governance (ESG) Subdivision in the Corporate Secretariat and Communication (DCS) Division.

If there is a violation or potential violation in the implementation of this policy, the parties can report it through the BCA whistleblowing system (<https://www.bca.co.id/tentang-bca/tata-kelola-per-company/whistleblowing-web>).