



Strong **Bonds**, Great **Impact**

STRONG BONDS, GREAT IMPACT



As part of its commitment to driving meaningful change, BNI is dedicated to building strong relationships with all stakeholders through strategic collaboration and innovation. As an agent of development, BNI not only acts as an intermediary partner but also as a catalyst, supporting its debtors in enhancing their readiness to meet investor expectations, particularly in the transition toward a low-carbon economy. In addition, BNI continues to strengthen its relationships with customers by delivering exceptional services and best-in-class experiences through digital innovation. These innovations simplify transactions and broaden access to financial education, empowering customers to enhance their financial literacy and inclusion. Through this dedication, BNI remains committed to creating a greater, more positive, and sustainable impact across economic, social, and environmental aspects.

Forward-looking Statements

This document may contain certain plans, projections, strategies, and objectives of the Company that are not statements of historical facts and would be treated as forward-looking statements under applicable law. Forward-looking statements are subject to risks and uncertainties that may cause actual events, and the Company's future results, to be different than expected or indicated by such statements. No assurance can be given that the results anticipated by the Company, or indicated by such forward-looking statements, will be achieved.

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2024 Highlights



**Rp64,515
billion**

Operating Income



**Rp21,464
billion**

Income for The Year



Rp190.5 trillion

Sustainability Financing reached 25.0% of total loans (Bank only) consisting of:
Rp73.4 trillion (38.5%) Green Financing and Rp117.1 trillion (61.5%) MSMEs Financing



Rp4,363 billion

Realization of Green Bond in 2024 has potentially reduce **1,441,983 (ton CO₂eq)** of GHG Emissions



BNI Ajen46 reached more than **6,196 sub-districts** in Indonesia with **20.2** million customer accounts



27,203 BNI employees
52.0% are women



134.1 hours

Average training hours per employee per year



35%
('Good' Category)

Employee Engagement Index (Net Promoter Score/NPS)



4.28

(scale of 1-5)
Customer Satisfaction Index



6,215 Partners

MSME Fostered Partners from Rumah BUMN



Rp129.9 billion

Social and Environmental Responsibility Program Fund Realization



USD373.9 million

or equivalent to **Rp6.0 trillion**
BNI has distributed Sustainability Linked Loan (SLL)



0.0000000145

GJ/Rp
Energy Intensity to Income



0.00000051813

Ton CO₂eq/Rp
Intensity of Total GHG Emissions to Income (Scope 1, 2, & 3)

Awards

Rating BBB
MSCI ESG Ratings

The 15th IICD Corporate Governance Award 2024
The Best Overall in Corporate Governance in the Category of Public Companies with the Largest Market Capitalization (Big Cap Public Listed Company)

Medium Risk with score of 23.2 – ESG Risk Rating
Sustainalytics

Gold Rank – Asia Sustainability Report Rating (ASRRAT) 2024

SRI-KEHATI Index
December 2024-May 2025

ESG Quality 45 IDX KEHATI Index
December 2024-May 2025

ESG Sectors Leaders IDX KEHATI Index
December 2024-May 2025

Sustainability Reporting
Anugerah ESG Republika 2024

Most Appreciated ESG Report – ESG Appreciation Night
B Universe 2024

ESG Lowest Risk –
ESG Appreciation Night B Universe 2024

Appreciated Circular Economy ESG Report
Investor Daily ESG Appreciation Night 2024

Appreciated Diversity Inclusivity ESG Report
Investor Daily ESG Appreciation Night 2024

Most Appreciated ESG Report - Investor Daily ESG
Appreciation Night 2024

Finance Sector: Social Champion – KATADATA ESG
Awards 2024

The Most Trusted Company
Corporate Governance Perception Index (CGPI) Awards 2024

Integrity & Transparency in Impact Award - Investortrust.id
& Bumi Global Karbon Foundation

SROI Excellent Award
Investortrust.id & Bumi Global Karbon Foundation

Top Corporate Donors, Healthcare Category
YPP SCTV Indosiar

The Most Trusted Company
Corporate Governance Perception Index (CGPI) Awards 2024



Sustainability Performance Overview

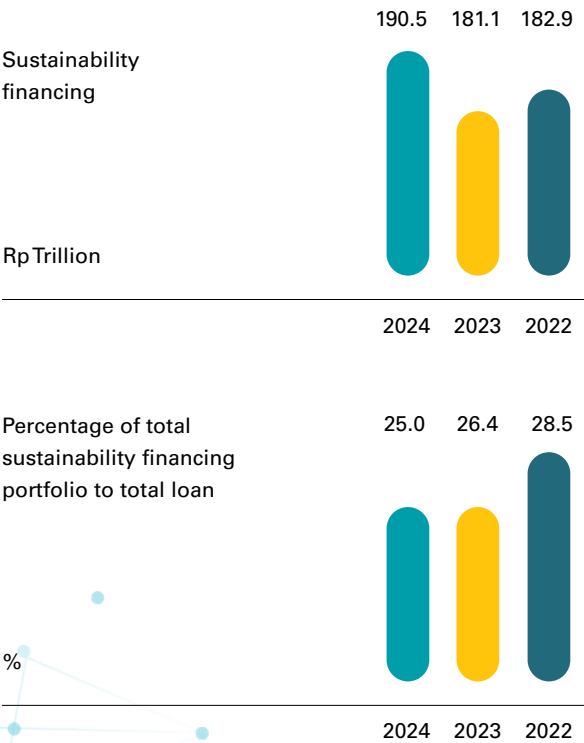


Economy

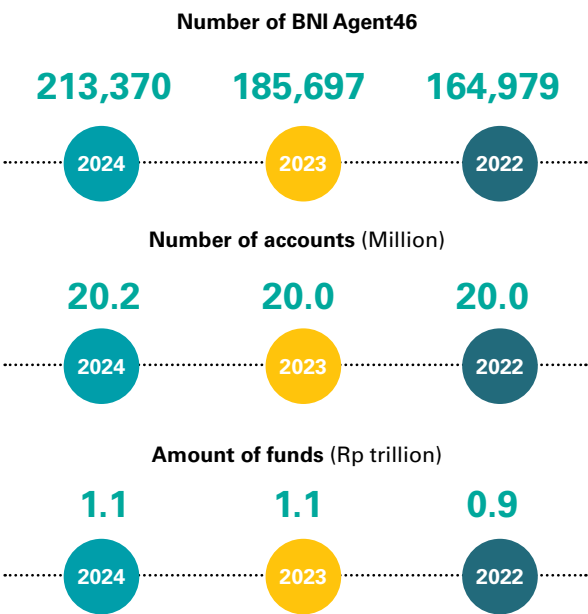
INTERNAL PERFORMANCE

Description	Unit	2024	2023	2022
Operating income	Rp Trillion	64.5	62.7	61.5
Income for the year		21.5	20.9	18.3
Current Account Saving Account (CASA)		563.3	577.5	557.3
Loan disbursement - total		775.9	695.1	646.2
Loan distribution - MSMEs		117.1	113.2	123.2
Third-Party Funds		805.5	810.7	769.3

SUSTAINABILITY
FINANCING PERFORMANCE



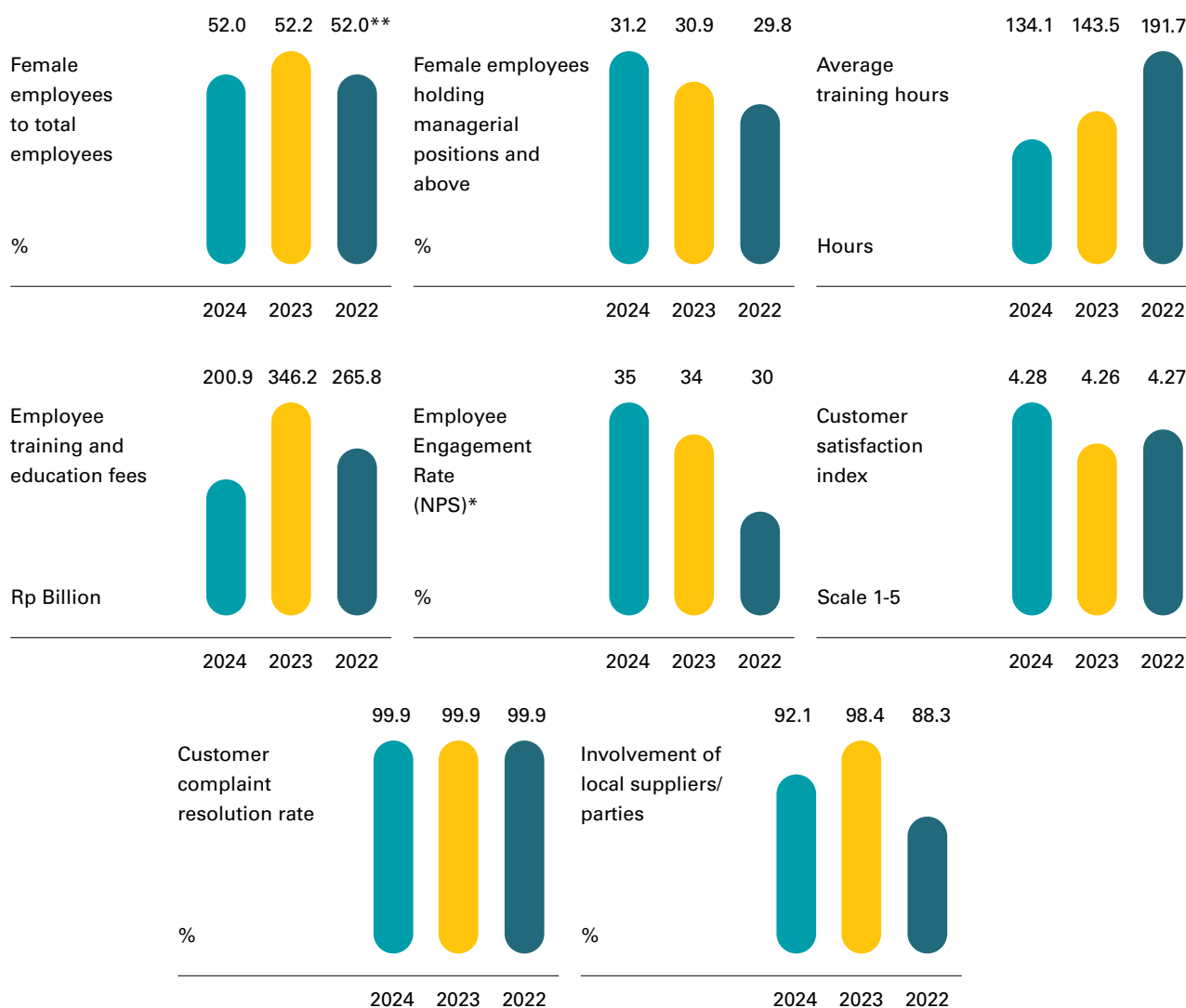
INCLUSIVE
FINANCIAL PERFORMANCE



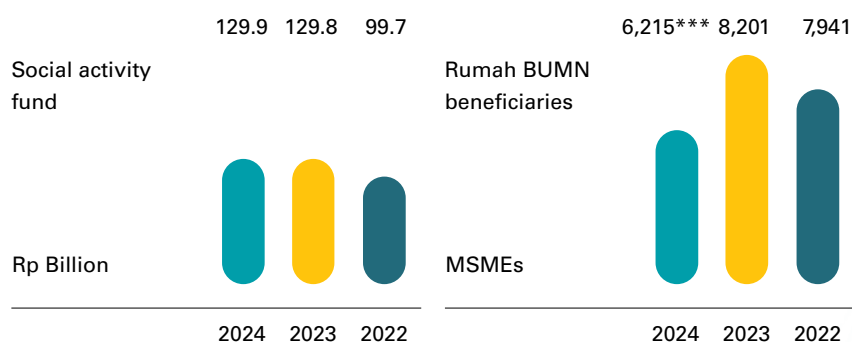


Social

INTERNAL PERFORMANCE



SOCIAL ACTIVITIES



*) Restatement of information in 2022 and 2023 due to adjustments to measurement methods.

**) Data adjustments due to rounding differences.

***) The decrease was due to the closure of non-potential of Rumah BUMN.



Environment

INTERNAL PERFORMANCE

Description	Unit	2024	2023	2022
Energy intensity to income*	GJ/Rp	0.0000000145	0.0000000149	0.0000000161
Intensity of total GHG emissions to income	Ton CO ₂ eq/Rp	0.00000051813	0.00000046081*	0.000000000757
Water use	m ³	1,882,040	1,758,134	1,636,874

Note:

*) Restatement of information due to unit adjustments.

ENVIRONMENTAL ACTIVITIES



Environmental costs**

Rp Billion

2024	<div></div>	7.2
2023	<div></div>	6.5
2022	<div></div>	6.5



Orangutan conservation program

Species

2024	<div></div>	2
2023	<div></div>	2
2022	<div></div>	N/A



Tree planting

Seed

2024	<div></div>	177,347*
2023	<div></div>	88,023
2022	<div></div>	438,000



'Ayo Menabung dengan Sampah' program

Account

2024	<div></div>	195,349
2023	<div></div>	320,025
2022	<div></div>	316,688

*) The significant difference in the number of trees planted in 2024 compared to the previous year was influenced by the addition of new programs.

**) Restatement of information from 2022-2023 due to adjustments in environmental sector classification based on OJK regulations.





Our Support to Sustainable Development Goals (SDGs)

BNI's support and contribution to the achievement of Sustainable Development Goals (SDGs) is carried out by harmonizing the management of economic and ESG aspects. BNI's main focus is to support SDGs in the context of a banking business that has a sustainable positive impact on society and the environment, both in the short and long term.



BNI for Indonesia



2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
Total MSME loan as of the end of 2023 is Rp113.2 trillion.	Total MSME loan as of the end of 2024 Rp117.1 trillion.	MSME loan target for 2025 is Rp126.8 trillion.	<ul style="list-style-type: none"> Improve value chain execution success. Increase acquisition from existing customers and export ecosystem. Accelerate end-to-end process for quality expansion.
Realization of Subsidized Micro Loan (KUR) amounted to Rp17.82 trillion.	<ul style="list-style-type: none"> Realization of KUR distribution of Rp11.9 trillion to 54,075 debtors. Realization of BNI Wirausaha (BWU) distribution of Rp5.97 trillion to 28,787 debtors. 	<ul style="list-style-type: none"> Gross KUR expansion target of Rp17 trillion. BWU gross expansion target of Rp19 trillion. 	<ul style="list-style-type: none"> End-to-end digitalization of the loan process, through the distribution of data leads through BNIMove, BNIMove integration with existing portals at BNI, scoring models based on big data as predictive analytics, collection activity system, API Services, Anti Fraud Detection System. Development of customized products according to market needs, including Business Transaction Based Financing Products (liquidity financing, invoice financing, and retail financing). Business partnerships, closed loop ecosystem lending (Value Chain partners, digital ecosystem, etc.), cooperation with ministries/institutions for MSME empowerment, MSME Go Global inclusion program (export orientation).

13 CLIMATE ACTION	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	Implemented the initial phase of Climate Risk Stress Test (CRST) Phase 1 on several sectors, such as coal, oil palm plantation, pulp & paper.	Implementing Climate Risk Stress Test (CRST) on 50% of BNI's loan portfolio which includes consumptive property loans and six main sectors, namely electricity, transportation and warehousing, construction, agriculture, manufacturing, and mining and quarrying.	Implementation of Climate Risk Stress Test (CRST) on 100% of BNI's loan portfolio.	<ul style="list-style-type: none"> • Work with selected consultants in developing calculation methodology and tools to assist CRST calculation. • Data improvement to increase the accuracy of stress test results.
	Total GHG emission reduction of 233,749 tons Co ₂ eq from green bonds.	Total GHG emission reduction of 1,441,983 tons Co ₂ eq from green bonds.	80% of the green bond funds issued in 2022 will mature in 2025 and will be replaced by other sustainability bonds.	The distribution of green bonds is in line with the sector targets in the Green Bond Framework.
	Realization of Sustainability Linked Loan (SLL) disbursement of Rp4.6 trillion.	Realization of Sustainability Linked Loan (SLL) disbursement of Rp6.0 trillion.	Development of Sustainability Linked Loan (SLL) portfolio exposure.	<ul style="list-style-type: none"> • Socialization of Sustainability Linked Loan (SLL) financing program for Relationship Managers (RM). • Campaign of BNI Sustainability Linked Loan (SLL) program through ESG events organized by external parties

BNI for Customers

9 INDUSTRY INNOVATION AND INFRASTRUCTURE	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	<ul style="list-style-type: none"> • Did not face any cases of complaints related to data breaches. 	Did not face any cases of complaints related to data breaches.	Did not face any cases of complaints related to data breaches.	<ul style="list-style-type: none"> • Implement data/information security policies and improve data/information security management systems through education/awareness to employees & customers, implementation and integration of security technology to strengthen the security of BNI applications and systems.
	<ul style="list-style-type: none"> • Increase in the number of BNI Mobile Banking users by 19.4%. 	<ul style="list-style-type: none"> • Increase in the number of BNI Mobile Banking users by 11.4%. • Launch of a new application, wondr by BNI, in July 2024 with the number of registered users reaching 5.3 million by the end of 2024. 	Increased number of wondr by BNI users with a minimum of 10 million registered users.	<ul style="list-style-type: none"> • Launching various new features designed to fulfill customers' transaction needs more easily, as well as helping customers' financial management with modern and innovative features.



BNI for Environment

15 LIFE ON LAND	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	<ul style="list-style-type: none"> Planting program of 88,023 trees. Conservation program for 2 orangutans. Support for Javan Rhino conservation program in Ujung Kulon National Park. 	<ul style="list-style-type: none"> Planting program of 177,347 trees. Adoption program for 2 individual orangutans with responsibility for food, medicine, enrichment, and laboratory costs. Javan Rhino conservation program in Ujung Kulon National Park focuses on genetic mapping. 	<ul style="list-style-type: none"> Planting program of 170,000 trees. Adoption program of 4 individual orangutans and their ecosystem. Review process on the follow-up program of Javan Rhino conservation. 	Cooperate with professional and competent partners.

13 CLIMATE ACTION	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	<ul style="list-style-type: none"> Energy intensity of 0.0000000149 GJ/Rp. Scope 1, 2 & 3 GHG emissions intensity of 0.00000045579 tons CO₂eq/Rp. 	<ul style="list-style-type: none"> Energy intensity of 0.0000000145 GJ/Rp. Scope 1, 2 & 3 GHG emissions intensity of 0.00000051813 tons CO₂eq/Rp. 	Minimize increases in energy intensity and GHG emissions.	<ul style="list-style-type: none"> Conducting energy efficiency in all BNI offices. Setting the Operational NZE target in 2028. Strengthening BNI's operational emission data infrastructure with the development of an emission management platform.

BNI for Society

1 NO POVERTY	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	<ul style="list-style-type: none"> Realization of CSR funds amounting to Rp129.8 billion. Assistance to fostered partners of Rumah BUMN. 	<ul style="list-style-type: none"> Realization of CSR funds amounting to Rp129.9 billion. 100% of Rumah BUMN fostered partners are mentored by BNI. 	<ul style="list-style-type: none"> The allocation of CSR funds amounted to Rp166 billion. Assistance to fostered MSEs in 23 Rumah BUMN in the form of training, exhibitions, and certification. 	<ul style="list-style-type: none"> The management of the CSR Program is carried out in a systematic and integrated manner to ensure the success of the program. Collaborate with professional and competent partners. Management and Assistance of MSMEs Go Modern, Go Digital, and Go Online through 23 of Rumah BUMN. Increase the capacity and capability of fostered partners through the provision of education, training, apprenticeship, marketing, and other forms of assistance.

4 QUALITY EDUCATION	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	<ul style="list-style-type: none"> 778 accumulated scholarship beneficiaries until the end of 2023. Conducted infrastructure development for 99 schools or educational institutions as well as the provision of facilities and infrastructure in the BNI region. 	<ul style="list-style-type: none"> 794 accumulated scholarship beneficiaries until the end of 2024. Infrastructure development for 100 schools or educational institutions as well as the provision of facilities and infrastructure in BNI's working area. 	<ul style="list-style-type: none"> 800 BNI Berbagi scholarship awardees. 120 education infrastructure assistance. 	<p>Work in collaboration with the community to improve the quality of the program.</p>

BNI for Employees

5 GENDER EQUALITY	2023 Achievement	2024 Achievement	2025 Target	Strategies in Supporting the 2025 SDG Targets
	<ul style="list-style-type: none"> 52.2% of total employees are female. Women who hold positions above manager are 30.8%. 	<ul style="list-style-type: none"> 52.0% of total employees are female. Female employees holding managerial positions and above are 31.2%. 	<ul style="list-style-type: none"> 50% of total employees are female. >30% of women in managerial positions (AVP and above). 	<ul style="list-style-type: none"> Providing equal opportunities for men and women to occupy the same position. Performance appraisal mechanism by taking into account the achievement of Key Performance Indicator (KPI) conducted for all employees. Provide support facilities for female employees through equal policies such as menstrual leave; daycare facilities; maternity leave; Employee Assistance Program (EAP) to support employees' physical, mental and financial health; and breastfeeding rooms in each building. Building the Srikandi BNI community to encourage all employees, especially women to support each other, build personal and professional capability, and learn new things.



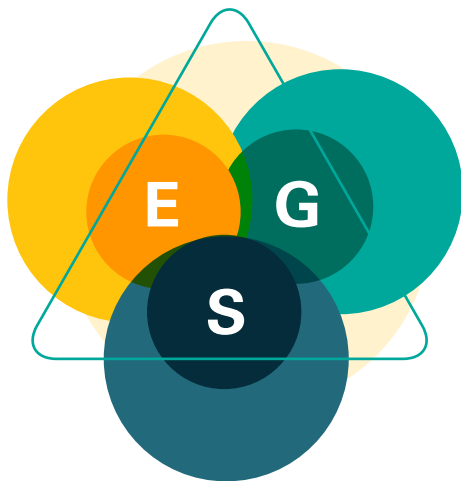
BNI's Sustainability Commitment and Strategy [2-22, 2-23, 2-24]

Commitment

BNI's commitment to achieving sustainability performances and creating a better future is continuously strengthened through the implementation of responsible banking activities, implementing sustainability strategies and pillars. In addition, BNI also fully supports the regulations and policies of the government and other authorities to support the realization of a low-carbon economy in the future.



ESG Framework and Roadmap



Environment

- Conducting climate-related financial risk management by referring to international standards
- Achieving Net Zero Emission (NZE) in Operations by 2028 and NZE in Financing by 2060
- Strengthening governance in sustainability financing
- Improving employee awareness and capabilities
- Sharpening ESG disclosure

Social

- Increasing employee engagement
- Improving employee capabilities
- Strengthening data and customer financial protection

Governance

- Increasing diversity at the Board of Directors level
- Strengthening Board involvement in ESG

Short-Term Focus (2024):

- Strengthening infrastructure
- Establishing NZE and Carbon Budget

Mid-Term Focus (2025-2026):

- Strengthening the Risk Acceptance Criteria (RAC) of debtors
- Strengthening the infrastructure of climate change risk management
- Strengthening Board involvement in ESG
- Optimizing data loss prevention

Long-Term Focus (≥2027):

- Implementation of climate change risk management within Bank's operations



Strategy

BNI has developed a strategy that integrates environmental, social, and governance (ESG) performance to support stakeholders and promote environmental preservation in achieving sustainability goals. As a tangible manifestation of this commitment, we have established five sustainability pillars. These pillars align with BNI's mission to deliver exceptional services and digital solutions to customers as their primary business partner, strengthen international services to support global partners, enhance investment value for investors, foster a work environment that enables employees to take pride in their contributions, and demonstrate a strong commitment to the community and the environment. Furthermore, BNI strives to set an industry benchmark for compliance and good corporate governance.

BNI's Sustainability Pillars



Throughout 2024, BNI continues to strengthen its commitment by implementing several sustainability strategies, namely:

1. Implementing sustainability and sustainable finance practices, as well as monitoring, evaluating and measuring its performance annually, which is then reported in the Sustainability Report.
2. Supporting the achievement of the Net Zero Emissions (NZE) target set by the government. BNI has set an ambitious target to achieve net zero emissions in its operations by 2028 and in financing by 2060. This includes integrating climate risk into the strategy as well as improving related infrastructure.
3. Green financing continues to increase as part of its sustainability portfolio. This is in line with our commitment to support the green transition and the achievement of the Sustainable Development Goals (SDGs).
4. Continuously creating opportunities and initiatives to support sustainable finance. One of them is by becoming a debtor partner in the debtor's transition journey, through the "BEST" event, namely BNI ESG Sustainability & Transition as part of BNI's initiative to encourage debtor awareness towards green transition. In addition, BNI also carries out educational programs for debtors to support the government's transition program, through the Technical Workshop of Indonesian Sustainable Finance Taxonomy (TKBI) for debtors in energy sector.

Through those strategy, BNI demonstrates its strong commitment to promoting sustainable development and creating a better future.



Message from the Board of Directors [2-11, 2-12, 2-14, 2-22]



Royke Tumilaar

President Director

Dear Esteemed Stakeholders,

The year 2024 presents both challenges and opportunities for the banking sector, particularly in the implementation of sustainability principles across all business lines. PT Bank Negara Indonesia (Persero) Tbk (BNI) remains steadfast in its commitment to playing a vital role in advancing sustainable financial practices, aligned with the Sustainable Development Goals (SDGs) and our role as an accountable financial institution.

Strategies and Policies in Addressing Sustainability Challenges

For BNI, sustainability means fundamental elements that are integrated into every facet of banking operations. BNI harmonizes its business strategies with sustainability principles that balance environmental, social, governance (ESG), and economic factors. In its implementation, BNI cultivates a strong sustainability culture across all work units, ensuring the effective integration of green banking practices.

Climate change continues to be a paramount global issue that commands the attention of various parties. As part of efforts to address this challenge, in 2022, the Government of Indonesia announced its commitment to achieving Net Zero Emission (NZE) by 2060, alongside setting emissions reduction targets through the Nationally Determined Contribution (NDC) expected to be realized by 2030. In 2024, we have observed significant progress in the development of sustainable finance in Indonesia. To minimize its carbon footprint and promote greater inclusivity in the financial sector, BNI continuously embeds sustainability principles across all business operations. This includes financing environmentally friendly projects and adopting internal policies aimed at reducing carbon emissions.

BNI reinforces its commitment to addressing climate change challenges through the implementation of sustainable finance. The Board of Directors recognizes that climate change poses significant risks to economic value, including financial assets, due to environmental degradation. In alignment with this concern and to support the directives from the Otoritas Jasa Keuangan (OJK), BNI has undertaken

various strategic measures pertaining to sustainable finance. In 2024, in conjunction with the launch of Climate Risk Management & Scenario Analysis (CRMS) and the Indonesian Sustainable Finance Taxonomy (TKBI) by OJK, BNI conducted a Climate Risk Stress Test (CRST) on 50% of BNI's loan portfolio in June 2024 to assess the impact of climate-related financial risks over the short, medium, and long terms, as well as conducted debtor assessments based on TKBI classification for energy sectors.

BNI's concrete measures towards achieving NZE include managing financing activities, increasing funding for environmentally friendly sectors, and enhancing greenhouse gas (GHG) emissions data across scopes 1, 2, and 3 related to business travel and financing emissions. Our commitment to reducing GHG emissions is further solidified by setting NZE achievement targets for operations by 2028 and financing by 2060. The Company has mapped economic sectors by their emission levels, both high and low, which serve as the foundation for portfolio management. Moving forward, BNI will prioritize financing expansion for low-emission businesses, while financing towards high-emission businesses will be selectively pursued to optimally support NZE targets.

BNI continues to expand its sustainable financing portfolio, focusing on green loans, Sustainability Linked Loans (SLLs), and green bonds. Through SLLs, BNI provides debtors who achieve sustainability targets with financing incentives. Additionally, BNI strengthens its management of green bonds, which is increasingly recognized as a tool for funding green projects. This effort encourages debtors' transition towards clean energy and sustainability, including small and medium enterprises that have yet to adopt environmentally friendly practices. Moreover, BNI maintains collaboration with regulators, international institutions, and strategic partners to ensure that all our products and services contribute to inclusive and sustainable economic growth.

BNI also enhances ESG risk management within the establishment of Risk Acceptance Criteria (RAC). RAC implementation covers 22 Corporate debtor sectors, 18 Commercial debtor sectors, and 10 Retail Productive sectors, incorporating aspects of human rights and occupational health and safety (OHS), alongside climate change mitigation and adaptation in debtor operations. This effort not only supports regulatory compliance but also fortifies a more resilient ESG risk management approach across all served sectors.

Sustainability for us transcends being simply a keyword; it is an inseparable component of the company's long-term strategy. We are committed to continually enhancing our sustainable finance practices, leveraging innovative digital technology to support the development of a green and inclusive economy. As part of this endeavor, we actively support government initiatives in achieving SDG targets, including through green financing and the strengthening of sustainable financial literacy among the community.

BNI's commitment to sustainability is robustly backed by all corporate governance organs, including the Board of Directors, who actively oversee and evaluate the implementation of sustainability strategies. Through quarterly ESG Sub-Committee forums, the Board consistently monitors developments in crucial topics such as sustainable finance, ESG trends, and the application of ESG strategies at BNI, ensuring that all sustainability initiatives are executed effectively and sustainably.

Implementation of Sustainable Finance and Achievement in Sustainability Performance

In the economic sector, BNI recorded an operating income of Rp64.5 trillion, reflecting a 2.8% increase compared to the previous year. By the end of the fiscal year, BNI's net profit reached Rp21.5 trillion, marking a 2.7% growth from 2023. This performance improvement was driven by solid growth in net interest income and fee-based income.



As part of its commitment to sustainability, BNI continues to strengthen its role in applying ESG principles. As of December 31, 2024, the green loan amounted to Rp73.4 trillion, from the target of Rp71.2 trillion, or 9.6% of the total loan. Additionally, SLLs portfolio reached Rp6.0 trillion, reflecting BNI's efforts to support sectors which focused on their sustainability targets.

BNI has realized 87.3% of the allocation of green bond funds in accordance with BNI's green bond framework, which was channelled into five major green financing sectors: Renewable Energy, Waste Processing into Energy and Waste Management, Environmentally Friendly Transportation, Green Building, and Sustainable Management of Natural Resources and Land Use. The remaining 12.7% was allocated to other green sectors.

Meanwhile, BNI remains committed to enhancing the quality of life of the communities through empowerment and partnership programs, focusing on Micro, Small, and Medium Enterprises (MSMEs). BNI believes that MSMEs are a fundamental pillar of Indonesia's economy, and their growth plays a vital role in the nation's economic recovery. By the end of 2024, BNI has disbursed Rp117.1 trillion in financing to the MSMEs segment. Through this financing, BNI continues to support MSMEs in accessing the necessary funding to expand their businesses, while contributing to inclusive and sustainable economic growth.

In the social aspect, BNI continues to create a safe, comfortable, inclusive, and equitable working environment for all employees. We persistently implement a respectful workplace and uphold human rights. Throughout 2024, there have been no reports of discrimination or violence within BNI. We also regularly conduct employee satisfaction and engagement surveys annually. The results of the 2024 survey show 34%, indicated that employees were engaged with BNI. ^[406-1]

BNI provides equal opportunities for every employee to develop their careers and competencies, including understanding sustainable finance. In 2024, BNI provided e-learning mandatory with sustainable finance topics to 26,425 employees. Moreover,

specific sustainability topic trainings were provided for certain divisions directly involved in managing the implementation of sustainable finance at BNI. The execution of all these training sessions aims to ensure that every employee possesses adequate knowledge to support the integration of sustainable finance into BNI's business operations.

Customer experience is also an important aspect that we maintain. Therefore, BNI continues to strengthen its commitment to managing data security and cybersecurity as part of our commitment to protect customer information, company data, and critical banking operating systems. In response to the challenges of technological developments and increasingly complex cyber threats, BNI continues to update and strengthen existing IT infrastructure and security systems.

BNI is committed to complying with applicable standards and regulations to ensure maximum protection of personal data and customer transactions. Various initiatives have been implemented, such as applying strict security policies, data encryption, and 24/7 monitoring of potential cyber threats. To ensure maximum protection, application and system security is enhanced with secure coding, penetration testing, vulnerability assessments, and various Security Perimeter Tools supported by a Security Operation Center (SOC). Additionally, BNI continues to enhance employee capacity and skills through regular cybersecurity training to ensure that the entire team can identify, prevent, and handle potential threats. In 2024, there were no reported data breaches or leaks at BNI.

From the environmental aspect, BNI continues to implement green banking initiatives in internal operations. BNI has inventoried GHG emissions from operational and financing activities and built infrastructure to monitor and manage emission data more effectively. In 2024, GHG emission (total) intensity to income was 0.00000051813 tons CO₂eq/Rp, while financed GHG emission intensity to income was 0.00000051513 tons CO₂eq/Rp.

BNI continues its digitization program to minimize paper usage and enhance operational efficiency. As a result, paper consumption was reduced by at

least 344,300 reams annually. BNI also maintains its efforts in managing operational waste and energy consumption. In 2024, we successfully recycled a total of 39.7 tons. The intensity of energy consumption per income was 0.000000145 GJ/Rp. With these initiatives, BNI is committed to continuing as an agent of change in supporting the transition to a green economy, both in internal operations and through products and services that support sustainability.

Sustainability Performance Target Achievement Strategy

BNI's sustainability performance targets holistically encompass Sustainable Finance Action Plan (RAKB), Bank Business Plan (RBB) and the Bank's key performance indicators (KPIs). Achieving these performance targets requires collaboration among various divisions, supervised by top management. Additionally, integrated risk management, which includes monitoring ESG and economic risks, is consistently overseen by management to minimize risks or obstacles that could affect performance achievements.

BNI understands that aligning business strategies with the transition efforts to a green economy has become a significant focus for the Indonesian government. Every year, BNI sets targets for increasing loan disbursement to green sectors and educates debtors to support this transition. As part of BNI's commitment to realizing a green economy, BNI is positioning itself as a strategic partner for debtors in executing green transitions. Notable steps taken by BNI include educating debtors through the BNI ESG Sustainability & Transition Event, which encourages them to actively participate in implementing the sustainability taxonomy in Indonesia, including TKBI Technical Assistance workshop for energy sector debtors.

In terms of digital transformation, BNI has targets related to enhancing operational efficiency, expanding service coverage, and providing better banking experiences for customers through digital innovation. BNI's digital transformation is balanced with the strengthening of cyber security systems to protect customer data and ensure operational integrity. Our strategy to achieve these targets is by

implementing data and cyber security management systems. We also have strict policies regarding data protection, as well as user access management and monitoring. Furthermore, BNI conducts third-party risk assessments to evaluate vendor security in technology, information, and cyberspace.

By implementing sustainable finance, BNI has a significant opportunity to enhance its contribution to the financial industry. We focus not only on financial performance but also on the social and environmental impacts resulting from every operational activity. Along with improving sustainable practices, BNI also seeks to optimize prospects and opportunities in green financing projects, digital banking innovations, and various strategic collaborations with stakeholders. Through these strategies, BNI is committed to actively contributing to environmental conservation, supporting social sustainability, and contributing to the broader welfare of society.

Closing

The year 2024 marks an important momentum for BNI to further strengthen our role as agent of change in the financial sector supporting a more environmentally friendly, fair, and sustainable economy. With all the strategic steps we have taken and will take, we believe that BNI will continue to bring positive impacts, both for customers and stakeholders, as well as the wider community, towards a greener and more sustainable future.

We would also like to thank all stakeholders for their continuous support and trust in BNI. We believe that with strong commitment and cooperation, BNI will be able to generate a great positive impacts towards more inclusive and sustainable development.

Jakarta, February 2025

Royke Tumilaar

President Director



About BNI ^[2-1]



COMPANY NAME

PT Bank Negara Indonesia (Persero) Tbk

HEAD OFFICE ADDRESS

Grha BNI
Jl. Jenderal Sudirman Kav. 1
Jakarta 10220

Phone : (62-21) 251 1946
Email : bni@bni.co.id
Website : www.bni.co.id
PO Box 1946



BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

Engages in banking business and other supporting business activities in accordance with the Articles of Association No. 05 dated March 4, 2024



OPERATIONAL LOCATIONS ^[2-6]

Operating in 9 countries, namely: Indonesia, Singapore, Hong Kong, Japan, United Kingdom, America, South Korea, Netherlands, Australia

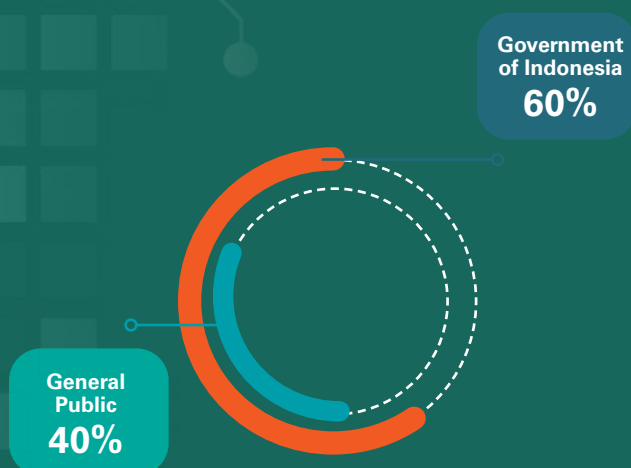


SIGNIFICANT CHANGES TO BNI

During 2024, there will be significant changes related to organizational structure/supply chain/office opening/closure.

- Organizational Structure in accordance with CDV Memo No. CDV/2/1069 dated June 7, 2024
- Opening of a Branch Office in Sydney

SHARE OWNERSHIP

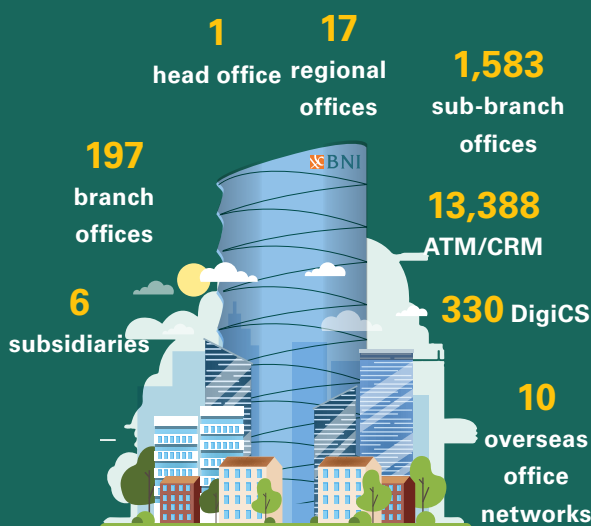


MARKET SERVED ^[2-6]

Geographic markets served: Indonesia, New York, London, Hong Kong, Singapore, Tokyo, Osaka, Seoul, Amsterdam, and Sydney.

Sectors and types of customers served:

- Cooperative, Medium and Small Business Banking
- Consumer Banking
- International and Treasury Banking





Vision

Becoming primest financial institution that excel in services and sustainable performance.



Mission

- Provide excellent service and digital solutions to all customers, and as the primary partner of choice.
- Strengthening international services to support the needs of our global business partners.
- Increasing the prime investment value for investors.
- Creating the best conditions for employees as a place of pride for work and accomplishment.
- Increasing awareness and responsibility to the environment and society.
- Becoming a reference for the implementation of compliance and good corporate governance for the industry.

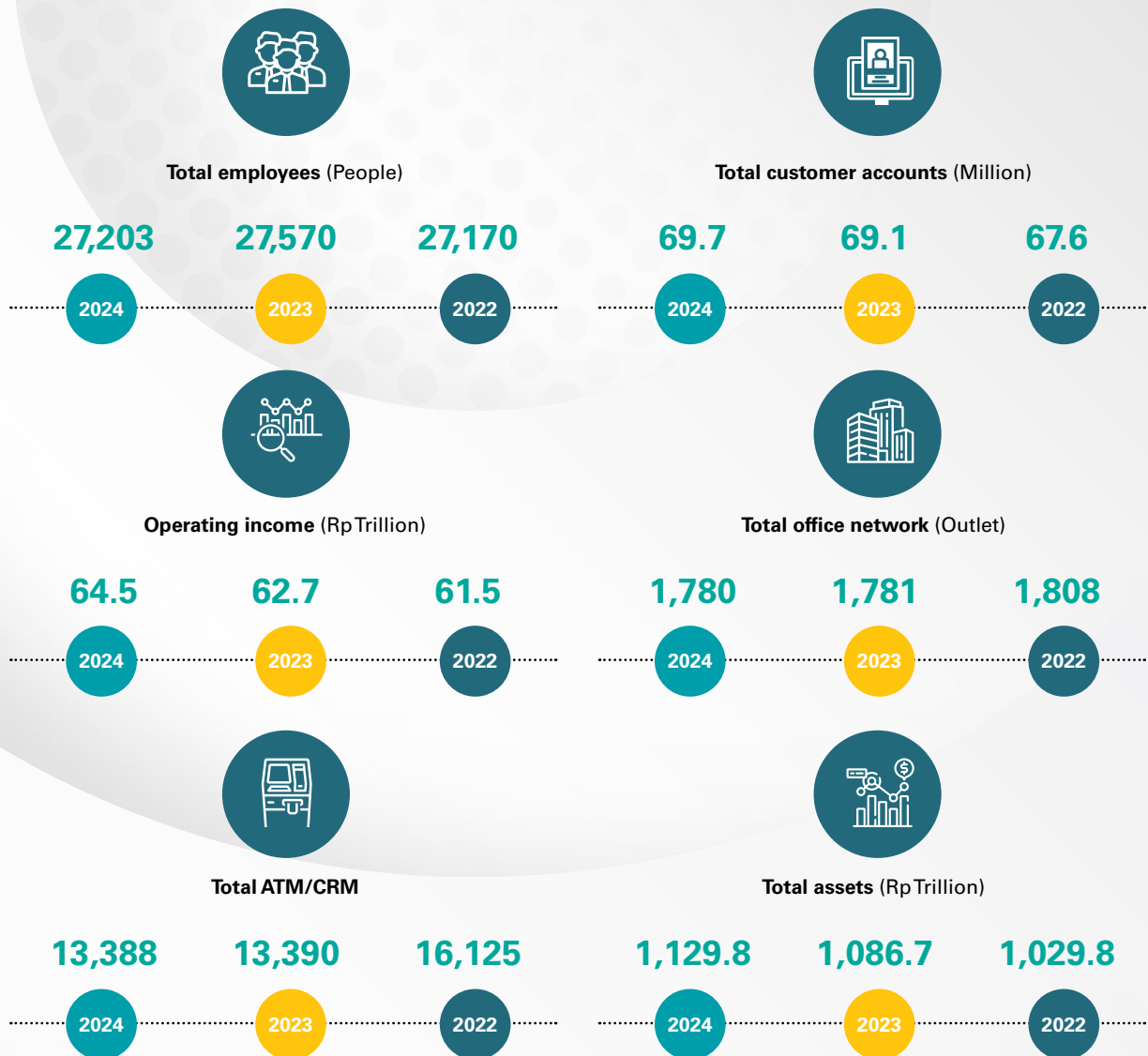
Culture and Values

To support and accelerate the implementation of AKHLAK values at BNI, a work culture transformation was carried out to align the company's core values. AKHLAK values consisting of *Amanah* (Trustworthy), *Kompeten* (Competent), *Harmonis* (Harmonious), *Loyal* (Loyal), *Adaptif* (Adaptive), and *Kolaboratif* (Collaborative), established by the Ministry of SOEs, have been internalized at all levels of the organization. This internalization process continues to be strengthened through the acceptance and strengthening of PRINCIPLE 46 as BNI's belief and work culture guide. This step demonstrates BNI's commitment to realizing a work culture that supports integrity, collaboration and sustainability.





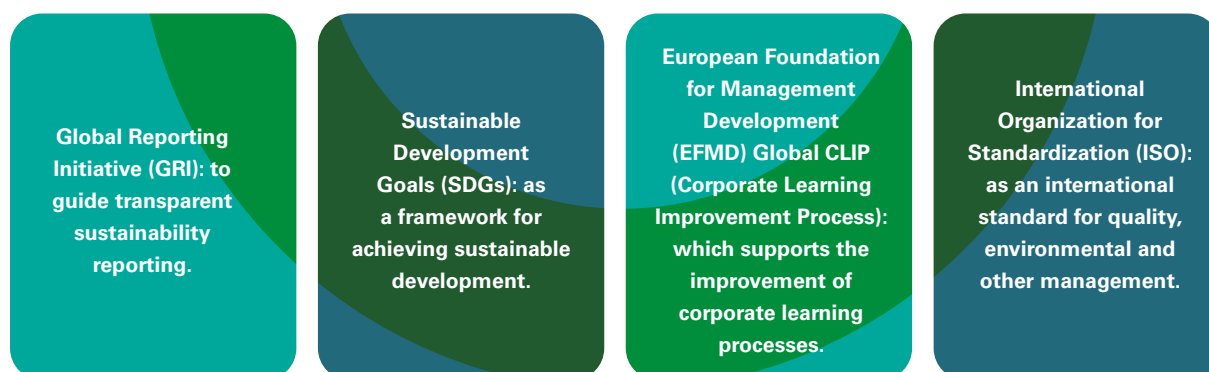
Company Scale



Description	Unit	2024	2023	2022
Total capitalization:				
• Liability	Rp Trillion	962.6	932.0	889.6
• Equity		167.2	154.7	140.2
Products and Services [FN-CB-000.A]				
a. Current Accounts	Rp Trillion	305.7	345.5	314.6
b. Savings		257.5	232.0	242.7
c. Deposits		242.2	233.2	212.0
d. Gross Loans		775.9	695.1	646.2

External Initiatives and Association Membership [2-28]

To support Sustainable Finance implementation and sustainability principles in its operations, BNI adopts various principles and standards covering economic, social and environmental aspects. These standards include:



The adoption of these standards reflects BNI's commitment to integrate sustainability into every aspect of its operations, in order to have a positive impact on stakeholders and the environment.

Details of certifications and accreditation owned:

No.	Certification	Validity Period
1	ISO 9001:2015 The provision of trade processing services	December 23, 2020 - January 10, 2024
2	ISO 27001 : 2013 Information Security Management System	January 16, 2023 to October 31, 2025
3	ISO 9001:2015 Provision of in-House Learning and in Learning/ Digital Learning for BNI Employees	March 26, 2023 - March 26, 2026
4	ISO 9001:2015 Quality Management System for Banking Operations for Guarantee Letter, RTGS, Remittance Services, Credit and Debit Clearing, Credit Administration, Card Production & Distribution, State Financial Transaction, Custodian Services, Jabodetabek Central Cash Services, Treasury Transaction Services, Trustee Services and Central Foreign Banknotes Services	November 18, 2021 - November 5, 2024
5	ISO 9001:2015 Quality Management System for BNI Contact Center Services in BSD, Surabaya, & Semarang	August 2, 2023 - March 13, 2026
6	ISO 9001:2015 Quality Management System for HPS Units	December 1, 2023 - November 11, 2026
7	ISO 9001/2015: Quality Management System for Vendor Management Units	January 9, 2024 - November 26, 2026
8	ISO 9001:2015 Provision of BNI Credit Cards Business	June 27, 2024 - June 26, 2027
9	ISO 37001:2016 Anti-Bribery Management System	January 1, 2024 - December 31, 2026
10	ISO 30301:2019 Management systems for records for Archives Units	December 23, 2024 – December 22, 2027
11	New Building GreenShip Certificate V.1.2 <ul style="list-style-type: none"> Menara BNI Plaza BNI 	<ul style="list-style-type: none"> January 30, 2025 - January 30, 2028 October 26, 2022 - October 26, 2025
12	Corporate Learning Improvement Process (CLIP) - EFMD Global	December 22, 2022 – December 22, 2027



Association Memberships Supporting to Sustainability

Association	Role	Range
United Nations Environment Programme Finance Initiatives (UNEP FI)	Member	International
Indonesia Sustainable Finance Initiative (IKBI)	Member/Founder	National
Indonesia Business Council for Sustainable Development (IBCSD)	Member/Founder	National
Indonesian Association of Green Building Experts (IABHI)	Member	National
Indonesian Human Capital Forum (FHCI)	Head of Division 1 Organization Development & Workforce Planning (Director of Human Capital & Compliance BNI)	National
Indonesian Banking Human Capital Forum (FHCPI)	Member	National
Corporate Social Responsibility (CSR) Forum	Member	National

About Sustainability Report [2-2, 2-3, 2-4, 2-5]

Report Profile

BNI Sustainability Report is prepared annually as a form of communication to all stakeholders. This report presents information related to the implementation of sustainable finance as well as performance in the fields of environment, social and governance (ESG). The data presented covers the period from January 1 to December 31, 2024. In the preparation process, this report refers to the following rules and standards:

1. Otoritas Jasa Keuangan (OJK) Circular (SEOJK) No. 16/SEOJK.04/2021 concerning Form and Content of Annual Reports and OJK Regulation (POJK) no. 51/ POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies;
2. Global Reporting Initiative (GRI) Standards 2021, in accordance to the GRI Standards;
3. The GRI-G4 Financial Services Sector supplementary indicator;
4. Sustainability Accounting Standard Board (SASB) for Commercial Banking;
5. Sustainable Banking Assessment (SUSBA) World Wide Fund for Nature (WWF);
6. Sustainable Development Goals (SDGs).
7. ASEAN Corporate Governance Scorecard (ACGS).

Furthermore, this report is prepared to support the information needs of stakeholders by referencing ESG performance rating agencies such as Sustainalytics and Morgan Stanley Capital International (MSCI). The data and information required for this report are provided by BNI's head office as well as all branches across Indonesia. In addition, the financial information disclosed includes consolidated financial data audited by an independent auditor, encompassing several of BNI's subsidiaries, namely PT BNI Life Insurance, PT BNI Multifinance, PT BNI Sekuritas and its subsidiaries, BNI Remittance Ltd., PT BNI Modal Ventura, and PT Bank Hibank Indonesia. Relevant work units are responsible for ensuring the accuracy and verification of the submitted data.

This Sustainability Report is also prepared in accordance with the principles of balance, comparability, accuracy, timeliness, clarity, and reliability. However, we acknowledge the presence of restated data, which has been adjusted to correct information from previous reporting periods. These revisions are related to adjustments in methodologies and the scope of certain data calculations.

The entire process of preparing this Sustainability Report is coordinated by the Enterprise Risk Management Division. All data and information have been reviewed and validated by all divisions through a structured process involving the maker, checker, and approver roles, conducted by the designated PICs of each division/unit up to the Division/Unit Head level. The review mechanism includes:

- Data consignment and individual confirmation per division through both offline and online meetings.
- Division-specific interviews during the assurance process, facilitated by an independent party.
- Circulation of the Sustainability Report document to all Board of Directors members, who also serve as members of the ESG Sub-Committee, as well as the Board of Commissioners, for final approval and signature.

Sustainability Report Assurance ^[2-5]

In accordance with the Policy on Procurement of Goods and/or Services, BNI has appointed PT Sejahtera Rambah Asia as an independent party to provide assurance for this report. The appointment is based on the qualifications of the institution, which is registered with AA1000 and has extensive experience in providing assurance services for sustainability reports in Indonesia.

The assurance aims to ensure that the quality of the report complies with sustainability reporting principles and standards through data verification and confirmation from all contributing parties. The assurance process adheres to the AA1000 Standards at moderate level and type 2 assurance. The assurance process and the selection of the assurance provider were conducted independently to ensure no conflict of interest between BNI and the appointed institution. The results of the assurance process are attached at the end of this report.

More information about BNI can be found on our website.
For further information, input and suggestions for the improvement and progress of this report, please contact:

Rayendra Minarsa Goenawan

Enterprise Risk Management Divison

PT Bank Negara Indonesia (Persero) Tbk

Grha BNI, 26th floor

Jl. Jenderal Sudirman Kav.1 Jakarta 10220 Indonesia

Phones : (62-21) 572 8544

Email : esg@bni.co.id





Material Topics dan Issues

The material topics are determined based on issues and information of high significance during the reporting period. In 2024, there were no changes in the material topics compared to the previous year; however, there were additional significant issues identified. Adjustments to the material topics were made by taking into account activities and issues with a significant impact throughout the year.

In the process of determining material topic priorities, we engaged both internal and external parties, including academics, management, and independent observers. Internal BNI stakeholders involved in this process, included employee representatives, Labor Union, and management who participated in discussions to approve material topic priorities. Meanwhile, external stakeholders engaged comprised representatives from customers, debtors, investors, Ministry of State-Owned Enterprises representing shareholders and the government, OJK, media, suppliers, and community. This determination was also guided by the principles of stakeholder engagement, sustainability context, materiality, and completeness. Furthermore, factors influencing decision-making for the BNI and its stakeholders were identified through a material topic mapping process.

Process of Determining Material Topics [3-1]





Data security and Cybersecurity

- Data security and customer privacy
- Cyber risk management
- Utilization of Artificial Intelligence (AI)
- Digital innovation



Green Portfolio Management

- Environmental loan policies
- Environmental, social, and governance (ESG) risk management
- Screening and monitoring of environment-related financing
- Energy transition and green portfolio



Economic Performance

- Support for a low-carbon economy
- Economic value generated
- Distributed economic value
- Tax



Climate Resilience

- Climate-related governance
- Climate risk management strategies
- Climate-related risk management
- Climate-related matrix and targets
- Calculation of GHG emissions from financing
- Energy and emissions reduction initiatives

Management Response to Prior Year Report Feedback

We sincerely appreciate the feedback provided by stakeholders and ESG rating agencies regarding the 2023 Sustainability Report.

Several areas highlighted for improvement in our performance and reporting have been addressed in this report, including:

- Successfully conducting the material topic determination process with the involvement of external stakeholders;
- Fully adopting the Partnership for Carbon Accounting Financials (PCAF) methodology and expanding the scope of financed emissions calculations to include all productive loan segments;
- Enhancing cybersecurity management;
- Strengthening climate risk management.
- Assessment of environmental and social aspects for suppliers/vendors/contractors.

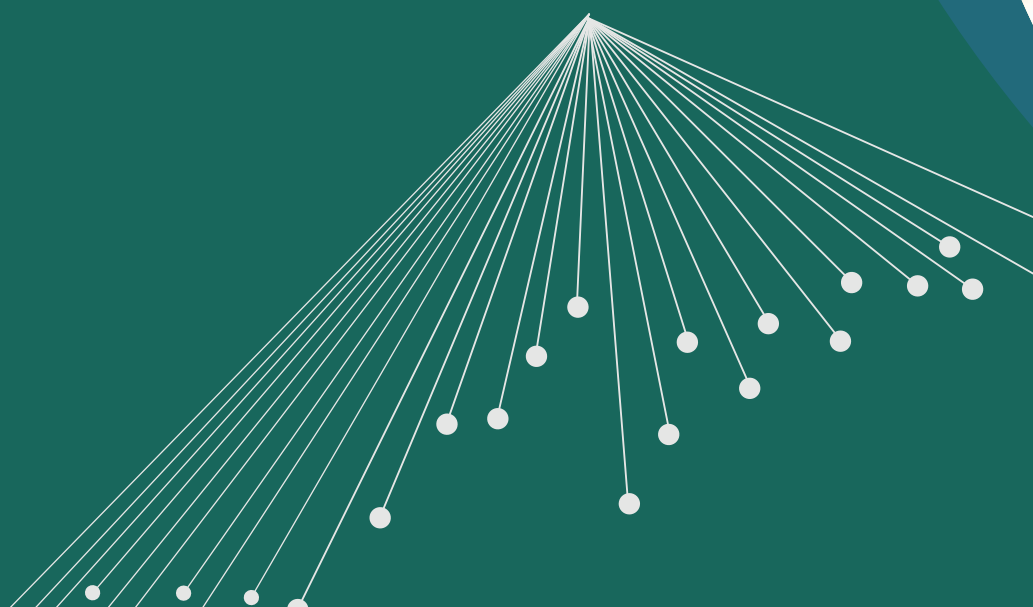
BNI has gradually followed up on stakeholders' concerns regarding our sustainability performance. Going forward, BNI is committed to continue to gradually improve the quality of the report and fulfil information needs to better respond to stakeholders' expectations.



01

PILLAR BNI FOR INDONESIA

"BNI consistently supports national economic growth by seizing expansion opportunities aligned with the government's vision, such as increasing gross domestic product (GDP), alleviating poverty, and implementing sectoral programs in infrastructure, energy and food security, empowerment of small and micro enterprises, as well as downstream industrialization in agriculture, fisheries, and housing sectors."







Creating Simplicity through Digital Banking

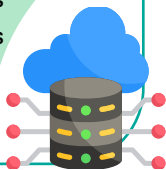
BNI leverages technology to enhance inclusive and sustainable financial services in the digital era. Through product innovation and digital transformation, BNI focuses on operational efficiency and profitability improvement. The digitalization of services is tailored to customer needs, involves various work units, and is supported by continuous system monitoring. This approach ensures the reliability of BNI's digital solutions, delivering added value to customers and business partners.



Enhancing Customer Experience and Bank Competitiveness through Digitalization

BNI's digital transformation continues to progress throughout 2024. BNI targeting operational efficiency, enhanced customer experience, and sustainable business growth. Several digital technology integrations in BNI's business include:

- Adjusting BNI outlet formats to align with location and demographic characteristics;
- Leveraging Artificial Intelligence (AI) and cloud technology;
- Innovating digital platforms to provide the best services;
- Supporting the digital business transformation of other entities through strategic partnerships.



BNI strengthens its digital transformation with AI and cloud technology to enhance operational efficiency and competitiveness. These technologies support digital adaptation across various business segments, such as MSMEs and corporations. AI is utilized for personalized services, fraud detection, and conversational banking, while cloud technology enhances process efficiency and employee productivity.

Additionally, in 2024, BNI launched innovations such as the AI and NLP-based Digital Contact Center Application, enabling faster customer interactions, and the "wondr by BNI" application, which offers financial services in dimensions of Insight, Transaction, and Growth. For business customers, BNI has transformed the BNIdirect digital platform to provide comprehensive transaction solutions, including cash management, supply chain, global trade, foreign exchange, and receivables, all within one integrated platform. BNIdirect features help businesses monitor their financial conditions in real-time, support faster and more accurate decision-making, and improve operational efficiency.

On the other hand, BNI collaborates with Bluebird by integrating the BNI API One Gate Payment. This application facilitates transactions, monitors cash flow, and enables real-time disbursement for over 20,000 partners. It also accelerates bill payments and supports operational efficiency. This collaboration creates added value and benefits for multiple stakeholders, aligning with BNI's commitment to providing adaptive and relevant digital banking services tailored to customer needs.

Strengthening Profitability Through Digitalization

BNI has established a Long-Term Corporate Plan outlined in the Corporate Plan 2024-2028. The development process of this Corporate Plan involved nearly all of BNI's leadership to ensure ownership from the initial stages of formulation through to its implementation. After in-depth analysis and comprehensive discussions, considering the challenges, opportunities, and aspirations of stakeholders, BNI set its long-term aspiration for 2028 to be "The Bank with the Best Technology & People at the Core to Serve You." This strategic direction will form the unique value propositions that BNI will develop in the future, with a focus on three key areas: Productivity, Platform, and Proposition.

Based on the Corporate Plan 2024-2028, the Company's focus in 2024 is to continue improving productivity through capability development, role redesign, office network optimization, and analytics, as well as building and enhancing platforms to improve services and client experiences. This focus is articulated through six key strategies for 2024:

1. Expanding business with top-tier customers by strengthening risk management.
2. Enhancing the digital platform to optimize transactional banking and cross-selling, focusing on sustainable growth in Asset Under Management (AUM), Current Account Savings Account (CASA), and Fee-Based Income (FBI).
3. Strengthening the business network through outlet optimization.
4. Expanding the international business network to support global market penetration.
5. Strengthening human capital and IT to improve productivity.
6. Optimizing the BNI Group to strengthen the position of subsidiaries.

Technological disruptions have brought changes in customer preferences and introduced new competition from digital banks and non-bank financial service providers (fintech). To respond to this, the banking sector must become increasingly agile and adaptive, enhance system and human

resource readiness for digital developments, and improve data monetization capabilities. Therefore, digitalization and productivity enhancement are two key aspects of BNI's strategy, manifested through the optimization of the frontliner roles (Customer Service and Teller) in supporting marketing, strengthening sales teams, and implementing a sales generalist model across all regional offices and branches. These efforts aim to provide optimal, responsive, and consistent service that meets customer needs while developing digital services that support customer journey.

In 2024, the BNI launched a digital application for personal financial services, designed with the latest technology platform, called wondr by BNI. This application was launched on July 5, 2024, coinciding with BNI's 78th anniversary. Developed through extensive research and following global industry standards, this platform is designed to be a game-changer for BNI and the Indonesian banking industry. By the end of 2024, wondr by BNI had been downloaded by more than 6 million times, with a registered user rate of 86.3% of the total downloads.

In October 2024, the Company launched new features on BNIdirect, a digital platform designed specifically for wholesale customers. This service provides an integrated portal, including cash management, trade, and bank guarantees, which has been utilized by 170 thousand users. Throughout 2024, the transaction volume reached Rp7,931 trillion, marking a 23.3% yoy increase.

Digitalization has also extended to operational aspects and services, such as digital account opening through biometrics, digital loans, digital investments, digitalization of Agen46 (branchless banking), and the automation of other operational aspects, along with the utilization of big data through data analytics capabilities. To enhance the customer experience, BNI has also gradually implemented digital transformation in its outlets. This customer experience is developed through adjustments in the format of BNI outlets based on digital technology, tailored to the location and characteristics of each outlet.



The long-term digitalization strategy in this business area will benefit the growth of BNI's Current Account Savings Account (CASA) funding and drive revenue from fee-based transactions. Operational digitalization brings advantages such as automation of tasks, improved service levels, and cost efficiency. Efficient management of general and administrative (G&A) expenses enables the allocation of budgets to more productive areas, such as IT development and human capital, which will create a multiplier effect on BNI's financial performance.

Digital transformation has become a key driver of BNI's positive performance in 2024. BNIdirect and wondr by BNI have reaffirmed BNI's commitment to strengthening its digital services. BNIdirect is designed for the wholesale banking segment, providing business customers with easy access to various services through a single integrated platform. wondr by BNI has demonstrated significant growth, with 70% of BNI's savings account holders using the service. BNIdirect also support BNI's flagship product, Xpora, which focuses on micro, small, and medium enterprises (MSMEs) with an export orientation. Xpora assists MSMEs in enhancing their business capacity and expanding their market to an international level. Through the synergy of these services, BNI continues to strengthen its position as a strategic partner in the digital era, both for individuals and businesses.

Digital Banking Performance

wondr
by BNI

191 T*

Transaction Volume

BNI
mobile
banking

1,495.4 T (23.0%)

Transaction Volume

BNI direct
23.3%

Transaction volume growth of BNIdirect

Xpora
Powered by **BNI**
Ekspor jadi Mudah

18.0 T (16.7%)

Transaction Volume

*) There is no YoY comparison yet because it was only launched in July 2024.



Sustainable Finance Implementation

Material Topics:

- Economic Performance
- Green Portfolio Management

Our Approach ^[3-3]

BNI implements responsible banking practices with a focus on sustainable finance and the management of environmental, social, and governance (ESG) aspects. Annually, BNI sets targets to enhance its economic performance and green financing efforts. To achieve these economic performance targets, BNI is undergoing a digital transformation and strengthening its intermediation performance in alignment with national recovery. The management of economic performance is overseen by Finance Director.

In terms of green portfolio management, BNI continues to strive towards increasing its green portfolio and achieving environmental performance through green bonds in accordance to POJK No.51 and Green Financing Internal Guidelines. BNI assesses potential borrowers based on their management of ESG factors. The initial evaluation of ESG aspects during the loan process is carried out in accordance with BNI's established policies. This process involves several divisions, including Corporate Banking, International, Enterprise Banking, Commercial Banking, Institutional Banking, Syndication & Structured Finance, Retail Productive Banking, Small Business & Program, and related credit risk divisions. Under the management of the Enterprise Risk Management and Policy Governance divisions, BNI manages its green portfolio and regularly evaluates its loan policies and relevant ESG aspects, refer to POJK No.51 and POJK No.60 Amendment to POJK No.18. The Director of Risk Management is responsible for overseeing the management of BNI's green portfolio.

As a state-owned bank and a key driver of sustainable finance in Indonesia, BNI is committed to continuously embedding sustainability principles, one of which is through sustainable financing commitments. Based on monitoring and evaluation, BNI's green portfolio has reached Rp73.4 trillion, exceeding 2024 target of Rp71.2 trillion or 9.6% of BNI's total loan portfolio. BNI's green financing covers various sectors, including new and renewable energy of Rp13.0 trillion. Additionally, BNI has provided Rp2.3 trillion in financing for environmentally friendly transportation and Rp32.4 trillion for natural resource management and sustainable land use. Furthermore, operating income increased to Rp64.5 trillion, increased by 2.8% from the previous year, with a net profit of Rp21.5 trillion increased by 2.7%. As part of its efforts to support the energy transition, BNI continues to distribute Sustainability-Linked Loans (SLLs), which reached Rp6.0 trillion. In addition, BNI actively supports the implementation of Indonesia's Sustainable Finance Taxonomy as part of its commitment to achieving Indonesia's net-zero emission goals.



Economic Performance

BNI's economic performance in 2024 was positive. BNI recorded improvements in net interest income and non-interest income. BNI's net profit reached Rp21.5 trillion driven by recovering operating income and well-maintained asset quality.

Economic Value Generated and Distributed (Rp Billion) ^[201-1]

Description	2024	2023	2022
a. Economic value generated			
Interest income – net	40,480.2	41,275.7	41,320.6
Premium income - net	1,723.8	1,659.3	1,551.5
Other operating income	22,310.9	19,812.4	18,599.6
Total	64,514.9	62,747.4	61,471.7
b. Distributed economic value			
Operating costs (exclude employee salaries)	23,820.9	24,140.3	26,117.0
Expenditure for employee salary and benefit	13,948.1	12,833.7	12,456.0
Dividend	10,454.7	7,324.8	2,724.6
Tax	4,911.1	4,533.5	4,204.9
Community investments	129.9	129.8	99.8
Total	53,264.7	48,962.1	45,602.3
c. Retained economic value (A-B)	11,250.2	13,785.3	15,869.4

BNI's economic performance recorded an increase in operating income of Rp64,515 billion, achieving a 2.8% growth compared to the previous year, while net profit amounted to Rp21,464 billion, marking a 2.7% growth from last year. A total of Rp53,264 billion was allocated to stakeholders through employee remuneration and benefits, dividends for shareholders, taxes for the government, payments to local and non-local suppliers, as well as donations and empowerment contributions. Throughout 2024, BNI did not receive any assistance from the government, whether in the form of tax relief, subsidies, grants, royalties, cash funds, or other incentives. ^[201-1]

The provisions of Law No. 7 of 2021 Article 17 paragraph (2b) concerning Harmonization of Tax Regulations stipulate that domestic taxpayers can obtain a Corporate Income Tax rate of 3% lower than the rate of 22% if they meet the following requirements:

1. It is a Publicly Listed Company;
2. At least 40% of its issued and paid-up shares are traded on the Indonesian Stock Exchange; and
3. It meets certain other requirements.

In line with these provisions, in 2024, BNI met the aforementioned requirements, and thus the applicable tax rate used in the calculation of Corporate Income Tax for 2024 is 19%. With the tax incentive, BNI paid Rp4,134 billion in taxes to the government in 2024. [201-4]

BNI's approach to tax compliance is rooted in adherence to all applicable tax laws and regulations issued by tax authorities. In its implementation, BNI has established a comprehensive and structured process, including the identification, management, and monitoring of tax risks through continuous monitoring and reconciliation. [207-1, 207-2]

The key stakeholder in taxation matters is the government through the tax authorities. BNI strives to maintain good relations with tax authorities, without engaging in public policy advocacy related to taxation or other efforts to influence the tax authorities. BNI complies with all regulations issued by the tax authorities. Further details regarding taxation can be accessed in the 2024 Annual Report and Consolidated Financial Statements of BNI, published separately from this report. [207-1, 207-2, 207-3]

Sustainability Portfolio

BNI's commitment to sustainable finance is demonstrated through the integration of sustainability principles in every step of its operations. In 2024, BNI has achieved a green portfolio of Rp73.4 trillion with a target of Rp71.2 trillion, which covers around 9.6% of the total loan. BNI's green loans portfolio includes sectors such as new and renewable energy, environmentally friendly transportation, natural resource management and sustainable land use, and other categories. As part of its support for the energy transition, BNI continues to provide green financing through the issuance of Sustainability Linked Loans (SLL), which recorded Rp6.0 trillion.

In addition, to support the growth of the real sector in Indonesia, BNI has disbursed loan to MSMEs. By the end of 2024, the MSME portfolio reached Rp117.1 trillion. MSME financing is a key focus area of sustainable finance practices in Indonesia, where the management of social aspects is closely tied to the growth of MSMEs that absorb local labor, vulnerable groups, women's empowerment, and marginalized communities.

Loan Portfolio Based on Segment (Rp Billion) [FS6][FN-CB-000.B]

Segment	2024		2023		2022*	
	Total	%	Total	%	Total	%
Corporate	440,959	56.8	374,203	53.8	323,044	50.0
Medium (Enterprise & Commercial)	100,422	12.9	102,460	14.7	112,462	17.4
Small	75,752	9.8	84,892	12.2	97,210	15.0
Consumer	142,492	18.4	124,487	17.9	109,602	17.0
Subsidiaries	16,247	2.1	9,043	1.3	3,870	0.6
Total Loan	775,872	100.0	695,085	100.0	646,188	100.0

note:

*) Restatement due to adjustments to portfolio categories.



Loan Portfolio of Sustainable Financing (Rp Billion) [FS8]

Description	2024		2023		2022	
	Total	%	Total	%	Total	%
a. Renewable energy	13,003	0.8	10,216	5.6	10,872	5.9
b. Energy efficiency	13,635	7.2	14,460	7.9	14,033	7.7
c. Pollution prevention and control	2,913	1.5	3,855	2.1	4,003	2.2
d. Natural resource management and sustainable land use	32,401	17.0	26,599	14.7	19,695	10.8
e. Conservation of terrestrial and aquatic biodiversity	0	0	0	0	26	0
f. Environmentally friendly transportation	2,333	1.2	2,317	1.3	2,020	1.1
g. Sustainable water and effluent management	897	0.5	572	0.3	314	0.2
h. Adaptation to climate change	0	0	0	0	0	0
i. Eco-efficient products	1,650	0.9	1,190	0.7	1,011	0.6
j. Green buildings that meet nationally, regionally, and internationally recognized standards or certification	4,522	2.4	5,620	3.1	7,394	4.0
k. Other environmentally friendly business activities	2,039	1.1	3,053	1.7	398	0.2
Total Portfolio for Green Financing	73,393	38.5	67,882	37.5	59,769	32.7
l. MSME Activities	117,121	61.5	113,224	62.5	123,165	67.3
Total Portfolio for Sustainable Financing	190,514	100.0	181,106	100.0	182,934	100.0

Note: Data coverage is only from BNI as the parent entity that carries out banking activities.

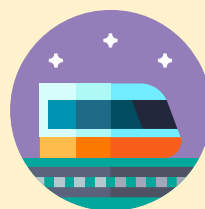
Supporting Energy Transition Projects

Indonesia is currently developing various energy transition projects, one of which is the utilization of renewable energy as a source for power generation. In 2024, BNI financed several power plants using renewable energy, including a Wind Power Plant with a capacity of 75 Megawatt peak (MWp) located in Sidrap, South Sulawesi Province, and a Solar Power Plant with a capacity of 25 MWp located in Karangasem, Bali Province.



Supporting the Use of Environmentally Friendly Transportation

The air quality index in major cities across Indonesia has become a public concern. To contribute positively to improving the air quality index in the Jabodebek area, BNI supports the use of environmentally friendly transportation by financing the Jakarta-Bogor-Depok-Bekasi Integrated Rail Transit, which has a passenger capacity of up to 500,000 passengers per day.



Supporting Our Debtors to Achieve Sustainability Targets

BNI launched the Sustainability Linked Loan (SLL), directed to the debtors with sustainability targets aligned with their business strategies. The SLL is designed to encourage debtors to integrate sustainability aspects into their operations, while also strengthening BNI's role as a strategic partner guiding debtors in their journey towards sustainable business practices.

The requirements for obtaining SLL include commitment, policies, strategies, and/or a measurable track record of sustainability performance, as stated in the sustainability report, environmental monitoring report, or similar documents; an SLL Framework document that has received a Second Party Opinion (SPO) from an accredited Independent Consultant, at a minimum from BSN, KAN, or a recognized international accreditation body; as well as Key Performance Indicators (KPI) and Sustainability Performance Targets (SPT) outlined in the SLL Framework document.

In 2024, BNI's SLL recorded of Rp6,0 trillion. Additionally, BNI has monitored the achievement of sustainability targets for debtors receiving SLL. Several targets achieved in 2024 include:

1. A steel processing company has implemented a sustainability framework with a target of improving its ESG Risk Rating. One debtor successfully reduced its ESG Risk Rating from 37.2 (High Risk) to 35.2 (High Risk). Regular monitoring will continue to ensure further improvements in the future.
2. A livestock and food processing company has completed the construction of a Water Recycling Facility (WRF) in Parung, marking the final milestone in achieving the target of building nine WRF units as required under the SPT for the 2022–2024 period.

3. A cement processing company has successfully met its targeted carbon emission reduction. A further evaluation of target achievements for the next period will be conducted alongside the issuance of the debtor's Audited Financial Report.
4. The assessment period for sustainability target achievements has not yet begun for companies in the plastic goods and coal-based product industries.

Green Bonds

Funds raised from the issuance of Green Bonds will be exclusively used to finance or refinance assets directly related to "Eligible Green Projects" in accordance with the Green Bond Principles. BNI utilizes Green Bond funds to support business expansion, refinancing, and funding reprofiling, considering the provisions of OJK Regulation 60/2017, which mandates that at least 70% of the financing be allocated to green financing.

Green Bond Distribution

Eligible Category	Financed/ Refinanced	Amount Allocated	Allocation of Proceeds
Renewable Energy	Refinanced	Rp343 Billion	7.9%
Environmentally Friendly Transportation	Refinanced	Rp2,317 Billion	53.1%
Green Buildings	Refinanced	Rp336 Billion	7.7%
Waste to Energy and Waste Management	Refinanced	Rp569 Billion	13.1%
Sustainable Natural Resources and Land Use	Refinanced	Rp798 Billion	18.3%
Total		Rp4,363 Billion	100.0%

Source: Green Bond Report June 2024



Micro, Small, and Medium Enterprises (MSMEs)

Loan [FN-CB-240a.1][FN-CB-240a.2]



MSME Portfolio

MSME growth has been a key driver of Indonesia's economic recovery. By the end of 2024, outstanding MSME loan portfolio reached Rp117.1 trillion, with 28.3% allocated to Subsidized Micro Loans (KUR). Meanwhile, BNI Xpora's total loan portfolio amounted to Rp33.6 trillion, serving 18,432 debtors, of which 4.6% was KUR focused on export financing. In 2024, BNI Xpora successfully facilitated 44 thousand MSMEs in entering the export market, marking a 0.2% increase from the previous year. However, the export financing value for MSMEs slightly declined from Rp33.9 trillion to Rp33.6 trillion.

BNI has mapped out MSME financing, providing an allocation for environmentally conscious MSMEs from Subsidized Micro Loan (KUR) and BNI *Wirausaha* (BWU), such as the BUMI Program (BNI *UMKM Ramah Lingkungan*) (Rp38.9 billion), followed by BNI *Desa Digital Khatulistiwa* (Rp18.6 billion), and the BNI *Jejak Kopi Khatulistiwa* Program (Rp67.2 billion). Going forward, BNI hopes to continue growing its green MSME financing portfolio, contributing more significantly to the achievement of a green economy.

KUR (Subsidized Micro Loan) and BNI *Wirausaha* (BNI Entrepreneur)

As an Agent of Development, BNI has had a positive impact on the local economy, particularly by increasing access to finance for communities and small businesses across various regions. BNI supports MSMEs through the Subsidized Micro Loan (KUR) and BNI *Wirausaha* (BWU) programs, offering loans ranging from Rp50 million to Rp1 billion, accessible at over 250 outlets across Indonesia. In 2024, BNI is committed to accelerating the disbursement of KUR and BWU, providing services beyond regular working hours for loan agreements and restructuring. The target for KUR disbursement in 2024 is Rp12 trillion, with a realization of Rp11.9 trillion or 99.3% of the target by the end of the year. BNI also adopts full digitalization in the loan process and utilizes technology for more accurate loan assessments.

Towards Climate Resilience through Loan Management

Material Topic: Climate Resilience

Our Approach [3-3]

BNI is committed to supporting Net Zero Emission (NZE) and climate resilience through environmental management, both for internal banking operations and the environment. BNI also has an ESG roadmap with targets for reducing greenhouse gas (GHG) emissions and supporting NZE. This commitment is realized through the implementation of sustainable finance. BNI has set a target for NZE by 2028 for operations and by 2060 for financing. This commitment is reflected in BNI's green portfolio, which amounts to Rp73.4 trillion, or approximately 9.6% of the total loan, contributing to the achievement of a low-carbon economy in the future.

To strengthen the management of climate change risk, BNI reports the Climate Risk Stress Test (CRST) to OJK, covering consumer property loans and six key sectors: electricity, transportation and warehousing, construction, agriculture, manufacturing, and mining and excavation. These sectors account for 50% of BNI's total loan portfolio.

Besides, we also implement energy efficiency and emission reduction measures within our operations. BNI consistently promotes energy efficiency and emission management across all buildings and offices under its management. These activities are guided by the Efficiency Implementation Stipulation No. JAL/2.2.1799, Lighting and Cooling Efficiency No. JAL/3/3564, and the Use of AC Inverter for Electricity Cost Efficiency No. JAL/3/1317.

Climate-Related Financial Risk Analysis [201-2]

BNI's operational activities do not have a direct impact on the environment or climate change. However, by providing loan, we indirectly contribute to financing the emissions generated from our debtors. Therefore, BNI manages its loan portfolio selectively, conducts ESG assessments, enhances green financing, reduces greenhouse gas (GHG) emissions, and measures GHG emissions from its financing activities. BNI also supports the UN Environment Programme Finance Initiative (UNEP FI).

BNI is preparing to implement IFRS S2 to effectively manage climate-related risks and opportunities while integrating these considerations into its Financial Statements. To support this initiative, BNI has developed a climate framework that encompasses governance, strategy, risk management, and metrics & targets, ensuring alignment with IFRS S2 standards.



Initial Steps for Implementation (2023)	Progress 2024
Governance	
<ul style="list-style-type: none"> The ESG performance management handled by ESG Management Department, which is under the Enterprise Management Division, and it was established in June 2022 based on Director Decree No. KP/218/R. The climate-related framework has the oversight of the ESG Sub-Committee, comprising of the members of the Board of Directors and BNI's SEVP, which are also a part of the Risk Management and Anti-Fraud Committee. Coordination and implementation of the climate framework, the ESG Sub-Committee is assisted by the Supporting Staff Group (SSG), which consists of leaders of relevant divisions and departments. Monitoring and evaluation of climate risk mitigation is conducted through regular meetings at least every three months, or more frequently if needed. Monitoring results will be submitted to the ESG Sub-Committee for decision making by the Board of Directors. 	<ul style="list-style-type: none"> BNI strengthens the organization of the ESG Management Department through sharpening functions and adding work units to support the strengthening of climate risk.
Strategy	
<ul style="list-style-type: none"> Developing sustainable products, such as green bonds, SLL, environmentally oriented MSMEs, Green Financing, Collaborating with strategic partners to issue sustainability products for individuals, as well as Optimizing the saving with trash program. Running energy efficiency programs in operational offices. Running a nature-based solution program. BNI coordinates with Subsidiaries to harmonize the implementation of the ESG Framework and Net Zero Roadmap in Subsidiaries. 	<ul style="list-style-type: none"> BNI places itself as a debtor partner in the debtor's transition journey, through the BEST Event program which encourages debtor awareness to start implementing the transition. BNI implements educational programs for debtors to support the government's transition program, one of which is through the Indonesian Sustainable Finance Taxonomy (TKBI) Technical Workshop for energy sector debtors.
Risk Management	
<ul style="list-style-type: none"> Building emission data infrastructure to monitor operational emissions across all offices. Identify high emission sectors in the loan portfolio and regulate financing through Loan Exposure Limit (LEL). Strengthened risk acceptance criteria for 18 sectors. Conducted climate risk stress test (CRST) for Coal, Palm Oil, and Pulp & Paper sectors. Implemented Business Continuity Management (BCM) to mitigate operational risks during disasters, with Emergency Response Plan (ERP) procedures. Conduct physical risk assessment on debtors' collateral by identifying flood risk and mitigating it through loss insurance. 	<ul style="list-style-type: none"> Conducted CRST covering 50% of the loan portfolio. Development of CRST tools to assess climate risk on BNI financing. Implementing the TKBI for energy sector debtors. BNI implemented the strengthening of ESG aspects in the Risk Acceptance Criteria (RAC), by adding aspects of human rights and HSE, as well as climate change mitigation and adaptation efforts in debtor operations. BNI expanded RAC coverage from 18 sectors to 22 sectors.

Initial Steps for Implementation (2023)	Progress 2024
Matrix and Target	
<p>NZE Financing</p> <p>BNI calculates financing emissions of scope 3, covering 90.1% of Corporate segment debtors, including International, Enterprise and Commercial loan portfolios, by adopting methods from the Partnership for Carbon Accounting Financials (PCAF). BNI has identified the emissions generated by financing based on the economic sector financed and classified debtors into two categories: high and low emissions.</p> <p>NZE Operational</p> <p>BNI targets to measure operational emissions as a whole, covering scope 1 (fuel-diesel for generators and air conditioning freon), scope 2 (electricity usage at Head Office and Regional/Branch Offices), and scope 3 (emissions from air and land travel for employees).</p>	<p>NZE Financing</p> <p>BNI is sharpening the methodology and scope of financing emission calculation. By 2024, BNI has fully utilized the PCAF methodology and calculated financing emissions covering 70.3% of the Corporate segment, including the International, Enterprise, Commercial, and Retail Productive loan portfolios at BNI.</p> <p>NZE Operational</p> <p>BNI has measured operational emissions comprehensively, covering scope 1 (fuel-diesel for generators and air conditioning freon, as well as fuel-operational vehicles), scope 2 (electricity usage at Head Office and regional/branch offices), as well as scope 3 (air and land travel emissions for employees).</p>

BNI's Support for Net Zero Emission [FN-CB-410b.1]



BNI is committed to reducing greenhouse gas (GHG) emissions by managing its loan portfolio, identifying high-emission sectors, and encouraging debtors to comply with ESG requirements while transitioning toward sustainability. In 2024, BNI conducted GHG emissions calculations from financing activities by adopting methodology from PCAF and expanding the scope to include the Retail Productive segment. The GHG emissions calculation from financing in 2024 covered 70.3% of the Corporate, Enterprise, Commercial, and Retail Productive loan portfolio, an increase from 67.9% in 2023. [FN-CB-410b.4]



GHG Emissions from Financing Activities based on Loan Segment [305-3][FN-CB.410b.1, FN-CB-410b.2, FN-CB-410b.3]

Segment	Outstanding Plafond (Rp Billion)	GHG Emissions (Tons CO ₂ eq) 2024	GHG Emissions (Tons CO ₂ eq) 2023*
Corporate	319,231	27,532,032	21,039,857
Enterprise	26,744	2,269,614	2,064,871
Commercial	32,511	1,234,931	3,093,202
Total	378,486	31,036,577	26,197,929
Retail Productive	75,753	2,196,684	2,520,459
Grand Total	454,240	33,233,262	28,718,388

Notes:

*) Restatement of information due to changes in calculation methodology and expansion of coverage.

GHG Emissions from Financing Activities based on Business Sector [305-3][FN-CB.410b.1, FN-CB-410b.2, FN-CB-410b.3]

Business Sector	Outstanding Plafond (Rp Billion)	GHG Emissions (Ton CO ₂ eq) 2024	GHG Emissions (Ton CO ₂ eq) 2023*
Processing Industry	81,832	11,924,154	14,359,584
Trade	86,753	1,027,502	1,135,126
Mining	39,656	8,012,103	2,661,684
Transportation, Transportation Support & Warehousing	23,014	203,863	440,413
Electricity, Gas, and Water	27,323	2,415,033	3,997,485
Agriculture, Forestry, & Fisheries	32,669	1,682,017	2,420,032
Real Estate	12,124	35,692	45,604
Construction	53,239	251,809	1,241,307
Other	97,631	7,681,088	2,417,153
Total	454.240	33.233.262	28.718.388

Notes:

*) Restatement of information due to changes in calculation methodology and expansion of coverage.

Supporting the Government Targets through the Implementation of CRMS and CRST [201-2] [FN-CB-550a.2]

The implementation of Climate Risk Management & Scenario Analysis (CRMS) for the banking sector is a tangible support from the OJK in managing climate-related risks, while also contributing to the achievement of Indonesia's Net Zero Emissions (NZE) target by 2060. The banking sector plays a critical role in channeling low-carbon financing, in line with government policies. BNI has committed to the carbon neutrality target by signing a NZE agreement with the OJK.

BNI welcomes the launch of CRMS and supports its implementation, as it aligns with the bank's preparation for the implementation of IFRS S1 and S2. As of the end of 2024, BNI's preparations for CRMS implementation began with the following steps:

- Development of CRST tools to assess climate risks on financial performance and the bank's health.
- Involving debtors in the submission of emission data.
- Adopting the Network for Greening the Financial System (NGFS) methodology for CRST implementation.
- Strengthening the ESG Management Department by refining its functions and adding new units to support the enhancement of climate risk management.
- Enhancing internal understanding and capacity through training on the impact of climate risks on the bank's portfolio.

Meanwhile, Climate Risk Stress Testing (CRST) is a crucial component of the CRMS implementation. BNI has conducted CRST to assess the impact of climate risks on the bank's portfolio in 2024.

The CRST calculation covers 50% of BNI's total loan portfolio, including six productive sectors and property ownership consumer loans, with the following details:

1. Agriculture, Forestry, and Fisheries
2. Mining and Excavation
3. Electricity, Gas, Steam/Hot Water, and Cold Air Procurement
4. Construction

5. Transportation and Warehousing
6. Manufacturing Industries (focusing on metal, paper, chemical, and textile industries)
7. Consumer and Property Financing

This process represents the initial step in evaluating debtor risks from an environmental perspective. The CRST calculation uses NGFS scenarios, including Net Zero 2050 (Orderly), Delayed Transition (Disorderly), and Current Policies (Hot House World), with time horizons for the years 2024, 2025, 2026, 2030, 2040, and 2050. The measured risks include credit risk, operational risk, market risk, and liquidity risk. The CRST results indicate that climate risks affect the following sectors differently:

1. The Electricity, Gas, Steam/Hot Water, and Cold Air Procurement sector is the most impacted by climate risks.
2. Physical risks to Property Ownership Consumer Credit are insignificant, but physical risks significantly impact the Agriculture, Forestry, and Fisheries sector.
3. Climate risks affect the long-term CAR value in 2050, with a decrease of 3.4%. However, the CAR value remains at 18.5%, meeting the minimum CAR ratio in line with the risk profile after the addition of capital buffers.

The follow-up actions for the CRST project are as follows:

1. Expanding the CRST calculation coverage to 100% of the productive loan portfolio.
2. Supporting debtors in developing and implementing transition plans towards more sustainable business practices, in line with carbon emission reduction targets and adaptation to climate risks.
3. Systematically integrating climate risk aspects into the loan analysis process, including the assessment of physical and transition risk impacts, to ensure the sustainability of the company's loan portfolio.



ESG Risk Management in Financing Activities

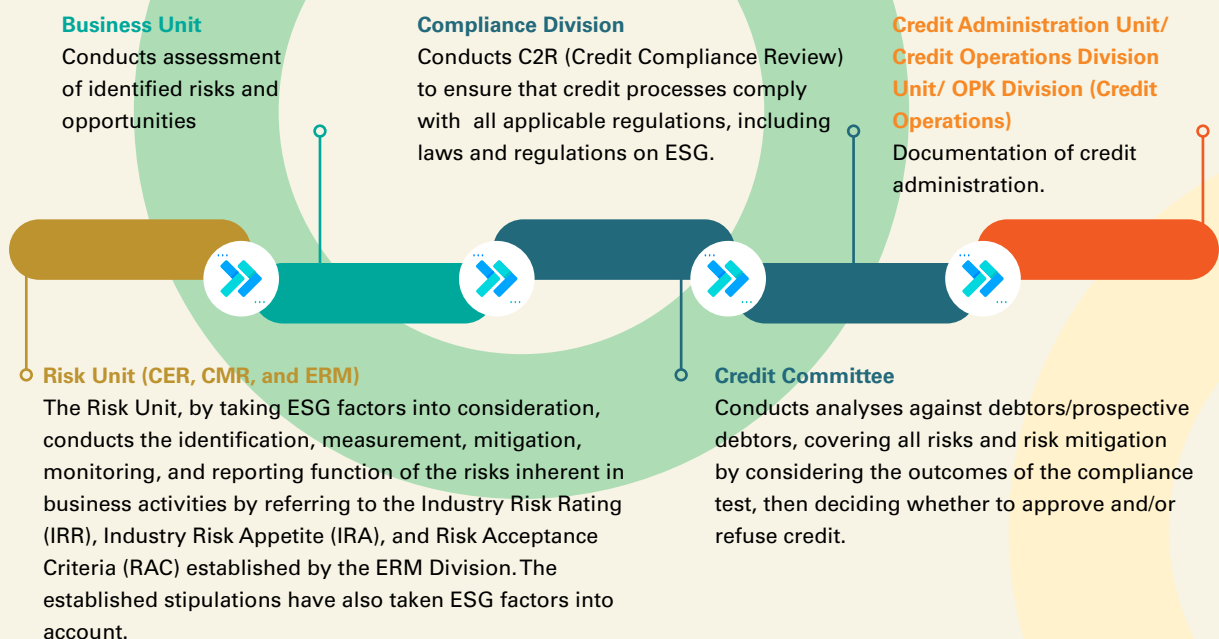
[FS1, FS2, FS3, FS10][FN-CB-410a.2]

BNI's commitment to sustainable finance is reflected in its consistent implementation of ESG risk management policies across all credit segments, including Corporate, Enterprise, Commercial, and Retail Productive. By applying the prudential principle, the Risk Management Director, together with the Credit Committee, is responsible for assessing risks associated with each financing activity. The Credit Committee comprises authorized officials who oversee credit decisions at various levels. Every loan disbursed is subject to regular monitoring, and approvals from the Credit Committee are obtained through a periodic evaluation process, conducted at least once a year.

Process Flow of Pipeline Management based on ESG



ESG Aspects Management in Credit Approval Process



Before lending a loan to prospective debtors, BNI conducts a series of loan approval assessment processes involving various related functions. The Internal Audit Unit also plays a role in conducting audits to evaluate the adequacy of the loan granting process, risk management and internal control in each unit. In reviewing loan proposals, we identify and monitor ESG risks.




ESG Risk Management Policy in Sectors with High Sustainability Risk [FS11][FN-CB-410a.2, FN-CB-550a.2]

BNI has a sector guideline that regulates the minimum sustainability requirements that need to be met, what is prohibited, and aspects that are encouraged for sustainability practices. Therefore, BNI has 4 sectors identified as having high risk related to ESG, which are palm oil, mining, construction and energy sectors.



Some of the ESG risk assessment criteria required by BNI include:





Corporate and Enterprise Segment

In 2024, there are an additional 4 new sectors that have RAC, including coal mining, coal contracting, wholesale trade, and retail trade.





Sector	ESG Aspect Criteria
Oil Palm Plantation and Processing Industry 	<p>Oil Palm Plantation and Processing Industry:</p> <ul style="list-style-type: none"> • Have an environmental impact analysis (AMDAL) document and other environmental permits. • No environmental or social disturbances in the last 5 years. • Have an environmental management program (PROPER) document of at least the BLUE category if it has been assessed. • No forced labor or employment of minors. <p>Special additions for the Oil Palm Plantation Sector</p> <ul style="list-style-type: none"> • Have or are in the process of RSPO or ISPO certification. • The possibility of building oil palm plantations for energy (dedicated area) is prioritized so as not to interfere with food and export needs. • Committed to implementing the No Deforestation, No Peat, and No Exploitation (NDPE) policy in land clearing activities in accordance with applicable regulations. • Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society.






Sector	ESG Aspect Criteria
<p>Metal Ore Mining</p> 	<p>BNI has entered the mining sector in a selected manner mainly to support infrastructure development and other strategic development sectors.</p> <p>Metal Ore Mining & Refiner Smelter:</p> <ul style="list-style-type: none"> • There is no bad news about violations of environmental regulations, both local and international. • Zero Accidents or at least work accidents in the last 3 years are prioritized. Workers have used adequate Personal Protective Equipment (PPE), adhered to work SOPs, work training & personal safety, occupational health and safety insurance, working in shifts. <p>Special additions for the Metal Ore Mining Sector:</p> <ul style="list-style-type: none"> • Meet the minimum BLUE PROPER (if it has been assessed) can be in the form of Central PROPER or Regional PROPER. • Has a dedicated team for reporting to the BoD to manage corporate social responsibility issues. • Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society. • Priority is given to those who already have permits related to mining reclamation in accordance with the conditions and potential of the area after mining. • It has met or has a program that can be monitored for the fulfillment of the parameters of environmental, social, and governance (ESG) qualitative factors set by BNI in accordance with regulatory provisions. <p>Special additions to the Refiner Smelter Sector:</p> <ul style="list-style-type: none"> • Have received approval for environmental impact analysis (EIA), either by itself or through business areas/areas. • Comply with regulations on air pollution & noise including dust dispersion. • Comply with regulations on water, sediment, and wastewater treatment and hazardous and toxic waste management. • Managing social and cultural impacts on local communities • Wildlife conservation/ecological management of local habitats. • Meet compliance with labor laws, both foreign and local workers. • For smelters that use fossil fuel energy, priority is given to those who already have one or more of the strategies below: <ol style="list-style-type: none"> a. Energy transition; or b. Emission reduction strategy; or c. Strategies to reduce negative impacts on the environment.
<p>Metal and Metal Ore Trade</p> 	<ul style="list-style-type: none"> • The goods/products sold do not come from mining or processing products that are legal/illegal. • Partners/suppliers have no bad news about violations of environmental regulations, both local and international.

Sector	ESG Aspect Criteria
<p>Metal Industry (Fabricator)</p> 	<ul style="list-style-type: none"> It has received approval for environmental impact analysis. Raw materials do not come from mining products or processing that are legal/illegal. There is no bad news about violations of environmental regulations, both local and international. Comply with regulations on air pollution & noise including dust dispersion. Comply with regulations on water, sediment and wastewater treatment. Comply with regulations on hazardous and toxic waste management. Managing social and cultural impacts on local communities. Wildlife conservation/ecological management of local habitats. Zero Accidents or at least work accidents in the last 3 years are prioritized. Workers have used adequate PPE, adhered to work SOPs, work training & personal safety, occupational health and safety insurance, working in shifts. For <i>fabricators</i> who use fossil fuel energy, priority is given to those who already have one or more of the strategies below: <ul style="list-style-type: none"> Energy transition; or Emission reduction strategy; or Strategies to reduce negative impacts on the environment.
<p>General Construction and Toll Road Construction</p> 	<p>Toll Road Construction Sector & Civil Construction and Building Sector:</p> <ul style="list-style-type: none"> Comply with and comply with the regulations of the construction sub-sector, namely: land use rights, employee occupational safety & health, minimizing pollution, minimizing the consequences of hazardous materials, and using/maintaining natural water sources. No social or environmental disturbances in the last 5 years (among others: no land grabbing and reasonable land compensation). Comply with good corporate governance (GCG) rules. No forced labor or employment of minors. Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society.
<p>Power</p> 	<ul style="list-style-type: none"> Already have an AMDAL or Environmental Management plan in accordance with regulations in the electricity sector. Have a certificate or OHS management plan (for debtors or contractors). No social or environmental disturbances related to the project. Have met or have a program that can be monitored for the fulfillment of the ESG Qualitative Factor Parameters set by BNI in accordance with regulatory provisions. For coal-fired power plant financing, priority is given to those who already have one or more of the strategies below: <ul style="list-style-type: none"> Energy transition; or Emission reduction strategy; or Strategies to reduce negative impacts on the environment.
<p>Real Estate</p> 	<p>Recurring Real Estate & Non-Recurring Real Estate Sector:</p> <ul style="list-style-type: none"> No social/environmental disturbances in the last 5 years that have had an impact on business continuity. Conformity with regional spatial plans (RT & RW). Appropriate land use (suitability of land with its function based on the master plan of the area/region), Basic Building Coefficient, Building Area Coefficient. Comply with and comply with real estate sub-sector regulations namely: land use rights, employee occupational safety & health, minimizing pollution, minimizing the consequences of hazardous materials, using/maintaining natural water sources, etc. Have an AMDAL or other environmental permits. No forced labor or employment of minors.



Sector	ESG Aspect Criteria
Telecommunication 	<p>Telecommunications Contractor Sector & Operator and Data Center Sector:</p> <ul style="list-style-type: none"> No social/environmental disturbances in the last 3 years that have an impact on business continuity. Meet the rules of GCG. Have a permit from the local government for the establishment of telecommunication towers or other telecommunication infrastructure. Already have building development permits (IMB) or other permits that are equated with IMB and AMDAL as well as other environment-related permits. <p>Special additions for the Operator and Data Center Sectors:</p> <ul style="list-style-type: none"> Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society.
Chemical Industry 	<ul style="list-style-type: none"> Minimum PROPER BLUE if it has been assessed. No social/environmental disturbances in the last 5 years that have an impact on business continuity (for new companies refer to the business group). Have an AMDAL and other environmental permits. Have an Occupational Health and Safety Certificate. Have waste management management in accordance with applicable regulations. No forced labor or employment of minors.
Cement Industry 	<ul style="list-style-type: none"> Meets the minimum BLUE PROPER. No social/environmental disturbances in the last 5 years that have had a significant impact on business continuity or the cessation of business operations. Comply with GCG. It has received AMDAL approval, either through its own permit or through area I of the business area. There is no bad news about violations of environmental regulations, both local and international. Comply with regulations on air pollution & noise, including dust <i>dispersion</i>. Comply with regulations on water, sediment and wastewater treatment. Comply with regulations on hazardous and toxic waste management. Managing social and cultural impacts on local communities. Wildlife conservation/ecological management of local habitats. Meet compliance with labor laws, both foreign and local workers. Zero Accidents or Minimum work accidents in the last 3 years are prioritized. Workers have used adequate PPE, adhered to work SOPs, work training & personal safety, occupational health and safety insurance, working in shifts. For factories that use fossil fuel energy, priority is given to those who already have one or more of the strategies below: <ol style="list-style-type: none"> Energy transition; or Emission reduction strategy; or Strategies to reduce negative impacts on the environment. No forced labor or employment of minors.
Fast Moving Consumer Goods (FMCG) 	<ul style="list-style-type: none"> The company has an AMDAL or other environmental permit. The company has Health, Occupational Safety, and Environment. Comply with applicable regulations and permits according to the type of business. No social or environmental disturbances in the last 5 years that have had an impact on business continuity. No forced labor or employment of minors.





Sector	ESG Aspect Criteria
Hospital 	<ul style="list-style-type: none"> • ISO 14001 on sustainable environmental management systems. • No social/environmental disturbances in the last 5 years that have had an impact on business continuity. • There is no news of malpractice that has an impact on business continuity. • Have a hospital waste management unit in accordance with government regulations
Pharmacy 	<ul style="list-style-type: none"> • No social/environmental disturbances in the last 5 years that have had an impact on business sustainability. • There has never been news of fatal side effects of drugs manufactured or sold. • Meet the requirements that have been set by regulators, including AMDAL or other environmental permits. • Have waste management management in accordance with applicable regulations. • No forced labor or employment of minors.
Wholesale Trade 	<ul style="list-style-type: none"> • No social/environmental disturbances in the last 5 years that have had an impact on business sustainability. • There has never been any news of fatal side effects of the products being sold.
Retail Trade 	<ul style="list-style-type: none"> • No social/environmental disturbances in the last 5 years that have had an impact on business sustainability. • There has never been any news of fatal side effects of the products being sold. • No forced labor or employment of minors.
Coal Mining 	<ul style="list-style-type: none"> • Meet the minimum BLUE PROPER (if it has been assessed) can be in the form of Central PROPER or Regional PROPER. • Has a dedicated team for reporting to the BoD to manage corporate social responsibility issues. • There is no negative information about violations of environmental and social regulations locally and internationally in the last 3 years. • It has met or has a program that can be monitored for the fulfillment of the parameters of ESG qualitative factors set by BNI in accordance with regulatory provisions. • Zero Accidents or Minimum work accidents in the last 3 years are prioritized. Workers have used adequate Personal Protective Equipment (PPE), adhered to work SOPs, work training & personal safety, occupational health and safety insurance, working in shifts. • Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society. • Priority is given to those who already have permits related to mining reclamation in accordance with the conditions and potential of the area after mining.
Mining Contractor Services 	<ul style="list-style-type: none"> • There have been no social/environmental disturbances in the last 3 years that have an impact on business continuity. • Meet the rules of GCG. • Zero Accidents or Minimum work accidents in the last 3 years are prioritized. Workers have used adequate PPE, adhered to work SOPs, work training & personal safety, occupational health and safety insurance, working in shifts. • Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society.








On the other hand, BNI categorized oil and gas sector as a limited appetite industry with selective financing. Although the RAC criteria are not specifically categorized, financing priority is given to major players with above average industry performance, ESG management policies, and significant contribution to national production and mineral reserves, especially those in the top 10 in Indonesia. The majority of oil and gas companies financed are engaged in the mid-stream and downstream (raw material processing) industries.







Commercial Segment



In 2024, there are additional sectors that will be implemented in 2025, namely general processing industry, general services, retail trade, fuel distributors, four-wheeled or two-wheeled vehicle dealers, palm oil mills, and recurring real estate.

Sector	ESG Aspect Criteria
General Trade 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 3 years that have had an impact on business continuity. No products are illegal, the products sold have distribution permits/according to applicable standards, etc. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
General Processing Industry 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 3 years that have had an impact on business continuity. Have an AMDAL license and environment-related licensing or similar licensing in accordance with the business sector. Implementing occupational safety and health. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
General Services 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 3 years that have had an impact on business continuity. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Export Import Trade 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 3 years that have had an impact on business continuity. There has never been any news of fatal side effects of the products being sold. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).

Sector	ESG Aspect Criteria
Chemical, Rubber, and Plastic Industries 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 3 years that have had an impact on business continuity. Have an AMDAL and other environmental permits. Implementing occupational safety and health. Have waste management management in accordance with applicable regulations. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Accommodation Provider 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 4 years that have had an impact on business continuity. Conformity with the regional spatial plan. Appropriate land use (suitability of land with its function based on the master plan of the area/region), Basic Building Coefficient, Building Area Coefficient. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Transportation Fuel Distributor 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 3 years that have had an impact on business continuity. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Oil Palm Plantation (Upstream) 	<ul style="list-style-type: none"> Have an ISPO/RSPO certificate or are in the process of ISPO/RSPO certification. No social and environmental disturbances in the last 5 years that have had an impact on business continuity. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision). Have an AMDAL and other environmental permits. No forced labor or employment of minors. Committed to implementing the No Deforestation, No Peat, and No Exploitation (NDPE) policy in land clearing activities in accordance with applicable regulations. Priority is given to the company that has a strategy to reduce emissions and reduce negative impacts on the environment and society. The garden area is not in a conservation area, is not in dispute, and does not exceed the concession zone.
Rental Business Services 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 4 years that have had an impact on business continuity. Comply with and comply with regulations, namely: employee occupational safety & health, minimizing pollution, minimizing the consequences of hazardous materials, using/maintaining natural water sources, etc. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).



Sector	ESG Aspect Criteria
Hospital 	<ul style="list-style-type: none"> • No social and environmental disturbances in the last 4 years that have had an impact on business continuity. • There is no news of malpractice that has an impact on business continuity. • Have a hospital waste management unit in accordance with government regulations. • Not employing child labor. • The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Construction 	<ul style="list-style-type: none"> • No social and environmental disturbances in the last 4 years that have had an impact on business continuity. • Comply with and comply with the regulations of the construction sub-sector, namely: land use rights, employee occupational safety & health, minimizing pollution, minimizing the consequences of hazardous materials, using/maintaining natural water sources, etc. • No forced labor or employment of minors. • The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Domestic Wholesale 	<ul style="list-style-type: none"> • No social and environmental disturbances in the last 3 years that have had an impact on business continuity. • There has never been any news of fatal side effects of the products being sold. • The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Retail Business 	<ul style="list-style-type: none"> • No social and environmental disturbances in the last 3 years that have had an impact on business continuity. • There has never been any news of fatal side effects of the products being sold. • No forced labor or employment of minors. • The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Four-Wheeled or Two-Wheeled Vehicle Dealers 	<ul style="list-style-type: none"> • No social and environmental disturbances in the last 3 years that have had an impact on business continuity. • The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).
Food and Beverage Industry 	<ul style="list-style-type: none"> • No social and environmental disturbances in the last 3 years that have had an impact on business continuity. • The company has an AMDAL or other environmental permit. • The company has Safety, Occupational Health & Environment. • Comply with applicable regulations and permits according to the type of business. • Not employing child labor. • The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).

Sector	ESG Aspect Criteria
Palm Oil Mill 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 7 years that have impacted business continuity. Have an AMDAL and other environmental permits. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision). The garden area is not in a conservation area, is not in dispute, and does not exceed the concession zone.
Real Estate Recurring 	<ul style="list-style-type: none"> No social and environmental disturbances in the last 5 years that impacted the business continuity. Conformity with the regional spatial plan. Appropriate land use (suitability of land with its function based on the master plan of the area/region), Basic Building Coefficient, Building Area Coefficient. Comply with and comply with real estate sub-sector regulations, namely: land use rights, occupational safety & health of employees, minimizing the consequences of hazardous materials, using/maintaining natural water sources, etc. Have an AMDAL or other environmental permits. No forced labor or employment of minors. The company is not in the process of a legal case/involved in a legal case that may affect business continuity (including those for which there has not been an inkraht decision).

Retail Productive Segment

Sector	ESG Aspect Criteria
Domestic Wholesale	No social/environmental disturbances in the last 2 years that impacted the business continuity.
Retail Business	
Food and Beverage Processing Industry	
Chemical Industry	
Import Export Trade	
Public Transportation	
Oil Palm Plantation (Upstream)	<ul style="list-style-type: none"> The planting area is not in the peatland area and or forest conservation. No social/environmental disturbances in the last 5 years that have had an impact on business continuity. No negative news or issues related to burning or encroachment in land clearing.
Construction	<ul style="list-style-type: none"> No social/environmental disturbances in the last 4 years that have had an impact on business continuity. Comply with and comply with the regulations of the construction sub-sector, namely: land use rights, employee occupational safety & health, minimizing pollution, minimizing the consequences of hazardous materials, using/maintaining natural water sources, etc.
Accommodation Providers	<ul style="list-style-type: none"> No social/environmental disturbances in the last 3 years that have had an impact on business continuity.



Financing Exclusion List

BNI does not provide financing to business activities identified as being involved in the following:

1. Prohibited by the government
2. Illegal logging.
3. Forced labor, child exploitation, human rights violations.
4. Violation of community rights.
5. Prohibited by the government if destroying world heritage sites.
6. Sale and production of narcotics.
7. Manufacture and sale of weapons.
8. Gambling and money laundering.
9. Trade in protected animals.
10. Terrorism financing.

Environmental Risk Management in Loan Portfolio [FS8]

Environmental risks can affect climate change if not handled properly. For this reason, BNI has tightened supervision of environmental risks in financing, taking into account industry risk appetite and risk acceptance criteria to prevent damage such as deforestation, pollution, and loss of biodiversity. BNI also maps debtors' environmental risks based on the Indonesian Green Taxonomy (THI), and requires ownership of environmental certificates according to industry, such as RSPO and ISPO for palm oil, environmental management program (PROPER) for the power generation, manufacturing and mining sectors, as well as other certifications such as FSC and ISO 14001.

Classification of Indonesian Green Taxonomy Debtors (THI) Based on Debit Tray [FS10]

THI Indicator*	Composition of Debtors 2024*	Debtor Composition 2023
Green	37.6%	25.7%
Transition	46.5%	37.1%
Does not meet the classification	15.9%	12.4%
Doesn't have a category yet	N/A	24.8%

*) Adjustment of the THI category in 2024 in accordance with OJK Letter No. S-149/PB.21/2024.

BNI encourages the implementation of the Indonesian Taxonomy of Sustainable Finance (TKBI) by OJK, through active participation as a Focus Group Discussion (FGD) participant during the TKBI preparation process to BNI's efforts in encouraging debtors to understand and conduct assessments based on TKBI. The real action taken by BNI was through the organization of the BEST Event with the topic "Energy Sectors Foresight to Encounter Indonesian Sustainable Finance Taxonomy (TKBI)" on September 24, 2024 and the TKBI Technical Workshop on December 11, 2024. These activities invited energy sector debtors. BNI has reported the TKBI assessment of energy sector debtors to OJK for the period of September 2024.

Ownership of Environmental Aspect Management Certificate by Debtor [FS11]

Certificate of Sustainable Principles	Total		
	2024	2023	2022
RSPO/ISPO	49	49	33
The process of obtaining RSPO/ISPO	17	9	36
PROPER Red	1	0	0
PROPER Blue	59	50	52
PROPER Green	5	5	6
PROPER Gold	9	11	7
Timber Legality Verification System (SVLK)	15	16	5

In 2024, one BNI debtor received a PROPER Red rating due to being in the process of revising the environmental management and monitoring documents (UKL-UPL) The follow-up actions taken were:

1. The debtor has obtained approval for environmental management documents from the Central Java Provincial Government's Environmental and Forestry Agency on September 4, 2024.
2. Monitoring the improvement of PROPER rating status.

Debtors ESG Assessment Oversight [FS3, FS9]

The Company Credit Guidelines (PP) for Bank Lending in the Corporate, Enterprise, Commercial, and Retail Productive Segments, as well as the PP for Organic Consumer Lending, encompass loan policies applicable to each loan segment. BNI oversees compliance with payment accuracy, business prospects, and the financial condition of debtors. The implementation of prudential principles includes loan monitoring policies, regular audits and portfolio monitoring, management of non-performing loans, and loan restructuring.

The Internal Audit Unit has conducted audits of debtors whose businesses have the potential to have a negative impact on the environment. During the reporting period, audits were conducted on 55 Corporate and Commercial segment debtors, including those from the transportation sector, chemical industry, cement industry, man-made fiber industry, construction, real estate, telecommunications, electrical energy, oil & gas, FMCG, and oil palm plantations. In carrying out the audit process, the Internal Audit Unit prepares an Audit and Consultation Plan (RAT) which is conducted through a risk-based audit (RBA) approach.

Escalation Process of Non-Performing Loan Handling on ESG Aspects

The implementation of ESG aspects by debtors/potential debtors and their compliance with all relevant regulations has become one of the factors in loan analysis and monitoring. If there are indications of problems and violations of ESG aspects, an analysis will be carried out to evaluate the causes and potential impact on the loan that will and has been granted.

If the violation is temporary and the impact is low, we will assist the debtor to meet the requirements again, handled by a related unit. However, if the

violation is permanent and has a major impact, the handling will be carried out by the relevant unit and submitted to the authorized Credit Committee, in accordance with the applicable loan limit.

In accordance with the Company's guidelines and loan policies, BNI continues to comply with regulations related to debtors or prospective debtors who are suspected or proven to have issues concerning ESG aspects. Efforts undertaken include:

- The Business Unit and Risk Unit verify the alleged ESG issues involving the debtor and existing or prospective loans.
- The Business Unit and Risk Unit, together with relevant divisions, conduct intensive communication and coordination with debtors and relevant external parties as a follow-up to alleged ESG issues.
- The Business Unit and Risk Unit deeply analyze the impact of ESG issues on the debtor, including financial performance, repayment ability and reputation, as well as the impact on BNI, such as securing collateral assets, reputation and potential legal issues.
- BNI may request assistance or cooperate with external parties who have the competence and independence to handle the issue.

Based on the results of verification, communication, intensive coordination and in-depth analysis, BNI will take follow-up steps in accordance with the provisions of the loan agreement and applicable regulations, among others:

- Giving a time limit to the debtor to resolve the ESG issue if the debtor is deemed capable of resolving it.
- Impose fines or increase interest rates, if the ESG problem has the potential to materially harm BNI.
- Temporarily suspend or deactivate loan facilities for debtors, or delay/stop the loan application process for prospective debtors until there is certainty or resolution of ESG issues.
- Requesting the debtor to settle or pay off the loan facility.
- Take other actions based on the results of BNI's analysis or recommendations from external parties.



Responsibility for Financial Products and/or Services

Products/Services That Have Been Evaluated for Customer Safety [417-1][FS15]

BNI ensures that 100% of financial products and services launched have gone through a thorough security evaluation. This effort reflects BNI's commitment to protecting customer privacy through the Privacy Notice which can be accessed on BNI's official website. The evaluation involves several divisions, including the Compliance Division to ensure compliance with regulations; Legal Division to analyze legal risks; Enterprise Risk Management Division for risk mitigation; Operational Risk Management Division for operational risk mitigation; Internal Audit Unit to conduct an independent review of products related to BNI's electronic channel by providing an opinion on the characteristics of the product and the adequacy of IT system security related to the product as well as compliance with the provisions of laws and regulations and/or best practices that meet international standards; and the IT Unit to examine operational aspects, technology, and conduct a Post Implementation Review (PIR).

The results of the PIR will determine the next steps; if deficiencies are found, improvements will be made and the PIR will be conducted again. Products and services that qualify in terms of operations, technology, and risk will be approved by Bank Indonesia and OJK before being launched to the public. By 2024, no new financial products or services from BNI received complaints or be recalled after release.

Positive and Negative Impacts of Sustainable Financial Products/ Services

BNI always evaluates the impacts and risks before launching a new financial product or service. Each product or service is designed to minimize ESG risks and negative impacts, while maximizing positive benefits. Examples of sustainable finance products/services with positive impacts include Green Financing, BNI *UMKM Ramah Lingkungan* (BUMI), *Jejak Kopi Khatulistiwa*, SLL, and energy transition financing.

Financial inclusion programs, such as saving with waste, play an important role in increasing environmental awareness among students and the community. BNI Agen46, which has reached underdeveloped, frontier, and outermost (3T) regions, also strengthens banking access for people who have difficulty accessing these services. In addition, digital banking products and services bring challenges related to risks, such as data security, customer privacy, and potential cybercrime. For this reason, BNI also ensures the use of reliable IT infrastructure to strengthen the data security system.

Employee Training on Consumer Financial Protection

BNI has conducted training on consumer financial protection covering various topics, including Consumer & Community Protection, Identifying Suspicious Financial Transactions, Mastering Financial Literacy to Enhance Transaction Security, PDP Implementation: Privacy Awareness and Data Protection, and Business Ethics, with an average frequency of three sessions per employee.

The training aims to enhance employees' understanding of the importance of providing clear and accurate information about financial products and ensuring that sales processes are conducted honestly and transparently. This initiative seeks to foster a service culture focused on consumer interests and protection.

Fair Operating Practices and Fair Competition

[2-23, 2-27, 206-1, 415-1, FS15][FN-CB-510a.1]

BNI implements fair operational practices by complying with laws, regulations, social norms and codes of ethics. This commitment is reflected in the management of intellectual assets, fair relationships with stakeholders and the avoidance of conflicts of interest with suppliers, competitors or related parties. We also uphold anti-corruption, anti-bribery and anti-fraud principles in the work environment, as well as complying with antitrust laws and promoting fair competition. BNI maintains a trusting relationship with partners and suppliers in accordance with the code of conducts, and integrity pact.

Fair operating practices involve and are the responsibility of the relevant divisions in accordance with their respective duties and authorities.

In addition, BNI maintains the sustainability of the value chain in related sectors, from HR management to product development, services and information technology, while taking into account issues of human rights, customer privacy and environmental preservation. In 2024, BNI was not involved in any criminal or civil cases, and was not subject to sanctions or fines related to violations of fair competition practices. BNI also has no involvement in politics, either in the form of contributions of money or goods, either directly or indirectly, and all BNI employees are not members of political parties. In addition, BNI has implemented policies and procedures for the provision of healthy funds by implementing good corporate governance and avoiding conflicts of interest.

The fair operation policy includes the anti-corruption policy and the policy on fulfilling debtor rights, which can be accessed on BNI's website: (<https://www.bni.co.id/id-id/perseroan/tata-kelola/panduan-kebijakan>).







02

PILLAR

BNI FOR CUSTOMERS

“As part of its digital transformation efforts and commitment to providing equitable banking services, BNI continues to innovate by adapting the format of digital outlets based on the specific needs and characteristics of each location. Furthermore, BNI extends its reach to the Underdeveloped, Frontier, and Outermost (3T) regions through BNI Agen46, ensuring access to banking services for communities throughout Indonesia.”







Data Security System and Customer Privacy Protection [FN-CB-230a.2]

Material Topic: Data Security and Cyber Security

Our Approach [3-3]

In facing the digital transformation, BNI continues to develop digital banking services to enhance customer experience. However, technological advancements also bring challenges, particularly regarding data security and customer privacy protection from cybercrime threats. Therefore, BNI is committed to managing these risks and ensuring that data protection efforts are part of respecting human rights.

BNI continues to strengthen its technology infrastructure and digital innovation, focusing on data analytics, customer experience, and expanding collaborations. This is executed in conjunction with strengthening data security management systems. We also comply with Customer Privacy Protection regulations, such as OJK Regulation No. 1/OJK.07/2013 and Law No. 27 of 2022 on Personal Data Protection. OJK Regulation No. 22 of 2023 on Consumer and Public Data Protection in the Financial Services Sector, and BI Regulation No. 3 of 2023 on Consumer Protection by Bank Indonesia.

BNI's primary commitment is to prevent data breaches. Data security and customer privacy are the responsibility of the Chief Information Security Officer (CISO) Division, under the supervision of the Director of Technology and Operations (DIR TOP). Additionally, BNI also has a Technology Management Committee responsible for providing recommendations to the Board of Directors regarding information technology policy and strategy development. BNI is also committed to protecting customers' personal data throughout personal data processing at BNI to guarantee the rights of personal data subjects.

The results of monitoring and evaluation in 2024 regarding data security and customer privacy showed that BNI did not face any complaints pertaining to data breaches or data violations. Additionally, there were no complaints regarding misuse of customer data by third parties. [FN-CB-230a.1]

Data Security Management System ^[417-1]



To ensure customer data security, BNI implements a multi-layered security system covering three main aspects: people, process, and technology. In terms of people, BNI continuously improves employee knowledge and awareness regarding information security through various channels, such as behind-the-scenes sessions, internal bulletins, and the Company's digital platform. Additionally, BNI educates customers about the importance of information security through branch officers, social media, text messages, and the official website. BNI regularly conducts evaluations and inspections to ensure effective customer data security measures. BNI also invests resources to develop technology capable of securing information for both the Bank and its customers.

The implementation of the data security management system at BNI involves the following activities:

1. Establishing a reliable security system through a Security Operation Center (SoC), which provides 24/7 active monitoring to quickly and efficiently detect security threats. This monitoring includes security on Endpoints, Networks, Applications, and Servers. Each mitigated incident is reported along with its analysis results, used as a learning tool and a basis for future improvements. BNI also has a Cyber Security Incident Response Team (CSIRT) that proactively handles all internal security incidents.
2. Identifying suspicious activities and cyber-attacks, including conducting threat hunting and taking down fake websites impersonating BNI. As a preventive measure to reduce fraud risk, the Cyber Threat Intelligence Team will report suspicious transaction activities from debit cards suspected of entering their data on fake websites.
3. Educating employees and customers about information security to raise awareness of security risks and encourage safe practices such as not sharing passwords and PINs. The bni.co.id website also provides transaction security tips for BNI e-Banking services, including Internet Banking, ATMs, SMS Banking, Mobile Banking, and wondr by BNI.
4. BNI has a Fraud Detection System (FDS) to monitor suspicious transactions through debit cards, credit cards, and e-channels, ensuring customer comfort and security.
5. Regular security audits are conducted to assess system effectiveness and identify areas needing improvement.
6. Integrating data protection in product and service development by involving data security and privacy teams to ensure compliance with applicable standards and regulations.



7. Implementing a Data Loss Prevention (DLP) system as a perimeter protection to prevent credential theft and unauthorized access to confidential data.
8. Implementing Endpoint Detection and Response (EDR) to monitor endpoint activity in real-time and respond to security incidents and potential threats.
9. Applying Network Access Control (NAC) to enhance network access control and management, preventing unauthorized access, and ensuring connected devices meet BNI standards.
10. Using encryption technology to protect internal and customer data from potential threats, ensuring stored and transmitted data security, and keeping information safe from unauthorized parties.
11. Every new product, application, or service development at BNI undergoes a Software Development Life Cycle (SDLC) that includes comprehensive security stages, such as security and risk assessments, design reviews, code reviews, configuration checks, and penetration testing.
12. BNI conducts security assessments to identify security gaps or vulnerabilities in applications through activities such as Penetration Testing, Vulnerability Assessment, and Application Security Testing (SAST, DAST).

Additionally, BNI invests in ensuring a high level of security in managing internal information and protecting customer interests. By adopting cybersecurity frameworks and international standards such as ISO 27001 and NIST (Identify, Protect, Detect, Respond, Recover), BNI maintains the reliability of its digital systems. In 2024, there were no complaints related to privacy breaches or customer data loss. ^[418-1]

Raising Customer Awareness

BNI continues to enhance customer awareness to prevent data breaches and cybercrime. In line with OJK's directives, BNI actively educates its customers about data protection through various channels, both offline and online. BNI also promotes the importance of data security to its customers and urges them to keep personal information such as transaction PINs and OTPs confidential, and to immediately contact the call center if a card is lost, stolen, or there are any irregularities in transactions.

Personal Data Protection

BNI maintain confidentiality and protects customers' personal data by complying with regulatory laws and internal policies, including prohibiting the disclosure of customer data to third parties without the customer's consent and/or other processing grounds as stipulated by law. BNI also has a policy that grants customers the right to access, correct, withdraw consent, request deletion, or update their data.

In implementing Personal Data Protection, BNI applies data protection measures in accordance with the Personal Data Protection Law (UU PDP) and accommodates the personal data processing cycle within BNI's scope. The collection of customers' personal data in product and/or service activities is ensured to have the appropriate legal basis for processing, whether through customer consent, contractual relationships, or compliance with legal obligations based on applicable regulations.

The disclosure or transfer of customer data to third parties (including but not limited to vendors, consultants, business partners, and counterparties) may be carried out by BNI, provided that it has the appropriate legal basis for processing. BNI ensures that all data processing is conducted exclusively and in a limited manner. Further, processing of personal data within BNI is carried out in accordance with customer preferences, behavior, and segmentation, particularly for targeted product marketing.

Customer consent is obtained through various available BNI channels, including the nearest Branch Office, wondr by BNI app, BNI Mobile Banking app, and DigiCS. BNI also provides a Privacy Notice to inform how customers' personal data is collected, used, and processed, which can be accessed via the link: <https://www.bni.co.id/en-us/personal/pemberitahuan-privasi>.

The storage of customers' personal data, whether in hardcopy or digital/softcopy format, is carried out with restricted access and secured following BNI's internal policies on technology security. To ensure the fulfillment of data subjects' rights, BNI provides customers with access to view, correct, withdraw consent, request deletion, or update their data, in accordance with the applicable laws and regulations.

BNI is committed to storing and managing Users' Personal Data with the best protection for as long as necessary as part of our services. Additionally, BNI will process Users' Personal Data while they remain customers or users of banking services. Furthermore, Users' Personal Data will be retained for 5 years after the termination of the cooperative relationship with the User or for a longer period if such retention is required or mandated by applicable regulations ("Retention Period").

BNI can delete and/or destroy User's Personal Data from the system so that the data no longer identifies the User, except in cases where:

1. It is necessary to retain Personal Data to fulfill legal obligations, future proof requirements, taxes, audits, and accounting.
2. The Personal Data is still within the retention period based on prevailing laws and regulations.
3. When destroying Personal Data, BNI will take reasonable standard actions to destroy, delete, and make the data practically irrecoverable. The method of destruction depends on the type of Personal Data, as well as how it was collected and stored.

BNI implements data protection policies through various standards and procedures, including:

- Data Security Standards Based on Classification
- Data Classification and Security Procedures
- Technical Guidelines for Data Classification and Security
- Standard Encryption Procedures
- Endpoint Device Security Procedures
- Application Security Standards
- API Access Security Standards
- Security and Information Management Procedures in Collaboration with Third Parties
- Company Data/Information/Document Dissemination Security Procedures
- Data/Information Security Procedures (Data Loss Prevention - DLP)





BNI also protects customer data by raising employee awareness in handling complaints related to financial data. Additionally, the Bank provides financial protection and consumer data protection training to permanent and contract employees as needed in 2024, with topics including:

Delivery Method	Topic
In-Class Learning	<ul style="list-style-type: none"> Control Objectives for Information and Related Technologies 2019 (COBIT 2019). Cyber Security for Auditors. Data Quality Awareness. How To Improve Customer Experience in the Brevet Management Course (BMC) Program. Implementation of Governance, Risk Management, & Compliance (GRC). Identification of Suspicious Financial Transactions. ISO 27001:2022 Information Security Management System Lead Auditor and Lead Implementer. Implementation of Anti-Money Laundering and Counter-Terrorism Financing (APU PPT) and Prevention of Criminal Acts in the Financial Sector (PPSPM). Record of Processing Activities (ROPA). Socialization of Customer Protection Implementation in the Financial Services Sector. Public Information Openness Socialization and Education (KIP). Training & Certified Cloud Security Professional (CCSP). Training & Certified Data Privacy Solution Engineer (CDPSE). Training & Certified Ethical Hacker (CEH). Training & Certified Information Security Manager (CISM). Training & Certified Information System Auditor (CISA). Transparency and Public Information Openness in Consumer and Community Protection Implementation. Consumer Protection Training for the Officer Development Program (ODP).
e-Learning Mandatory	<ul style="list-style-type: none"> Anti-Money Laundering. Security Awareness.
Webinar	<ul style="list-style-type: none"> Advanced Risk Management in Global Finance. Smart and Wise Personal Financial Management. Cyber Security Insights and Strategies for a Safer Tomorrow. Early Warning Systems: Detecting and Preventing Liquidity Risks. Security Awareness: Human Firewall. Enhancing Transaction Security through Literacy. Implementation of the Personal Data Protection Act (PDP) at BNI. Socialization of Personal Data Protection (PDP): Privacy Data and Data Protection Awareness. Governance, Risk & Compliance (GRC) Series: Risk Mitigation through Cyber Security Strategies.
<i>Kuis Harian</i> /Daily Exercise for Employee Program (DEEP 46)	<ul style="list-style-type: none"> Consumer and Community Protection Refreshment Personal Data Protection (PDP) Refreshment: Awareness of Privacy Data and Data Protection. Refreshment on Risk Awareness for Consumer, Productive, and Retail Credit. Security Awareness Refreshment. Cyber Security Refreshment.

Data Usage for Third-Party Interests

In certain circumstances, BNI has internal regulations that provide each customer with the right to control their personal data. When opening an account, the application form includes a provision requiring the prospective customer's consent for BNI to share their personal with third parties (authorized institutions) when necessary. The provision of data to third parties (authorized institutions) includes but is not limited to tax purposes, criminal and civil cases, investigations of criminal offences in the capital market sector, corruption cases under KPK (Corruption Eradication Commission), as well as terrorism and money laundering cases. The implementation of providing such personal data refers to the regulations governing bank secrecy disclosure. Currently, the provisions regarding customer data are under review to align with the Personal Data Protection Law.

With the Customer's consent, BNI may share the User's personal information within its Group of Businesses, and/or third parties collaborating with BNI and/or the Group of Businesses for the purpose of executing the Bank's business activities (business partners), for predetermined purposes. BNI may also forward the User's Personal Data to financial supervisory institutions, legal entities, authorities, or the Government in accordance with applicable legal regulations. BNI has implemented personal data protection measures that are reviewed periodically from time to time to ensure the security of the user's personal data and to ensure users can exercise their rights as Personal Data Subjects in accordance with applicable regulations. BNI also conducts periodic monitoring of the implementation of customer consent requests.

Data Protection of Suppliers and Business Partners

The data security management system also encompasses BNI's supply chain, including supplier and business partner data, whether individual personal data, company information, or transactions conducted. The e-procurement system used is equipped with IT infrastructure that ensures data security, covering transactions and work contracts. If suppliers or partners have accounts at BNI, their personal data will be protected in accordance with applicable personal data protection regulations.

In implementing the Personal Data Protection Law, particularly as a measure to protect the personal data of BNI and third parties (including but not limited to vendors, consultants, business partners, and counterparties), BNI has established agreements (clauses) regarding personal data processing. These agreements accommodate both controller-to-controller and processor-to-controller relationships and can be applied in every contractual engagement between BNI and any party.



Cyber Security

Cybersecurity Governance and Management System

BNI's efforts to achieve cybersecurity include adopting the NIST Cybersecurity Framework to ensure business resilience against such threats and maintain operational continuity. Reactive measures taken include detecting attacks, conducting investigations, and recovering systems. Additionally, BNI holds ISO 27001:2013 certification for Open API services and CSIRT certification No. 345/CSIRT.01.03/BSSN/04/2024 from BSSN, which ensures that the information security management system is audited every three years and ensures that IT software development complies with international standards.

To mitigate data breaches, BNI continuously enhances service digitalization (customer to system, employee to system) to reduce reliance on physical documents in human interactions. At each endpoint, the Bank enhances security by performing hardening, integrating with the domain, installing antivirus software, using data security tools, monitoring endpoint activities, managing network access, and implementing workstation monitoring applications. These measures aim to strengthen customer information security.

BNI routinely conducts information security audits and cybersecurity self-assessments by the Internal Audit Division (IAD) annually to evaluate the effectiveness of security system management. In 2024, an audit was conducted on the payment system and communication network, involving external parties through a co-sourcing audit mechanism. Cybersecurity oversight is also executed and evaluated by the Chief Information Security Officer (CISO) Division, which operates under the direct supervision of the Director of Technology & Operations.

BNI also conducts cybersecurity management system assessments on third parties collaborating with the bank. These assessments are coordinated with BSSN, Bank Indonesia, OJK, Himbara, Perbanas, and international cybersecurity consultants.

Cybersecurity Internal Training

In addition to strengthening security systems, BNI provides training for employees, particularly in the IT Division, focusing on technology development and data security. In 2024, 33 employees participated in hard skill training in areas such as cloud security, data privacy, devsecops, and ethical hacking, ISO27001:2022 Information Security Management System for Lead Auditor & Lead Implementer, Certified Information Security Auditor (CISA) Training, Certified Information Security Manager (CISM) Training, and Certified Information System Security Professional (CISSP) Training. These certifications are awarded to IT personnel to enhance their competencies and gain recognition. BNI also offers soft skill training, including digital leadership and communication. Some of these certifications include: Certified Cloud Security Professional (CCSP), Certified Data Privacy Solution Engineer (CDPSE), Certified Ethical Hacker (CEH), Certified Information Security Manager (CISM), Certified Information System Auditor (CISA), Certified ISO 27001:2022 Information Security Management System for Lead Auditor & Lead Implementer.

Consumer Financial Protection



BNI allocates investments to develop and implement technology to safeguard the Bank's internal information security and protect customer data, including:

- Debit and credit cards now fully use chips with contactless features.
- Introduced Forced PIN, a feature requiring customers to change their PIN before transacting. There are two types of Forced PINs: Selected Forced PIN, where cards flagged as potentially fraudulent require PIN change before transactions, and Periodic Forced PIN, which mandates customers to regularly change their PINs at ATMs.
- Enhanced fraud detection system utilizing advanced technologies such as machine learning and artificial intelligence to detect transactions that deviate from normal activity patterns, aiming to expedite fraud identification.

Consumer Financial Protection Strategy

Through Directors' Decree No. KP/136/DIR/R dated April 12, 2023, BNI has undertaken various efforts to ensure the financial protection of customers, while also meeting the provisions of POJK No. 22 of 2022 and 2023. One of the efforts made is conducting 8 training, socialization, or education related to protection and the community for diverse audiences, both internal and external, such as the Board of Commissioners, Directors, and BNI staff; government; students; Indonesian Migrant Workers (PMI) and diaspora; as well as the community. The training topics provided include a Talkshow on Customer Protection Implementation to Improve Customer Experience, Financial Education and Literacy, as well as Customer Protection Awareness, and the Socialization of Consumer Protection Implementation and Awareness. Through this socialization and education, BNI hopes to enhance the audience's understanding and awareness regarding the importance of financial security.



Innovation and Development of Products and/or Services

Innovation and Development of Sustainable Financial Products and/or Services

Throughout 2024, BNI continued to innovate in the digital banking space by enhancing the BNI mobile banking offerings and launching several advanced technologies, including the launch of a super app that integrates various services, making it more convenient for customers to access financial transactions, investments, insurance, and other services within a single app namely wondr by BNI.

The 'wondr by BNI' application is designed to offer a more comprehensive and user-friendly banking service, featuring innovative functionalities that include daily transactions, personal financial summaries, as well as financial products such as investments and savings. This application also introduces the concept of "3 Dimensions of Finance (Insight, Transaction, Growth)" in financial management, thus providing a more integrated banking experience for customers. In developing this application, BNI has adopted the latest technology, built social security, and conducted thorough validation directly with the target customer segments.

Additionally, BNI has enhanced transaction services by adopting advanced technologies such as machine learning and artificial intelligence (AI) to improve fraud detection and accelerate transaction processes. BNI has also introduced new security features, such as chip-based debit cards, replacing magnetic stripe cards to enhance card security. The bank is also focused on improving customer experience through higher digitalization, reducing reliance on physical documents in transactions. These innovations reflect BNI's commitment to maintaining a competitive edge in the ever-evolving digital banking world.

Positive Impact of Digitalization

The advancement of digital transformation has yielded a significant positive impact on both bank operations and customer experiences. The implementation of digital banking reduces dependency on physical documents and paper usage, contributing to reduced carbon emissions and waste. Additionally, digital transactions enable customers to conduct transactions independently, saving time and increasing efficiency. This also mitigates the risk of data breaches that can occur through paper transaction receipts.

Digital banking also supports personal financial management by making it easier for customers to track expenses, create budgets, and monitor investments. Moreover, digitalization enhances customers' trust in the bank, expands market share, and improves operational efficiency. With reduced physical operational costs, BNI is able to provide faster and cheaper services, support the continuity of market transactions, and reduce the risk of losing cash funds.



Response to Customers and Respect for Human Rights

[2-23]

Equal Services [FS15]

In terms of service, BNI provides excellent and equal service to all types of customers, both individuals and corporations, while respecting customers' human rights in their interactions. BNI's services are divided into two main aspects: direct service from employees to customers and the continually evolving performance of digital banking services. To achieve optimal service, BNI implements several strategies, including improving customer service quality through employee training, utilizing the latest technology for easier transactions, and focusing on a more efficient and secure customer experience. BNI's service strategies include:

- Presenting comprehensive, integrated, high-quality, trustworthy, and reliable financial products/services.
- Providing a "one-stop solution" service for business and individual customers that is easily accessible and offers added value.
- Delivering product and service quality that meets the best standards.
- BNI enhances the quality of human resources through continuous training and development, improving employees' ability to provide excellent and satisfactory service to customers.
- Proactively adjusting and improving according to the evolving needs and expectations of customers towards the quality of BNI's products/services.
- Implementing equal service for all customers and practicing a service culture that goes beyond just offering services.
- Enhancing security systems across all networks and digital features.
- Offering personalized service options tailored to the demographics and needs of individual and business customers.
- Establishing partnerships with fintech, e-commerce, and other digital platforms to expand customer access to a more comprehensive and interconnected financial ecosystem.

- Encouraging cross-sector collaboration, such as in agribusiness, education, and healthcare, to provide financial solutions that support specific market segment needs.
- Providing financial products that support environmentally friendly projects or sustainable businesses.
- Reducing the operational carbon footprint by utilizing digital services to replace paper-based processes.

In line with the sustainable development goals in Indonesia, we are also implementing broader services. BNI, as a state-owned enterprise, has been mandated as a global bank and continues to carry out digital transformation gradually by adjusting the format of BNI outlets based on digital solutions tailored to the location and characteristics of outlets in various regions across Indonesia. BNI's commitment to reaching customers in remote areas is also realized through BNI Agen46, which serves the Outermost, Frontier, and Underdeveloped (3T) regions, ensuring equal access to banking services throughout Indonesia.

[FS15]

Banking Services for People with Disabilities [FS14, FS15]

Equal service is also experienced by customers with special needs. BNI provides the best customer experience, including for individuals with disabilities, by offering accessible services such as disability-friendly ATMs, which are equipped with headphones and Braille buttons. Currently, there are 2,715 disability-friendly ATMs spread across 381 districts or cities throughout Indonesia, as well as in international branches in Singapore and Hong Kong. Additionally, access routes to the Banking Hall and ATM Galleries have been prepared for wheelchair users.



Accessibility and Affordability

Access to Product and Service Information

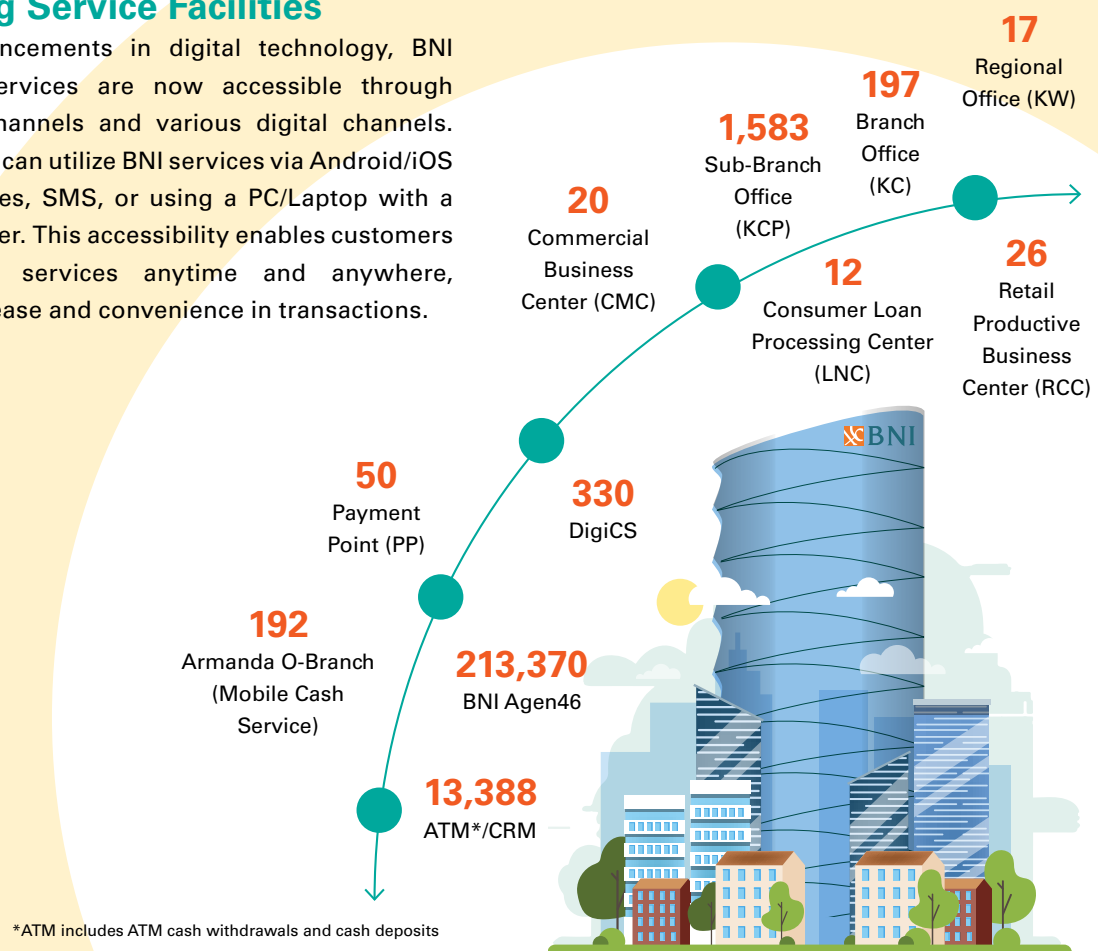
BNI focuses on enhancing the accessibility of its financial products and services, both digital and conventional, by expanding its geographical coverage. The bank has successfully reached all regions of Indonesia, including the 3T regions, as well as seven other countries, to ensure customers can easily access services in various locations.

BNI continues to develop digital and financial products and services to meet customer needs and keep abreast of industry developments. In this regard, BNI actively conveys information about products and services for marketing, customer education, and increasing transparency in accordance with the Financial Services Sector Consumer Protection Regulation (POJK No. 22 of 2023). Every product or service launched has received approval from the regulator and has undergone risk management reviews, compliance testing, and other supporting analyses.

Information about BNI's products and services is presented clearly and understandably and is published through various channels, such as BNI branches, BNI Agen46, print media, electronic media, social media, BNI Mobile Banking, wondr by BNI, and the website. BNI also provides consultation services through BNI Call and other digital channels, such as BNI WhatsApp Business and the BNI Virtual Assistant, which are accessible via the internet to meet further information needs of customers.

Access to Branch Locations and Banking Service Facilities

With advancements in digital technology, BNI banking services are now accessible through physical channels and various digital channels. Customers can utilize BNI services via Android/iOS smartphones, SMS, or using a PC/Laptop with a web browser. This accessibility enables customers to access services anytime and anywhere, providing ease and convenience in transactions.



Access and Responsible Marketing Communication Policies [417-1, 417-2, 417-3]



BNI is committed to providing accurate, honest, and transparent information about its products and services to all stakeholders. This information is accessible through various channels, whether directly through frontliners at branch offices, sales/relationship officers, or through various marketing media. In conducting marketing communication activities, BNI prioritizes consumer protection and public interest, while adhering to sustainability principles.

The marketing communication policy of BNI is based on a comprehensive framework that includes internal guidelines such as the Corporate Regulations for Working Procedures of Marketing Management & Consumer Retail Portfolio Division; Integrated Marketing Communication; Event Management; Sponsorship; and Advertising. Additionally, BNI adheres to external regulations, including the Financial Services Advertising Guidelines – Third Amendment – October 2020 published by OJK. This ensures accountability and compliance with prevailing standards.

BNI upholds transparency and ethics in every marketing communication activity. As a manifestation of this commitment, BNI ensures that the information published is accurate, honest, and free from misleading elements or content related to ethnicity, religion, race, and intergroup issues. In 2024, there is an issue that has raised concern among regulators regarding non-compliance with marketing communication, service information, and product labelling. BNI has followed up on this matter to ensure that it does not occur again. To support the effectiveness of transparent and responsible communication, BNI continuously invests in enhancing the competencies of the Marketing Communication Management (MCM) Division through various capacity development programs. These programs include training and seminars, such as Media Day, participation in the Asia Pacific Media Forum (APMF) 2024, and specific training such as Level Up Your Media & Event Management, Digital Marketing & Brand Management in Banking, and Elevating the Social Media Presence.



Handling Customer Complaints ^[2-25]

BNI wholeheartedly welcomes every complaint, criticism, and feedback from customers as an effort to maintain transparency and improve service quality. Follow-up on customer complaints is conducted in accordance with the Service Level Agreement (SLA), with resolutions for verbal complaints being completed no later than 5 working days, while written complaints are resolved no later than 10 working days from the time complete documentation is received, which can be extended for another 10 working days if necessary.

Customers can submit their complaints through the Call Center, Branch Offices, or other official BNI Digital Services such as social media, WhatsApp, the website, email, and Tanya BNI on the BNI Mobile Banking application. All received complaints will be managed and their resolution monitored by the Customer Experience Center Division under the supervision of the Director of Network & Services.

Media for BNI Customer Complaint



In terms of no agreement being reached between BNI and the customer regarding the resolution of a complaint, the customer may settle the dispute outside of court or through court proceedings. Dispute resolution in the financial services sector outside of court is conducted through the Financial Services Sector Alternative Dispute Resolution Institution (LAPS SJK).

Customer Complaint Mechanism and Resolution



To enhance customer experience through easy and fast complaint handling, BNI uses a customer journey application integrated with all touchpoints (omnichannel) so that data from customers contacting BNI through any media can be viewed in one application. Through this application, all complaints are recorded, followed up, and their resolutions monitored. The application can also send automatic notifications to customers once their complaints have been resolved.

Number of Complaints and Percentage of Resolution

Tahun	Jumlah Keluhan	Keluhan Diselesaikan	Persentase Penyelesaian (%)
2024	630,263	630,228	99.9
2023	743,044	743,044	99.9
2022	549,863	548,928	99.8

BNI has received numerous inquiries from customers throughout 2024, which include product and service information (68.2%), requests/changes to data (20.6%), complaints (8.8%), and transactions (2.3%). In 2024, the number of complaints decreased by 15.2% compared to the previous year. To reduce customer complaints, BNI has improved business processes, enhanced service quality, and consistently educated customers on banking solutions, safe transaction tips, and staying alert to banking crime schemes as part of consumer protection activities. Consumer protection outreach and education are regularly conducted by BNI through both online and offline media, with participation from BNI's Directors in providing these outreach and education efforts.

One of the business process improvements made in 2024, is the acceleration of the SLA for complaint resolution across 5 categories, including BNI ATMs, non-BNI ATMs, Pension Fund Financial Institutions (DPLK), Agen46, and bill payments.

The Customer Experience Center also handles and resolves complaints submitted by customers through regulators such as the Consumer Protection Portal Application (APPK) owned by OJK. Furthermore, BNI periodically reports the handling of complaints related to financial matters to Bank Indonesia through the Antasena application and to OJK through the siPeduli application.

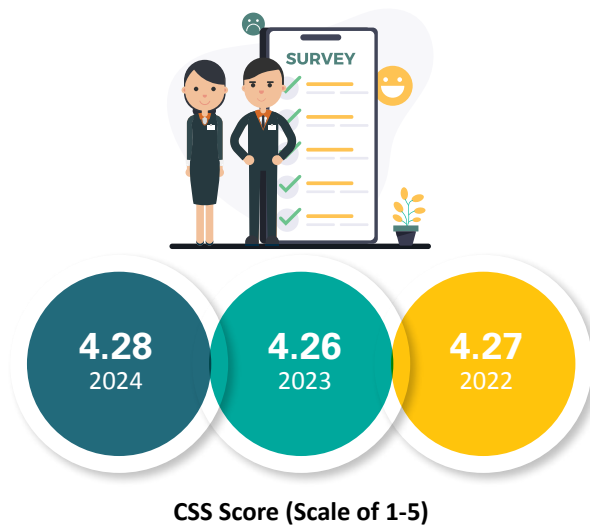
Governance Oversight of Complaint Resolution

The performance of customer complaint management at BNI is subject to oversight by the Board of Directors and Commissioners, where the Customer Experience Center must report to them in the context of Consumer Protection. Reports to the Board of Directors and Commissioners related to customer complaints within the context of Consumer Protection are conducted at least twice a year before being reported to Bank Indonesia and OJK.

In addition to Consumer Protection, the performance of customer complaint management also serves as an indicator of the reputation risk profile criteria, which is directly the responsibility of the Board of Directors and Commissioners of Bank BNI. Meetings of the Board of Commissioners and Directors to discuss the reputation risk profile are routinely held at least four times a year.



Customer Satisfaction Survey



CSS Score (Scale of 1-5)

To identify and measure the quality of services provided to customers, BNI periodically conducts a Customer Satisfaction Survey (CSS). This survey consists of two evaluation aspects:

1. **Business Satisfaction Survey (BSS).** This survey is conducted with customers or debtors from the Business Banking segment (Corporates, Medium, Small) and Consumer Retail (Emerald and Non-Emerald). The survey evaluates customer satisfaction based on the 7P aspects: product, price, place, promotion, people, process, and physical environment.
2. **User Satisfaction Survey (USS)** is a survey conducted internally within BNI to measure satisfaction levels regarding the performance of services provided by Divisions/Units/Functional Units. It also serves as insight for improving service quality in each surveyed unit. The evaluation aspects of this survey include: coordination, communication, cooperation; work results/output; work processes; commitment/SLA; employees; and provision of data/information.

Through these surveys, BNI gains deeper insights into customer satisfaction levels from both external (customers or debtor) and internal (employees) perspectives to improve and develop services. In 2024, The CSS score of BNI improved compared to last year, rising from 4.26 to 4.28 on a scale of 1-5.





03

PILLAR BNI FOR THE ENVIRONMENT

"BNI operations do not directly harm the environment. However, we are committed to enhancing employees' awareness towards eco-friendly behavior through various initiatives to achieve green banking. We had provided green financing to a particular sector and started managing climate risk. While internally, BNI also focuses on saving energy, water, and paper; managing office waste as well as reducing GHG emissions."







Green Banking



Policies and Internal Initiatives

BNI's commitment to the environment is demonstrated through the green banking implementation which also supports the Sustainable Development Goals (SDGs). BNI's green banking implementation encompasses diverse initiatives that embody internal and external aspects.

The environmental costs in 2024 totaled Rp7.2 billion, allocated to various environmental initiatives and conservation efforts.

The following are the internal green banking initiatives:

1. Ensuring efficiency in the use of energy, water, and paper as well as managing waste and reducing emissions.
2. Fostering a culture of environmentally friendly behavior among employees.
3. Implementing environmental awareness as outlined in the Company's Guidelines on Environmentally-friendly Living, by communicating it to all units.
4. Offering 2 types of credit card products that support the green banking initiatives, which are:
 - BNI WWF, is a credit card issued in collaboration with Worldwide Fund for Nature Indonesia (WWF Indonesia). Using BNI WWF for transactions, customers have indirectly donated to success WWF Indonesia's mission of promoting preservation, restoration, and ecosystem and biodiversity management programs in Indonesia.
 - BNI American Express Vibe, is a credit card made from recycled plastic.
5. Constructing a new building in PIK 2 by implementing the Green Building Certification from the Leadership in Energy and Environmental Design (LEED).
6. Organizing training relating to emissions and climate risk management.
7. Implementing the Green Building certification from the Green Building Council Indonesia (GBCI) in Menara BNI and Plaza BNI buildings.
8. Adding the commitment of environmental and social aspects in the integrity pact during the selection process of prospective vendors/suppliers.
9. Boosting employees' awareness to the environment through the Employee Volunteering Program, such as planting trees and other activities.

Products Designed for Environmental Preservation

Endeavors in preserving the environment are realized by collaborating with other parties to launch a series of environmentally friendly credit cards. Several of such collaborations are as follows:

Environmentally-friendly Credit Cards

Types of Cards	New CIF			Sales (Rp Billion)		
	FY 24 Target	2024 Realization	Achievement (%)	FY 24 Target	2024 Realization	Achievement (%)
WWF	16,060	20,636	128.5%	500.1	514.1	102.8%
Amex Vibes	30,000	34,837	116.1%	90.0	220.1	244.6%
Total	46,060	55,473	120.4%	590.1	734.2	124.4%

Managing the Environmental Impacts Arising from BNI's Operations

Despite not directly causing negative impacts on the environment, the potential may arise through business activities led by BNI's debtors. Thus, the Bank is committed to minimizing the potential risks and negative impacts by ensuring the allowed financing has complied with prevailing laws and regulations in the environmental and social sectors. In 2024, there were no complaints on environmental issues that involved BNI.

Saving Paper [306-1, 306-2]

We are mindful that it remains challenging to ultimately refrain from using paper throughout our daily operations. Nevertheless, we continue lessening the use of it through various strategic steps. One of which is by encouraging digital banking transformation to increase efficiency and help reduce paper waste. In addition, we also adopt several conventional initiatives, such as optimizing the use of paper and leveraging technology to digitize documents and administration work.





Digital Banking:

- Maximizing BNI e-office utilizations, such as memo correspondence application portal, internal notes, and letters recorded and circulated in BNI.
- Digitizing employees' presence using DigiHC, focusing on the presence/absence, leave/permission, and tardiness.
- Digitizing the process of employees' overtime application and its monitoring through DigiHC.
- Using BNI e-procurement and e-Arsip applications to optimize automation in the goods and services procurement process.
- Operating the DigiCode application, an internally integrated Standard Operating Procedure management system with a paperless concept.
- Enhancing the use of digital banking in serving customers through the digital acquisition of credit cards and e-billing statement.
- Applying efficient use of paper by simplifying marketing collateral through the optimization of information use on BNI's website.
- Applying efficient use of paper by simplifying marketing materials through the optimization of information use on BNI's website.
- Administering electric loan – Integrated Credit Document Management (eLO PDKT), which has only been applied to loan documents of consumer loans, starting from review up to verification process.
- Maximizing the power of social media (WhatsApp internal group) for distributing meeting invitations among units.



Conventional Initiatives:

- Reducing the use of paper conventionally by manipulating used paper and enhancing digitalization.
- Reducing hardcopy printing for Annual Reports and Sustainability Reports.



Paper Use in BNI's Regional (Kg)

Description	2024	2023	2022
Head Office	60,348	146,939	142,245
Regional and branch offices	1,531,636	1,789,345	1,697,378
Total	1,591,984	1,936,284	1,839,623

Impacts of E-Office on Paper Reduction (Unit of Sheet of Paper) ^[306-4]

Description	2024	2023	2022
Electronic SOP/BNI e-PP	57,288,420	46,503,360	39,882,240
Electronic billing statement/BNI e-billing	13,486,086	13,583,123	12,674,073
Efisiensi amplop billing/BNI e-billing	57,735	70,142	84,615
Total	70,832,241	60,156,625	52,640,928

Impacts of eLO PDKT on Paper Reduction

Description	2024	2023	2022
Total loan/credit documents developed	1,547,963	1,183,577	446,204*

Note:

*) In April 2022, the pilot project eLO PDKT was launched in 5 Regions (Bandung, Semarang, Surabaya, Manado, and Papua) which then was applied widely throughout BNI areas in August 2022.

Total Documents Circulating through Application

Description	2024	2023	2022
Memo	81,761	100,742	103,564
Internal note	3,150	7,110	11,329
External letter	32,711	43,664	46,656
Total documents	117,622	151,516	161,549
Letter of disposition	284,769	423,585	446,946





Minimizing the Climate Change Risks through Energy Management and Emissions Reduction

Energy Management and Emissions Reduction [302-4, 305-5]

Various initiatives are carried out to reduce the emissions created with a key focus on energy efficiency enhancement. Below are said initiatives:

- Implementing Earth Hour by turning off the lights in the workplace during break session (12.00-13.00).
- Implementing annual Earth Hour every 4th week of March in all BNI Head Office buildings.
- Operating with every-saving lamps in Grha BNI, Plaza BNI, Gedoeng BNI, and Menara BNI.
- Reducing the time length of chiller use on Saturdays and Sundays.
- Using magnetic bearing technology in the Plaza BNI's coolers to enable frictionless operation of motor components.
- Maximizing the 76 units of 3,040 Watt solar panels in Plaza BNI as electrical source in emergency exits.
- Limiting business travels and replacing them with teleconferences.

- Adopting green building architecture in Menara BNI and Plaza BNI to support energy efficiency and lessen the environmental impacts.
- Planning the building design for BNI PIK2 building using Green Building principles.

Efforts to improve energy efficiency have successfully reduced electricity and fuel consumption (Scope 1 and 2) to 598,235 Giga Joules (GJ) in 2024. As part of its green building initiatives, Menara BNI has been awarded a Gold green building certification, while Plaza BNI has achieved a Platinum certification, both granted by the Green Building Council Indonesia (GBCI). Additionally, BNI plans to implement LEED green building standards for the development of a new building in the PIK 2 area. In recognition of its commitment to carbon emission reduction through the provision of facilities that support sustainable mobility, BNI was honored with the Cyclist-Friendly Building Award by the Governor of DKI Jakarta.

Energy Consumption and Intensity [302-1, 302-2, 302-3]

Description	Unit	2024	2023	2022
Use of fuel for genset and use of electrical energy in BNI offices across Indonesia	GJ	598,235	604,186	975,767
Use of fuel for overland business travels and operational in BNI offices		334,861	327,264	13,710
Use of electrical energy from solar panel		95.9	95.9	95.9
Total electricity and fuel		933,192	931,546	989,573
Income	Rp Triliun	64.5	62.7	56.1
Energy Intensity to Income	GJ/Rp	0.0000000145	0.0000000149	0.0000000161

Note:

The calculation uses a fuel to energy conversion factor f 0.038 GJ/ltr and electricity to energy of 0.0036 GJ/kWh.

Emissions Management [305-5]

Since 2021, BNI has been on a journey towards net zero emissions by consistently calculating emissions with continuous improvements, both in scope and method. The scope 1 and 2 emission calculations have been conducted regularly, and in 2022, we expanded to indirect emission (scope 3) calculation. In 2024, BNI also extended the scope of its emission calculation. The scope 1 emission included the fuel use in buildings, air conditioner freon, and fuel for operational use, whereas the scope 2 emission included the electricity in 5 head office buildings all of BNI regional and branch offices. On the other hand, the scope 3 emission included business travels and financing emission of 70.3% of the Corporate segments' debtors, covering Corporate, Enterprise, Commercial, and Retail Productive loan portfolios. Total emission increased due to the calculation coverage, particularly in scope 3 emission of business travel, which previously covered 93.4% to 96.1% of BNI offices.

Greenhouse Gas Emissions Generated (Ton CO₂eq) [305-1, 305-2, 305-3, 305-4]

Source of Emission	2024	2023
Scope 1		
Use of fuel in Buildings	1,327.1	1,701.1
Use of freon	859.8	1,023.6
Fuel for operational use	15,175.0	15,874.9
Scope 2		
Emissions from electricity	169,179.5	170,760.4
Scope 3		
Business air travel	1,856.7	2,959.2
Overland business travel	5,355.2	4,220.8
Financing emissions	33,233,262	28,718,388*
GHG Emissions of Scope 1 & 2	186,541.3	189,360.2
Total GHG Emissions	33,427,015	28,914,928*
Emission intensity of scope 1, 2, & 3 of business travel to income (Ton CO₂eq/Rp)	0.00000000300	0.00000000313*
Emission intensity of scope 3 of financing to income (Ton CO₂eq/Rp)	0.00000051513	0.00000045768*
Intensity of total emissions (scope 1, 2, & 3) to income (Ton CO₂eq/Rp)	0.00000051813	0.00000046081*

Note:

The operational emission calculation methodology uses the GHG Protocol 2017 and references are obtained from biograce v4, 2014. Meanwhile, for official travel, references are from myclimate.

*) Restatement of information due to changes in calculation methodology and coverage.

BNI contributes to defending the ozone layers by implementing the initiative of restricting the use of ozone-depleting substances. This helps reduce the use of equipment that may produce such emissions, especially those containing Chlorofluorocarbon (CFC). As its commitment, BNI replaced all said equipment with better eco-friendly technology and apparatus, such as the use of AC inverter.

As of the end of 2024, the emissions data inventory was limited to greenhouse gas (GHG). Other air pollutant emissions, such as Nitrogen Oxide (NO_x) and Sulphur Oxide (SO_x), have not yet been calculated, considering the main source of these emissions does not derive from BNI's operations. [305-6, 305-7]

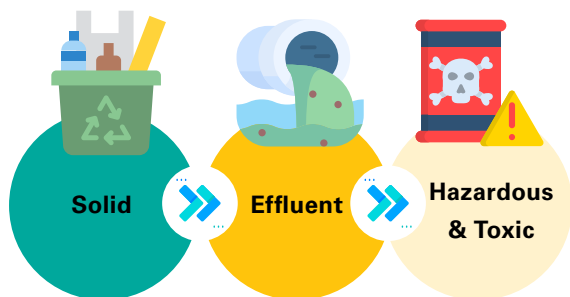


Waste Management [306-1, 306-2, 306-4]

In 2024, BNI implemented the Zero-Waste to Landfill (ZWTL) concept using the 3R method (Reduce, Reuse, & Recycle). This waste management initiative involves five BNI Head Offices to optimize recycling programs for waste generated by BNI buildings and minimize direct waste disposal to landfills.

To support solid waste management, BNI has established a Standard Operating Procedure (SOP) for Solid Waste Management, which applies to its Head Office buildings. Once the waste management implementation at BNI's Head Offices is running effectively, the program will be expanded to all Regional and Branch Offices.

Waste management stage:



BNI has classified the waste it generates into three main categories: solid, effluent, and hazardous and toxic waste. BNI collaborates with a third party for the management of hazardous and toxic waste. Before collection by a licensed third party, the waste is initially stored in a designated hazardous and toxic waste storage facility. The collection of it is conducted once a year.

There was a change in the waste volume measurement method in 2024. Since December 2024, BNI has collaborated with a third party for waste management, including the recycling of organic and inorganic waste. As a result, waste data has been measured by weight (tons).

Meanwhile, for the period January–November 2024, waste data was calculated based on storage volume (m³).



Volume of Waste Generated [306-3, 306-5]

Organic (m ³)	Inorganic (m ³)
617.2	3,283.3
2024 (January–November)	2024 (January–November)

Organic (Ton)	Inorganic (Ton)
10.8	51.5
2024 (December)	2024 (December)

In line with this, BNI has also expanded the scope of recycled waste calculations beyond paper waste to include other organic and inorganic waste.

Volume of Recycled Paper Waste <small>[306-4]</small>	Volume of Recycled Waste (Excluding Paper Waste) <small>[306-4]</small>
48.0 Ton 2024	Organic (Ton) 3.7 2024 (December)
60.5 Ton 2023	Inorganic (Ton) 16.0 2024 (December)
191.6 Ton 2022	

Textile Waste Management [306-1, 306-2, 306-4]

One of BNI's waste management initiatives is the Empathy Drop Box program. Through this program, we collaborate with the community to collect textile items for recycling and upcycling. The repurposed items are then donated back to those in need, reinforcing our commitment to sustainability and social impact.

Additionally, BNI works together with employees in the Uniform Disposal Program, particularly in handling employees' wearable uniforms. This program aims to lessen the piling of textile waste ending in landfills by carrying out the Donate, Recycle, and Upcycle principles.

This program has handled 21.6 tons of uniform waste and resulted in three outputs, which are as follows:

1. Donate: 5.3 tons of reusable clothing which passed the quality test was distributed to pre-prosperous families in 7 cities in Indonesia, preventing new 39,984 pieces of textile products from being manufactured.
2. Recycle: 15.3 tons of textiles failed passing the quality test will be destroyed and further processed into recycled fabrics, Ja-Brick for home decor, and insulator.
3. Upcycle: 1.12 tons of textiles in less than 60% viable condition was further transformed into products with added values, such as shoes, and others.

This program is expected to contribute to reducing GHG emissions, promoting a circular economy, and delivering tangible benefits to underprivileged communities in Indonesia.

Water Management [303-1, 303-2, 303-3, 303-4]

In BNI, water is used for domestic necessities, such as handwashing, plant watering, and toilets. The water is directly acquired from water springs. The need for water is met by the Regional Drinking Water Company (PDAM) and groundwater, which is commonly exhausted for domestic purposes in the office areas. With no hazardous effluent from BNI's operations, BNI does not execute quality standard tests on the generated effluent. Alternatively, BNI efficiently processes its wastewater through the building management system, enabling water reuse.

To optimize water use, BNI has conducted several initiatives, such as implementing water management technology in Plaza BNI and Menara BNI, campaigning for water saving, practising sensible use of water, reporting tap leaks, and using processed wastewater for plant watering. The calculation of water consumption in BNI includes the head offices and the entire branch offices, with a total volume of 1,882,040 m³/year in 2024.

Water Use [303-5]

Description	Unit	2024	2023	2022
Volume of water use				
Head office	m ³ /year	329,344	272,165	305,852
Regional and branch offices		1,552,696	1,485,969	1,331,022
Total volume of water use		1,882,040	1,758,134	1,636,874
Intensity of annual average water use	m³/employee/year	69.2	63.8	60.3

Note:

The water consumption is calculated based on the data of PDAM in m³



Environmental and Biodiversity Preservation



BNI understands that the financing provided by the company potentially causes negative impacts to the community and biodiversity. Hence, BNI is committed to the “BNI for the Environment” Pillar to continuously bring positive impacts to the environment by enhancing the ecosystem’s carrying capacity and protecting biodiversity.

Being remote from conservation areas and/or areas with high biodiversity index, all operations in BNI have no direct significant impacts on biodiversity. Nevertheless, BNI consistently demonstrates its commitment to conserving the environment through various programs that can increase the ecosystem’s carrying capacity. [304-1, 304-2]

As a commitment to adapting to climate change, mainly in absorbing pollutant gases in the air, BNI has the BNI GoGreen Program. It is the Company’s form of support to conserve the environment.

Rehabilitating Mangrove Forest [304-3]

BNI supports land reforestation and rehabilitation activities, one of which is planting mangroves in Banyuwangi Regency, East Java where is known as Wetland Essential Ecosystem Zone. The Pangpang Bay requires immediate attention due to the coastal community’s low level of prosperity, neglected nature conservation as well as sub-par level of knowledge, skills, and environmental awareness.

BNI's support is manifested by starting from procuring and planting seedlings to maintaining 50 hectares of mangrove forest for the next three years. BNI had the conservation of Pangpang Bay as one of the locations for celebrating its 78th anniversary to simultaneously gain attention and positive impacts from rehabilitating the mangrove forest. The reforestation program is conducted through an agroforestry approach to improve the quality of soil and air, as well as prevent natural disasters, such as landslides and floods. In 2024, BNI reforested various areas in Indonesia with 177,347 trees planted.

Waste Management Program

BNI has a waste management program, which is collectively led by the community through a waste bank. The community benefits from the program's positive effects, both environmentally and economically. Several activities are established to support this program, such as Program Pos Pandai (Center, Process Waste, Sort, Obtain, Save, Recycle, Tool, and Innovation), incinerator assistance, garbage motorcycle, and rubbish bin.

The waste management program is also applied in tourist destinations, namely Likupang, North Sulawesi; Cikole, Lembang; and Cipanas, West Java. Cleaning activities are also conducted in Nusantara Capital City (IKN), West Kalimantan.



Conservation of Protected Species ^[304-4]

BNI performs biodiversity activities by protecting biodiversity which is in accordance with the Regulation of Environment and Forestry Minister No. 106 of 2018, stating the protection of endemic plants and animals, such as Bornean orangutan and Javan rhinoceros.

Conservation of Javan Rhinoceros (*Rhinoceros sondaicus*)

The Javan rhinoceros (*Rhinoceros sondaicus*) is classified as Critically Endangered on the IUCN Red List, primarily due to its limited population distribution, small population size, and threats to its habitat and survival. Currently, the Javan rhino population is confined to Ujung Kulon National Park.

BNI remains committed to preserving Indonesia's biodiversity, particularly the Javan rhino, as part of its ongoing conservation efforts. At the end of 2023, BNI continued its support for Javan rhino conservation in collaboration with the Ministry of Environment and Forestry, the Ujung Kulon National Park Authority, and the Aliansi Lestari Rimba Terpadu (ALeRT).

This conservation initiative includes the establishment of a Field School for Buffalo Management and the continuation of Javan rhino genetic mapping. The buffalo school aims to prevent buffalo from entering the rhino's habitat while ensuring that buffalo populations near the National Park remain healthy, thereby minimizing the risk of disease transmission to Javan rhinos. Meanwhile, genetic mapping is conducted to assess the genetic diversity of individual rhinos, helping to determine their overall genetic health.



Conservation of Bornean Orangutan (*Pongo pygmaeus*)

Actively contributing to rehabilitating Bornean orangutans, BNI joins the Ministry of Environment and Forestry and Borneo Orangutan Survival Foundation (BSOF). In 2024, the Bank rehabilitated two Bornean orangutans in the Orangutan Nyaru Menteng Rehabilitation Center, Central Kalimantan along with 4 hectares of critical land in Samboja Lestari. In the rehabilitation area, BNI restored the forest through reforestation, land maintenance, and fire threat management so that the existing land can return to its natural purpose. This activity also aims to promote areas for learning centers, sanctuaries, and feeding. Moreover, the Bank supports healthcare for orangutans through vitamin provision, teaches how to prepare natural food, and helps improve the infrastructure in the conservation area.



Both Bornean orangutan and Javan rhinoceros are rare species that are also categorized as critically endangered by the International Union for Conservation of Nature and Natural Resources (IUCN) Red List Data Book. These species are umbrella species that have the capacity to roam wide and large areas and serve as a supporting factor to the success of conserving other species. Protecting these species indirectly protects other species, including plants and other animals.

Employee Volunteering Program

Since 2023, we launched a new program, Employee Volunteer Program (EVP). It aims to increase awareness and bring positive contributions environmentally and socially. Activities relating to this program are held under the BNI Berbagi Program. The EVP program is one of the key performance indicators (KPI) of Environmental and Social Responsibility Program of the Ministry of SOEs.



The Employee Volunteer Program (EVP) serves as a source of motivation for BNI Hi Movers to voluntarily contribute their time and ideas, fostering camaraderie among employees while supporting the community. This initiative also strengthens employee loyalty to the company and ultimately helps create a better workplace environment. BNI Hi Movers carry out the EVP through various activities, including tree planting, religious holiday celebrations, and the revitalization of praying places.



BUmn UNTUK INDONESIA

BNI GoGreen

BNI

Penanaman 78.000 Pohon Mangrove Bersama BNI

The *Wonderful* of Teluk Pangpang
untuk regenerasi hutan dan reduksi emisi

Banyuwangi, 22 Juni 2024

BNI
Rerbagi





04

PILLAR BNI FOR THE COMMUNITY

“BNI’s presence is always directed towards providing a positive impact on surrounding communities through programs focused on empowerment, inclusion, and sustainability.

Through initiatives in education, health, economic empowerment, and environmental preservation, BNI strives to create sustainable added value for the people, in line with the company’s vision to grow together with the nation.”







Empowering Growth with Communities [203-2, FS5] [FN-CB-240a.1, FN-CB-240a.2]

Providing easy access to financing for MSMEs (Micro, Small, and Medium Enterprises) is a strategic step in empowering this sector to support the national economy. With improved access to capital, MSMEs have greater opportunities to expand their businesses, increase production capacity, and contribute to creating new jobs. As of the end of 2024, BNI has consistently supported the MSME sector by disbursing loans, including both Subsidized Micro Loan (KUR) and non-KUR loans. By the end of 2024, total MSME loan financing has reached Rp117.1 trillion, consisting of Rp33.2 trillion in KUR and Rp84.0 trillion in non-KUR financing.



Subsidized Micro Loan (KUR) Disbursement Based of Business Segment in 2024 [FS7]

Business Segment	Number of Debtors	Maximum Loan (Rp Billion)	Target (Rp Billion)	Achievement of Government Target
Supermicro	21	0.2	0.5	39.4%
Micro	9,707	720.9	740.5	97.4%
Small	43,365	11,165.5	11,220	99.5%
Migrant Workers (PMI)	982	26.0	39	66.6%
Total	54,075	11,912.5	12,000	99.3%

On the other hand, inclusive financing for MSMEs has reached Rp213.2 trillion by the end of 2024, with the fulfilment of the Macroeconomic Inclusive Financing Ratio (RPIM) at 28.1%.

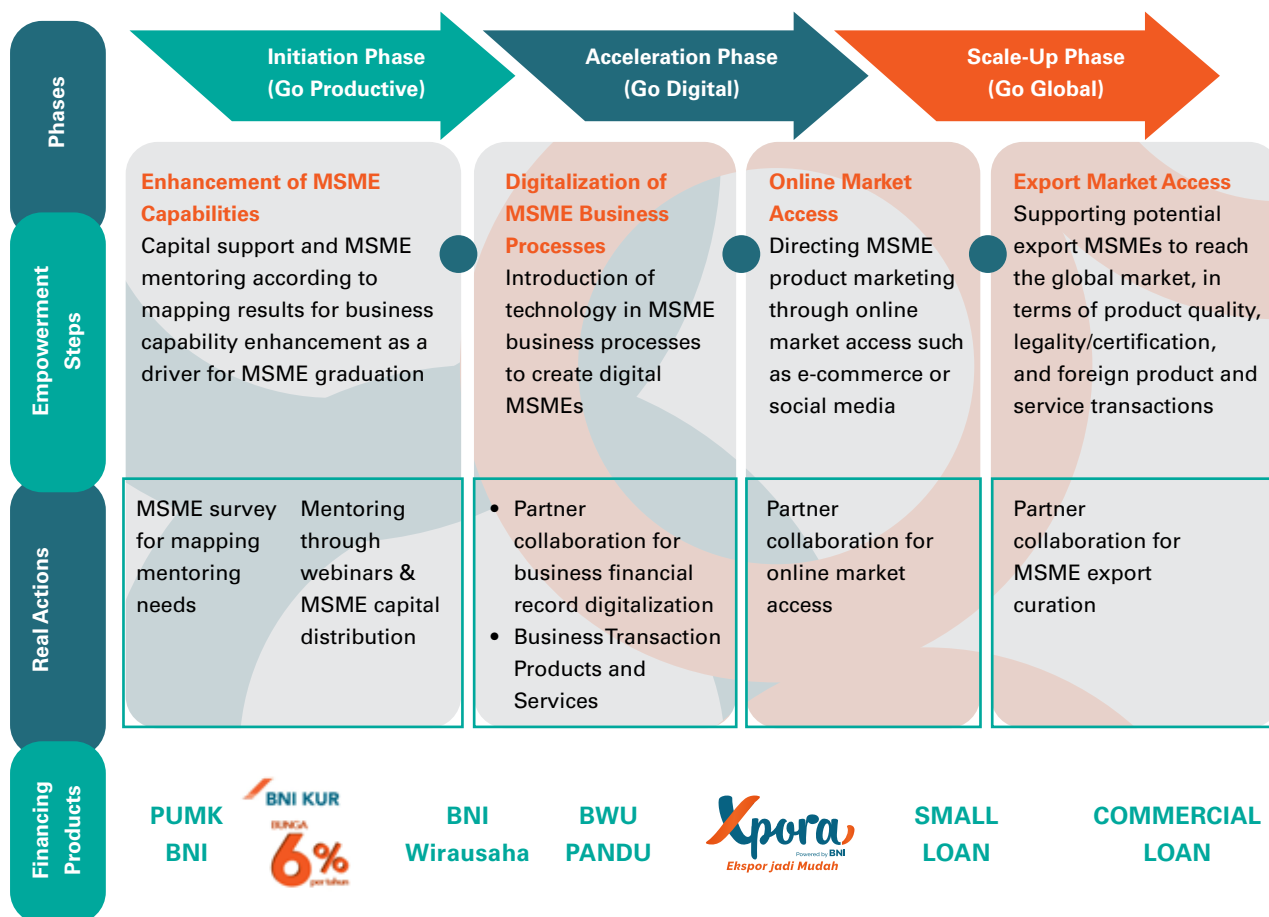
Macroprudential Inclusive Financing Ratio (Rp Trillion)

Description	2024	2023	2022
Direct financing and supply chain	184.7	171.5	169.0
Providing financing through financial services institutions, public service agencies, and/or business entities	22.9	14.6	7.5
Purchase of inclusive financing securities (SBPI)	5.4	4.8	3.5
Total inclusive financing	213.2	190.9	180.0
Inclusive Financing Deposit Certificate (SDPI) issued by the Bank (Bank's individual RPIM offset)	-	-	-
Other SBPI issued by the Bank (Bank's individual RPIM offset)	5.0	5.0	5.0
Total loan/financing to Non-Bank third parties	759.6	685.8	641.1
RPIM	28.1%	27.8%	28.0%

Support for MSMEs

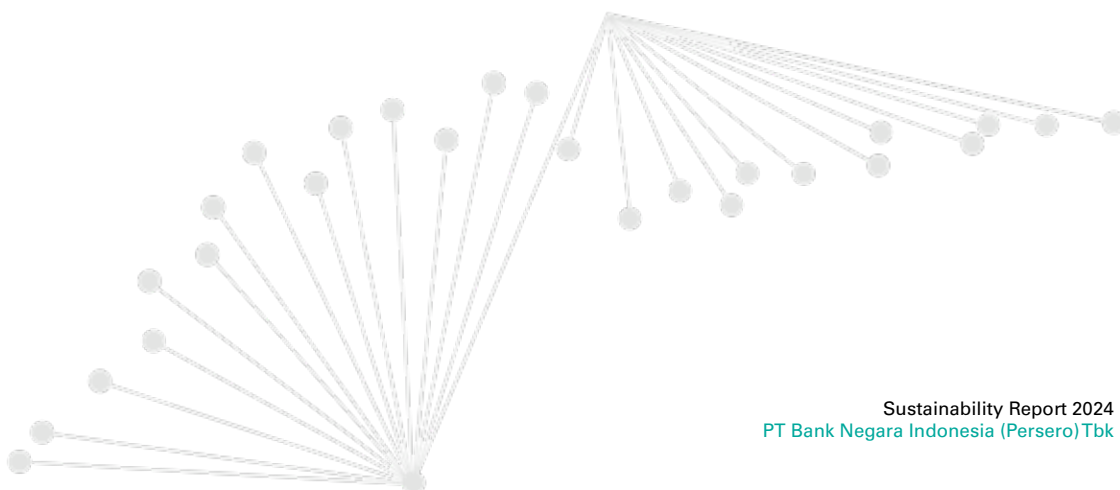
BNI is committed to supporting the empowerment, development, and strengthening of MSMEs as they are fundamental to the national economy. In addition to providing ESG-oriented financing access to SMEs, BNI also supports capacity building through training, the implementation of environmentally friendly practices, and encourages the growth of MSMEs by facilitating market access, both nationally and internationally. BNI's MSME journey includes initiatives such as Go Productive, Go Digital, and Go Global. To achieve these goals, BNI collaborates with relevant ministries, agencies, and institutions.

BNI MSME Empowerment Roadmap



Note:

PUMK is a Micro & Small Business Funding Program





Go Productive

BNI *UMKM Ramah Lingkungan (BUMI) Program* ^[203-2]

BUMI Program is an empowerment initiative for MSMEs focusing on environmental sustainability by implementing eco-friendly business processes and/or producing eco-friendly products. Throughout 2024, BNI through the BUMI program continues to promote the program through collaborations with external parties, such as Bank Indonesia, to raise public awareness of the important role of MSMEs in practicing environmentally friendly practices. Additionally, MSME actors involved in the BUMI program have participated in several business matching activities beneficial for improving market access and business profitability. In 2024, the BUMI program has conducted socialization four times, disbursed Rp38.9 billion in loans to the crafts sector for 164 MSMEs, and included BUMI program MSMEs in several business matching activities through events such as BNI Bazaar Fest Vol.02, BNI Expo, and BNI Investor Daily Summit 2024. It is hoped that MSMEs participating in the BUMI program, in accordance with Bank Indonesia's Green MSME Development Guidelines, can advance while protecting the earth by becoming MSMEs meeting the eco-adopter, eco-entrepreneur, and eco-innovator criteria.



BNI *Kampung Budidaya Perikanan*

BNI *Kampung Budidaya Perikanan* is an empowerment program for MSMEs in the fisheries sector, providing banking solutions and services from upstream to downstream to create a closed-loop ecosystem, offering training and skill development for MSMEs in the fisheries sector and expanding their market access through Xpora to enable them to Go Global. In implementing this program, BNI collaborates with the Ministry of Marine Affairs and Fisheries (KKP) to support KKP's Priority Programs, such as the Fisheries Cultivation Village and Fishermen's Villages. The BNI *Kampoeng Budidaya Perikanan* program also aims to support and help achieve the success of the blue economy program as one of the Asta Cita of President Prabowo-Vice President Gibran national priority programs. Through this program, BNI seeks to improve the welfare of communities in the fisheries sector and support nutritional fulfillment.

Forming a Cluster

(Upstream Sector):

Digital MSMEs : Providing

Access to Financial Services & Banking Transactions

- ✓ Aquaculture Village
- ✓ Progressive Fishermen Village
- ✓ Marine Village

Partnership Collaboration

Merchant: BNI X E-Commerce: Collaboration on Utilizing Big Data of Potential MSME Partners to Become BNI Agency Partners (BNI Agent46)



Business Mentoring

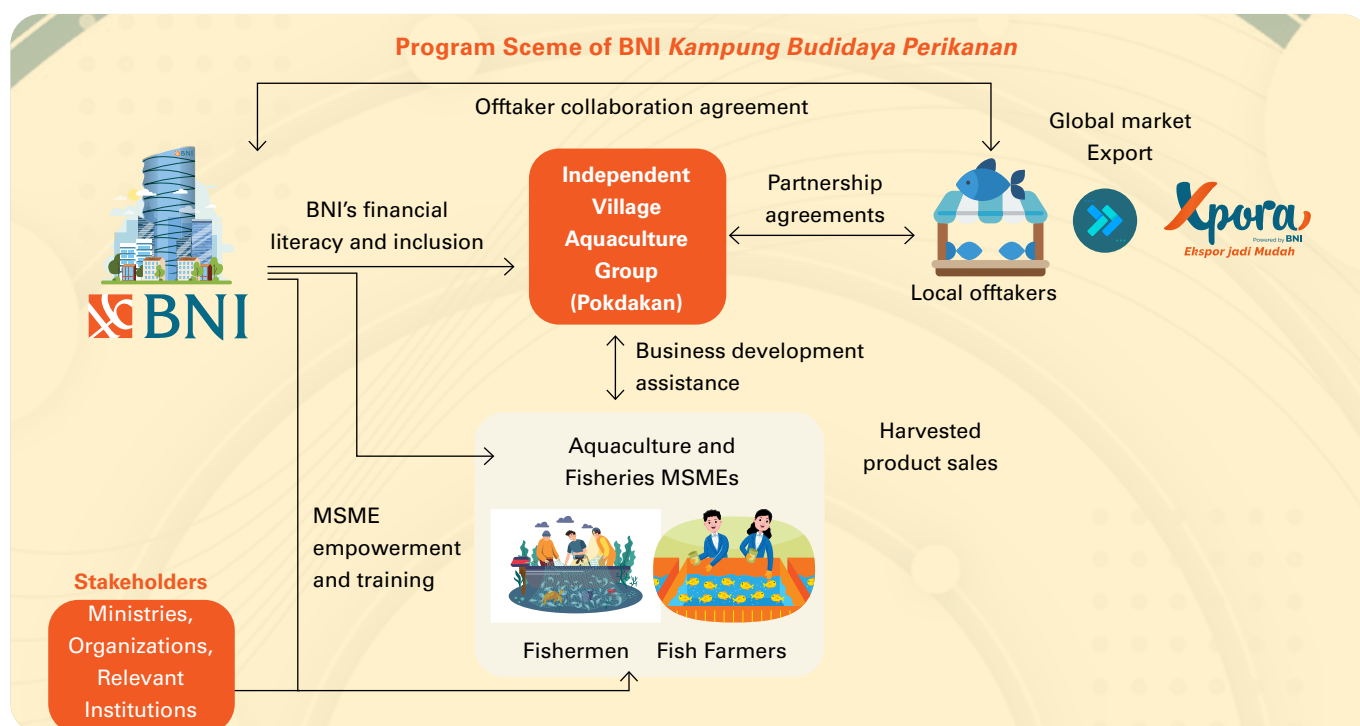
(Downstream Sector)

Xpora BNI Export Made

Easy: Business Mentoring through offline and online meetings

- ✓ Curation of MSMEs with Export Potential
- ✓ Coaching Clinic for MSMEs in the Fisheries Sector
- ✓ Exhibitions & Bazaars
- ✓ Business Matching for Export Products

BNI synergizes and supports Priority Programs initiated by the Ministry of Marine Affairs and Fisheries, including the *Kampung Budidaya Perikanan* and *Kampung Nelayan*, to improve their well-being.



In 2024, BNI disbursed Rp3,312 billion in loans to 7,139 debtors in the marine and fisheries sector, with a breakdown of Rp260 billion in Subsidized Micro Loan (KUR) totaled Rp1,330 billion for 5,990 business actors.

Description	Capture Fishery		Aquaculture Fishery	
KUR	Rp358 billion	1,631 debtors	Rp972 billion	4,359 debtors
Non-KUR	Rp1,321 billion	544 debtors	Rp661 billion	605 debtors



Go Digital

BNI Desa Digital Khatulistiwa (BNI Dedikasi)

BNI Dedikasi is a sustainable village transformation business incubation program via BNI's digital financial ecosystem. The program aims to promote increased financial literacy and inclusion in villages and to create environmentally conscious entrepreneurship in the village's leading sectors by optimizing the role of Village-Owned Enterprises (BUMDes) as drivers of the local economy. A total of Rp18.6 billion in financing has been disbursed to 69 MSMEs as financing recipients

Alsintan Taxi Financing Program

BNI is committed to supporting sustainable development in Indonesia. A tangible manifestation of this commitment is BNI's participation in the Taksi Alsintan program (Agricultural Tools and Machinery). The Taksi Alsintan program is a strategic initiative by the government to accelerate the modernization of the agricultural sector in Indonesia. This program is designed to support the development of agricultural mechanization by utilizing more modern, efficient, and affordable agricultural tools and machinery (alsintan) for farmers. With this program, the government hopes to enhance national agricultural productivity and efficiency, ultimately supporting Indonesia's food security and aligning with the Asta Cita program of President Prabowo-Vice President Gibran.

BNI has played an active role in supporting the Taksi Alsintan program through targeted and sustainable financing. Through this program, BNI contributes to:

1. Increasing Agricultural Productivity: Farmers using modern agricultural machinery (alsintan) can improve time and labor efficiency, resulting in better harvests.
2. Strengthening Food Security: With increased productivity, the national food supply becomes more secure.
3. Encouraging Digital Transformation: The use of alsintan integrated with digital technology supports the digital transformation process in the agricultural sector.
4. Improving Farmers' Welfare: Access to alsintan financed by BNI opens up opportunities for farmers to increase their income.

BNI's support for strategic programs like Taksi Alsintan is an important step in promoting sustainable development in Indonesia. BNI is committed to being a strategic partner in realizing the modernization of the agricultural sector and creating a brighter future for Indonesian agriculture. During the period from 2022 to 2024, BNI, in collaboration with several providers of agricultural machinery, has disbursed funding amounting to Rp97.4 billion to 297 debtors to support the implementation of this program

Go Global

BNI Xpora

BNI Xpora, a one-stop export solution from BNI, continues to play a crucial role in helping MSMEs expand their reach to global markets. In 2024, BNI Xpora received the Economy Enhancement MSME Enabler of the Year award and the Best Brand for Digital MSME Banking Services, Xpora. These awards highlight BNI Xpora's commitment to fostering MSME growth through sustainability, digitalization, and providing access to international markets.

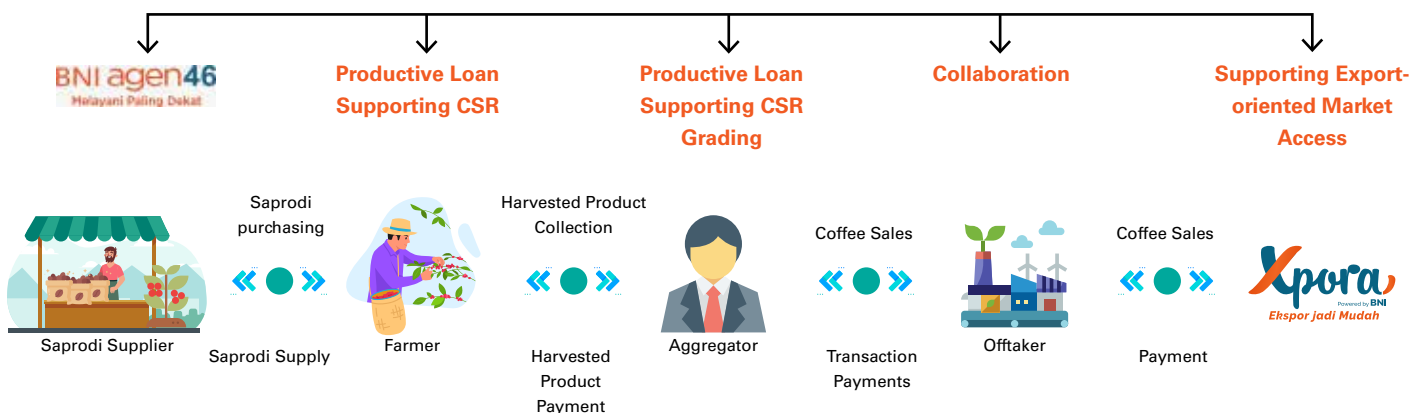
In 2024, BNI Xpora supported various initiatives to enhance the productivity and competitiveness of MSMEs. These initiatives included training, business development, and participation in international trade events such as Foodex in Tokyo, Amsterdam Coffee Festival, Chicago Coffee Festival, Indonesia in Singapore, Seoul Food & Hotel, Shoppe Object, HKTDC Food Expo, Wonderful Nusantara, Indonesia Africa Forum, and Trade Expo Indonesia. Additionally, BNI Xpora helped connect local businesses with global buyers, providing a platform for business meetings and international exposure. These efforts align with the broader goal of making Indonesian MSMEs more productive, digital, and competitive on a global scale. The realization of BNI Xpora in 2024 amounted to Rp33.6 trillion with 18,432 debtors.



BNI Jejak Kopi Khatulistiwa (JKK) Program



BNI through the *BNI Jejak Kopi Khatulistiwa* program bridged the financial solution which covers financing, transaction, and business-agents for the coffee farming ecosystem, including agro-input stores, off-takers, and aggregators.





BNI Jejak Kopi Khatulistiwa (BNI JKK) is a program initiative rooted in social forestry that aims to empower local communities through the creation of a green economy financing ecosystem for coffee MSMEs (farmers, collectors, and other stakeholders), both in social forestry areas and potential coffee-growing regions across Indonesia. The program strives to establish a closed-loop financial ecosystem to support these coffee stakeholders.

Social forestry includes various commodities, such as coffee, corn, porang, sengon, and others, with a portfolio worth Rp240.0 billion distributed to 10,467 farmers. Among the various commodities, BNI focuses on coffee as a key thematic area for its social forestry efforts, which is the foundation for the establishment of the BNI JKK Program.

BNI JKK has been implemented in five regions and aims to:

1. Position local coffee to meet global coffee needs
2. Empower the economy of coffee farmers
3. Enhance financial inclusion
4. Create a green economic ecosystem
5. Provide coffee grading in BNI JKK areas
6. Develop an export market-oriented coffee ecosystem

The program features include financing, coaching (in collaboration with Puslitkoka), and coffee grading. In 2024, a total of 525 farmers received financing, with the total financing realization amounting to Rp67.2 billion.

BNI JKK Program received Gold Medal at the BUMN Corporate Communications and Sustainability Summit (BCOMSS) 2024 in the Creating Shared Value category. The program is implemented in five provinces: North Sumatra (Humbang Hasundutan Regency), South Sumatra (Rejang Lebong Regency), West Java (Garut Regency), Central Java (Temanggung Regency), and East Java (Jember Regency).

BNI JKK has also received recognition from the Ministry of State-Owned Enterprises where it is currently part of the Project Management Office (PMO) for Coffee and Cocoa of Indonesia, under the Ministry of SOE. BNI's tangible contribution to supporting the coffee ecosystem is through its environmental and social responsibility initiative, where it provided coffee processing equipment to LMDH Wanaasri, Temanggung, aimed at optimizing the coffee ecosystem in Temanggung.

Financial Literacy and Inclusion [FS16][FN-CB-240a.3, FN-CB-240a.4]

BNI Promotes Financial Literacy and Inclusion through National-Level Achievements

BNI is committed to supporting the financial literacy and inclusion programs advocated by the government. These initiatives aim to improve the public's knowledge, skills, confidence, and behavior to make informed financial management decisions for the future. Financial literacy activities are also conducted to help every segment of society better understand banking products and services, their benefits and advantages, as well as potential financial risks. Through these financial literacy and inclusion programs, it is hoped that the gap in public access to financial services can be reduced by decreasing the number of unbanked individuals.

BNI takes a proactive approach in providing comprehensive education to the public. Community-based education is also carried out in schools, campuses, and universities, where digital banking and investment products are introduced to raise awareness about the existence of illegal investments and online gambling, which have become widespread. In its efforts to enhance customer experience and encourage digital transactions, BNI has introduced the O-Branch Banking Café. This mobile service, housed in a minibus designed to resemble a café, offers customers a new way to obtain information and conduct transactions with the bank.

BNI has introduced BNI Agen46 to reach areas that are not covered by BNI outlets. Currently, there are 213,370 BNI Agen46 agents spread across Indonesia, with 16,360 located in underdeveloped, leading, and outermost (3T) areas. BNI Agen46 serves as the closest point of service to encourage financial literacy among the public. As a medium for disseminating financial education materials to the entire community, BNI optimizes digital branch/outlet devices, utilizing 13,388 ATM and CRM screens, 330 DigiCS machines (both in-branch

and off-branch), 1,380 DigiCS Lite machines (in-branch), and Digital Posters (in-branch).

Not only domestically, BNI also collaborates with OJK to actively educate the Indonesian Diaspora and Migrant Workers (PMI) by utilizing the presence of BNI Representative Offices abroad. BNI has been assisting PMI since the pre-departure briefing stage. As of December 31, 2024, a total of 353,225 BNI Taplus accounts have been owned by PMI.

Through 7,986 frontliners stationed across 1,780 branch offices/outlets, BNI is able to reach and educate customers and the community visiting these branches. In addition, BNI leverages social media to disseminate information and educational content to segments of the online community, including platforms such as Instagram (1.7 million followers), Twitter (15.1 thousand followers), Facebook (439 thousand followers), and TikTok (503.8 thousand followers).

BNI's commitment to implementing financial literacy programs has paid off, as evidenced by winning the Best Literacy Program award at the 2024 Financial Literacy Award hosted by OJK. This award was given for BNI's significant contributions to enhancing financial literacy in Indonesia through innovative and impactful educational programs. This achievement highlights BNI's active role in supporting financial inclusion and empowering communities with a better understanding of financial management.

Throughout the implementation of its financial literacy and inclusion program, BNI has conducted 557 activities reaching 72,407 offline participants across 33 provinces. Additionally, the program has successfully reached social media audiences, with a total social media reach of 167,738 people. These achievements highlight BNI's commitment to providing widespread and equitably distributed financial literacy access throughout Indonesia.



The recognition from OJK is evidence of BNI's commitment to aligning its programs with the government's targets to accelerate national financial literacy and inclusion. This award also underscores BNI's consistency in creating financial education initiatives aimed at various groups, including students, educators, and the general public, through effective and measurable activities.

Through this recognition, BNI solidifies its position as a leader in the implementation of financial literacy programs that not only educate but also play a role in building a more inclusive financial ecosystem. The award from OJK serves as motivation for BNI to continue innovating and expanding the reach of its financial literacy programs to support sustainable economic growth in Indonesia.

Financial Inclusion Reaches Underdeveloped, Frontier, and Outermost Regions [FS13][FN-CB-240a.3, FN-CB-240a.4]

BNI's financial inclusion program has successfully provided the public with access to banking services. However, there are potential risks, such as social engineering, which can lead to financial losses and an increase in consumerist behavior. To address these risks, BNI consistently implements financial literacy and inclusion programs aimed at improving the public's understanding of wise and secure financial management.

BNI Agen46 is a BNI product that collaborates or partners with individuals and legal entities to provide banking services to the community, especially in areas with limited population or economically vulnerable regions. BNI has expanded its business-to-business (B2B) partnership network with 53 potential super agent (SA) partners to enhance service reach through branchless banking agents.

In 2024, the number of BNI Agen46 grew by 14.9%, with agents distributed across 462 cities/districts, 6,196 sub-districts, and 34,241 villages/sub-villages throughout Indonesia. Of the total, 16,360 agents, or approximately 8%, are located in frontier, outermost, and underdeveloped regions, experiencing a growth of 15.5%. This highlights BNI's commitment to expanding its banking services to more remote areas, including regions that require special attention in terms of economic development and financial inclusion.

BNI continues to demonstrate its commitment to supporting financial inclusion and promoting sustainable economy by collaborating with the Indonesian Association of Persons with Disabilities (PPDI) through mentoring and special assistance programs for people with disabilities to become BNI Agen46 partners. In line with the momentum of International Day of Persons with Disabilities commemorated on December 3rd, BNI, together with PPDI, made history by achieving a MURI Record for the First Empowerment of Persons with Disabilities as Smart Agent Partners of BNI Agen46. A total of 65 persons with disabilities officially joined as Agen46 partners, marking a tangible step for BNI in promoting equality and inclusion.



Financial Inclusion Support Program

We actively participate in supporting government programs for underprivileged communities by assisting in the distribution of aid cards and disbursing funds. Additionally, BNI focuses on enhancing financial literacy and inclusion through various programs, such as “Ayo Menabung dengan Sampah” (Let’s Save with Waste) and the “Super Bidan” (Super Midwife) Program. These programs aim to empower individuals, encourage saving habits, and support entrepreneurship among vulnerable groups in society.



Ayo Menabung dengan Sampah

By the end of 2024, BNI has implemented the Bank Goes to School program in 518 schools, along with the Goes to School initiative aimed at the One Student One Account (KEJAR) and Indonesia Savings Day (HIM), involving more than 61,000 participants. The success of this program has led BNI to receive several awards from OJK, which is the Best Financial Literacy Program in 2024.

Ayo Menabung dengan Sampah program successfully exceeded its fundraising target of Rp1,875 million, surpassing the target of Rp1,800 million. The funds consisted of Rp1,712 million for SimPel and Rp163 million for BNI Pandai. Additionally, the program recorded 195,349 accounts, with 194,011 accounts for SimPel and 1,338 accounts for BNI Pandai.





Super Bidan Program

BNI collaborates with Women's World Banking (WWB) to develop the *Super Bidan* Program, which offers banking solutions for financial planning related to childbirth and post-delivery care. As part of the implementation, 100 midwives across 4 cities were involved in 2024. A monitoring visit was conducted by WWB management, who came directly from their headquarters in New York in 2024. The purpose of this visit was to evaluate the progress of the program's implementation on the ground, which will serve as the basis for deciding whether the program will continue in 2025. The program will receive continued technical and financial support from WWB.



Teacher Education and Certification Program

BNI implemented a teacher certification program across five provinces—DKI Jakarta, Pekanbaru, East Kalimantan, Bali, and East Nusa Tenggara—participated by 1,000 teachers from 513 schools. This six-month program aims to support the Ministry of Education, Culture, Research, and Technology's mission to enhance teachers' capacities. The program equips teachers with digital technology skills, which have a lasting positive impact on education. As a value-added benefit, teachers will receive not only a nationally recognized certificate accredited by the Ministry of Education, Culture, Research, and Technology (Kemendikbudristek) but also an international certificate from Microsoft, the Microsoft Certified Educator.

During the program, BNI also conducted a financial education program in collaboration with OJK. The educational materials covered financial planning, the dangers of illegal online loans, and the prevention of online gambling. This program aims to enhance financial literacy, position teachers as role models, and raise early awareness among students about responsible and inclusive financial management.



Financial Inclusion and Literacy Reaching the Nation

The Simpanan Pelajar (Student Savings) product plays a role in supporting various activities, including the Bank Goes to School program, Let's Save with Trash initiative, and government assistance programs like the Indonesia Smart Program (PIP). Through these initiatives, BNI not only encourages a culture of saving among students but also increases their participation in broader financial activities, introduces the concept of sustainability, and helps access education through government assistance.

Description		2024	2023	2022
Simpanan Pelajar	Target	Rp2,500 billion Total Funds	Rp1,800 billion Total Funds	Rp1,500 billion Total Funds
	Realization	Rp2,681.3 billion Total Funds	Rp1,831.0 billion Total Funds	Rp1,555.7 billion Total Funds
		11,390,761 Accounts	9,549,173 Accounts	10,131,096 Accounts
BNI Pandai	Target	Rp1,000 billion Total Funds	Rp1,105 billion Total Funds	Rp1,000 billion Total Funds
	Realization	Rp1,124 billion Total Funds	Rp1,120 billion Total Funds	Rp921 billion Total Funds
		20,180,474 Accounts	20,023,883 Accounts	20,007,475 Accounts
TabunganKu	Target	Rp3,900 billion Total Funds	Rp3,900 billion Total Funds	Rp4,100 billion Total Funds
	Realization	Rp3,946 billion Total Funds	Rp3,982 billion Total Funds	Rp4,315 billion Total Funds
		12,255,408 Accounts	12,889,609 Accounts	12,862,645 Accounts

Sharing Added Values with Communities [413-1, 413-2]

BNI demonstrates its strong commitment to conducting healthy business processes by always considering achieving a balance in performance in economic, social, and environmental aspects. One of these efforts is the realization of various Social and Environmental Responsibility Programs. The pillar 'BNI for the Community' is realized through a series of community engagement and empowerment activities.

In implementing the Social and Environmental Responsibility Program, BNI refers to the Regulation of the Minister of State-Owned Enterprises No. PER-1/MBU/03/2023. In 2024, BNI allocated Rp130 billion of funds for this program, with realization reaching Rp129.9 billion or 99.9%. It has a number of positive impacts, such as improving living standards, changing behavior,

and increasing income. However, there are also negative impacts that need to be considered, including inequality in guidance and assistance, limited access to information, and the potential for social jealousy that can trigger conflicts among involved communities. Throughout the program's implementation, BNI continues to strive to mitigate potential negative impacts by actively building communication with beneficiaries.

BNI established the *BNI Berbagi* Program as a platform for implementing its Social and Environmental Responsibility initiatives, aiming to create a positive impact in the economic, social, and environmental sectors, while strengthening relationships with the community as a key stakeholder. Through this program, BNI supports the achievement of sustainable development goals (SDGs).



KAWAN BNI Program [203-1, 203-2]

KAWAN BNI Program is a community empowerment initiative that focuses on three main areas: women's empowerment, cultural villages, and ecotourism. The empowerment targets in the KAWAN BNI Program include Village Officials, Village-Owned Enterprises, Community Leaders, Micro and Small Enterprises, and Business Actors (such as youth organizations, tourism awareness groups, community surveillance groups, and the like).

This Program is one of the BNI Sharing Programs targeting villages across Indonesia to develop the leading businesses of each village.

This program aims to enhance the economic capabilities of community members. BNI continuously provides contributions and support to develop potential so that villages can become self-sufficient and create or expand employment opportunities for the community.

Throughout the year 2024, BNI is developing four KAWAN BNI Program sites, namely Wringin Putih Village (Banyuwangi, East Java), Ponggok Tourism Village (Klaten, Central Java), Lembah Asri Tourism Village (Purbalingga, Central Java), and Bubu Attagamu Village (East Flores, East Nusa Tenggara).



Rumah BUMN [203-1, 203-2]

Rumah BUMN, initiated by the Ministry of State-Owned Enterprises, aims to develop Micro, Small, and Medium Enterprises (MSMEs) as essential pillars in Indonesia's economy. BNI actively manages *Rumah BUMN* in 23 locations across Indonesia. Throughout 2024, BNI has demonstrated its commitment to supporting MSME development with various training programs, mentoring, and market access to strengthen the role of MSMEs in the national economy.

Rumah BUMN not only focuses on developing MSME at the local level but also helps expand their market to national and international scales. This program provides MSME with opportunities to introduce their products through domestic and international exhibitions, enhance market networks, and contribute more significantly to the national economy.



In 2024, BNI's *Rumah BUMN* further strengthened its commitment to supporting Disability MSMEs through the program of *Rumah BUMN* in Bekasi Grows with Disability-oriented MSME. The goal of this program is to make a tangible contribution to fostering inclusive economic growth and reducing inequality. BNI's *Rumah BUMN* contribution goes beyond technical training; it also provides hope and opportunities, driving positive change that directly impacts society, especially Disability-oriented MSMEs. BNI also provided production equipment to support these Disability-oriented MSMEs.

Additionally, BNI's *Rumah BUMN* provided mentoring to coffee farmers in Bantaeng, working alongside the Directorate General of Intellectual Property (DJKI) from the Ministry of Law and Human Rights to obtain a Geographical Indication certificate for the premium coffee products from Mount Lompobattang, Bantaeng, South Sulawesi. This certification has confirmed the quality of the coffee as some of the best in both national and international markets. In 2024, it became one of the Indonesian coffees representing ASEAN at the World Geography Indication event in Geneva, Switzerland.





Realization of Other Community and Environmental Programs [203-1, 203-2]



123

Worship facilities from various religions are built/renovated across the entire BNI operating areas



794

Scholarship beneficiary accumulation



59

Ambulance vehicles to support healthcare



619,362

Food packages were distributed in the context of religious holidays, mitigating the impact of El Nino, and other assistance



100

Infrastructure development and the provision of facilities and infrastructure for schools or educational institutions are carried out in the BNI operational areas



2

Locations for solar panel assistance for community roads and praying places

Other social and environmental responsibility programs performed in the form of aid activities include a wide range of initiatives. In the health sector, “*BNI Berbagi*” donates equipment to the Nusa Waluya II Hospital Ship to perform cataract surgeries in remote locations. Furthermore, clean water and sanitation facilities are provided in several affected areas of Indonesia, such as Lombok Regency - West Nusa Tenggara, Rembang, Purwokerto, Serang, Pandegelang, Cilegon-Banten, Bogor - West Java, and Banyuwangi - East Java. To address food security and hunger issues, BNI distributes 619,362 food packages during Ramadan, to mitigate the impact of El Niño, and on other occasions.

BNI also undertakes the construction and renovation of worship infrastructure for various religions throughout its operational areas. Throughout 2024, BNI supported 123 places of worship, including those in West Sumatra, Bengkulu, Java Island, Bali, and Maluku. In the field of education, BNI contributed by providing assistance to 100 schools or educational institutions, which included the construction of school buildings, the development/renovation of classrooms, training, provision of information and communication technology facilities, and the provision of learning support infrastructure. BNI also distributed 17,000 educational packages across its operational area.

To support the government’s program in accelerating the reduction of stunting, BNI implements various programs, including providing assistance in the form of:

1. Nutritious packages for toddlers, pregnant and breastfeeding mothers
2. Nutritious lunches
3. Training for Posyandu (Integrated Health Cares Clinic) cadres and stunting prevention training

The implementation of these programs is carried out in various regions, namely Tasikmalaya, Jombang, Sidoarjo, North Jakarta, Semarang, and Jepara.

Social Return on Investment (SROI) Measurement

BNI measures the impact created in social, environmental, and economic areas from its social and environmental responsibility programs. The impact measurement results serve as a basis for improving program quality. Additionally, SROI acts as an evaluation of the implementation of the BNI Berbagi Program. In 2024, we measured the impact of the social and environmental responsibility programs using the Social Return on Investment (SROI) method. Impact assessments were conducted in collaboration with an independent party for three programs, namely:

1. Bore Well in Gunung Kidul (DIY), score 3.5
2. Bekasi State-Owned Enterprises House (West Java), score 2.6
3. Waste Management Program in Bogor (West Java), score 2.2

Mechanism for Handling Public Complaints [411-1]

In 2024, BNI did not receive any complaints or incidents related to violations of indigenous people's rights around its operational areas. During the same period, no complaints were received from the general public either. This demonstrates BNI's commitment to maintaining good relationships with local communities and operating responsibly.

Local Parties' Involvement in the Supply Chain [2-6, 204-1]

BNI places a priority on local partners and suppliers within its supply chain by selecting companies that are entirely domestically owned. To ensure the quality and effectiveness of the supply chain, BNI routinely conducts assessments and evaluations of its partners' performance. Additionally, BNI holds an annual vendor gathering to disseminate information about the anti-bribery management system and to encourage the use of domestic products. This step supports efforts to empower the local economy while maintaining integrity in business operations.

Goods and Services Procurement

Type of Suppliers/ Partners	2024		2023		2022	
	Number of Suppliers/ Partners	Goods Procurement Value (Rp Trillion)	Number of Suppliers/ Partners	Goods Procurement Value (Rp Trillion)	Number of Suppliers/ Partners	Goods Procurement Value (Rp Trillion)
Local	606	4.2	473	7.0	331	4.4
Overseas	52	0.9	8	-	44	-
Total	658	5.1	481	7.0	375	4.4

Note:

- Local refers to companies with complete domestic ownership.
- Overseas refers to companies with complete foreign ownership.

New Suppliers' Screening using Environmental and Social Criteria [308-1, 308-2, 414-1, 414-2]

As part of BNI's commitment to environmental sustainability and responsible business practices, BNI has implemented a policy to assess suppliers based on environmental and social criteria. This policy has been in effect since December 2024. The criteria outlined in the policy include aspects such as environmental licensing information, the company's proximity to protected areas, management of greenhouse gas emissions and waste, the prohibition of underage labor, the absence of forced labor, a commitment to non-discriminatory practices based on race, religion, or ethnicity, and ensuring equality in promotions and remuneration.

This commitment has been communicated to both existing suppliers and potential suppliers who have been verified by BNI and meet the minimum criteria or have received a Supplier Registration Certificate (TDR). By the end of 2024, BNI had conducted a reassessment of 17.6% of its existing suppliers. Meanwhile, the commitment has been communicated to all (100%) potential suppliers who received a Temporary Supplier Registration Certificate (TDRs) in December 2024.

BNI has also established a policy regarding the identification of labor unions in suppliers/vendors by the end of 2024. However, the implementation will begin in 2025, where suppliers/vendors will be assessed to determine whether they have labor unions through the partnership process, with reviews conducted annually.

05

PILLAR BNI FOR EMPLOYEES

"BNI believes that increasing employee productivity will drive the company's performance excellence. For this reason, BNI is committed to creating an inclusive and fair work environment by implementing Human Resources policies that respect diversity, human rights, and focus on developing employee competencies. This allows each employee to be more responsive to the needs of stakeholders."





Human Resource Management [2-7, 406-1]

BNI's business sustainability depends on the support of all employees, so we strive to create the best conditions for employees as a place of pride to work and achieve following one of BNI's missions. BNI implements human resources management by respecting the principles of Human Rights. BNI upholds the principle of equality and opposes discrimination in every stage of human capital management, starting from the recruitment process, during employment (including career development, remuneration, and other aspects), to when employees leave the company. BNI is committed to building an

inclusive work environment by ensuring there is no discrimination, intimidation or violence in social relations between employees during the reporting period.

To maintain diversity, BNI strives to balance various factors such as education level, age group, work experience, gender, race, ethnicity and religion. As of the end of 2024, the number of BNI employees reached 27,203 people, consisting of 48.0% men and 52.0% women. This proves that BNI provides equal opportunities for female and male employees. All BNI employees are full-time employees, with no part-time employees.

BNI Employee Profile

Employee Composition by Employment Status and Gender [2-7]

Employment Status	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Permanent	12,200	13,178	12,150	13,310	12,203	13,131
Contract	521	697	647	728	606	761
Trainees	333	274	395	340	222	247
Total by gender	13,054	14,149	13,192	14,378	13,031	14,139
Total	27,203		27,570		27,170	

Employee Composition by Operational Regions and Gender [2-7]

Operational Regions	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Head Office	4,168	3,277	5,664	4,798	3,058	2,447
Regional Office 01	471	556	394	473	546	587
Regional Office 02	647	683	518	604	721	731
Regional Office 03	667	746	555	637	726	805
Regional Office 04	735	767	623	657	816	798
Regional Office 05	496	540	400	472	519	570
Regional Office 06	616	940	533	817	744	1,051
Regional Office 07	569	666	455	539	644	689
Regional Office 08	610	668	520	593	677	707
Regional Office 09	662	740	578	632	777	811

Operational Regions	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Regional Office 10	346	569	298	536	388	624
Regional Office 11	336	496	276	417	372	503
Regional Office 12	395	469	351	450	501	598
Regional Office 14	456	768	379	707	471	818
Regional Office 15	512	698	417	631	559	752
Regional Office 16	207	221	187	212	228	234
Regional Office 17	557	683	491	609	671	726
Regional Office 18	581	653	533	585	646	681
Overseas Branch	23	9	20	9	21	7
Total by Gender	13,054	14,149	13,192	14,378	13,031	14,139
Total	27,203		27,570		27,170	

Employee Composition by Age Group and Gender [2-7, 405-1]

Age Group	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
> 50 Years	1,310	1,031	1,359	1,035	1,601	1,032
> 45-50 Years	1,975	1,452	1,625	1,222	1,285	1,037
> 40-45 Years	1,081	1,186	1,543	1,550	1,965	1,838
> 35-40 Years	2,635	2,820	2,103	2,181	1,603	1,550
> 30-35 Years	2,809	3,494	3,064	3,834	3,210	4,075
> 25-30 Years	2,532	3,190	2,719	3,462	2,724	3,597
≤ 25 Years	712	976	779	1,094	643	1,010
Total	27,203		27,570		27,170	

Employee Composition by Position Level and Gender [2-7, 405-1]

Position Level	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
≥ Senior Vice President*	91	31	83	28	68	25
≥ Vice President	205	72	156	49	181	50
Assistant Vice President	887	434	846	407	901	413
Manager	2,259	1,647	2,027	1,491	2,016	1,420
Assistant Manager	5,519	5,806	5,691	5,860	5,380	5,640
≤ Assistant**	4,093	6,159	4,389	6,543	4,485	6,591
Total	27,203		27,570		27,170	

Information:

The proportion of senior managers employed are Indonesian citizens (WNI) [202-2]

*) Consists of: Senior Vice President, Executive Vice President, and Senior Executive Vice President

**) Consists of: Assistants and Basic Employees



Employee Composition by Education Level and Gender ^[2-7]

Education Level	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Doctoral Degree	13	3	9	4	7	4
Master's Degree	1,634	1,274	1,625	1,219	1,627	1,151
Bachelor's Degree	10,531	11,620	10,515	11,731	10,355	11,511
Diploma Degree	593	1,249	724	1,421	679	1,467
Primary to High School	283	3	319	3	363	6
Total	27,203		27,570		27,170	

Other Employees Not Employed by BNI ^[2-8]

In addition to full-time employees, BNI also employs workers through outsourcing partnerships with service providers (vendors) to support the bank's operational activities. BNI ensures that all employees, including outsourced workers, are provided with a work environment that fosters mutual respect and upholds human rights. In its collaborations with third parties, BNI consistently strives to comply with applicable regulations and laws. In 2024, there were 16,089 outsourced employees, the majority of whom were assigned to assistant-level roles, such as cleaning services, drivers, and other similar positions.



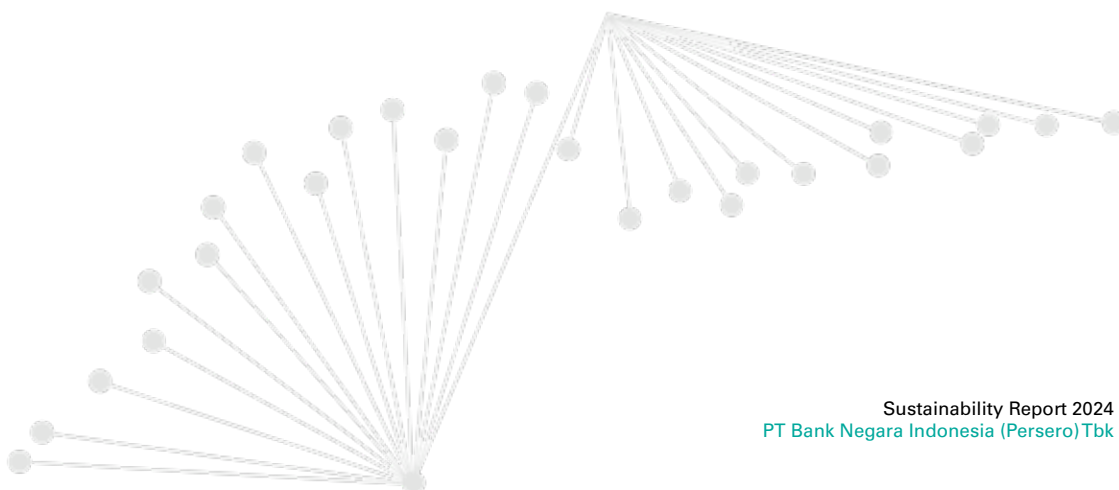
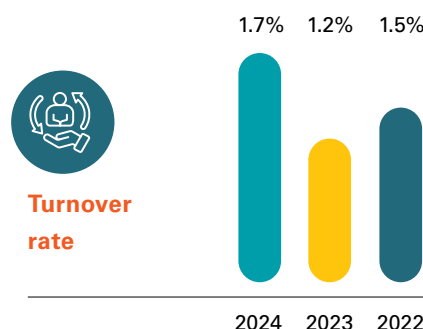
Recruitment, Retention, and Turnover Rate [401-1]

As part of its Employee Value Proposition (EVP), “Together, creating the best place to contribute, learn, and grow, to become the pride of the nation,” BNI is committed to managing human capital by implementing an integrated human resources policy that spans recruitment through to employee departure. This process aims to motivate and retain employees. Recruitment is conducted based on available positions and alignment with BNI’s cultural values. BNI has several programs to ensure the availability of talent that meets business needs and future leadership roles, such as the Early Recruitment Program (ERP), which provides scholarships to high-achieving students from top universities to become prospective BNI employees, as well as the Assistant Development Program (ADP) and the Officer Development Program (ODP). The ODP program includes both external and internal candidate searches, with the internal ODP program training employees for promotion to higher positions. Additionally, BNI participates in the Joint Recruitment Program for State-Owned Enterprises (PBB) organized by the Ministry of SOEs.

Further details about each recruitment program can be found in the 2024 Annual Report. During the recruitment process, BNI is committed to fostering an inclusive work environment that values employee diversity. We also welcome candidates from various backgrounds without discrimination based on race, gender, or other attributes, ensuring equal opportunities for everyone to join the company.

During the reporting period, some employees left the company for various reasons, including voluntary resignation. To maintain the company’s performance, BNI strives to retain its employees by promoting healthy industrial relations, offering competitive remuneration and benefits in line with the industry average, providing competency development, and offering opportunities for career advancement.

BNI measures employee retention through the turnover rate. As of December 31, 2024, BNI’s turnover rate was 1.7%. BNI considers that the achievement and opportunities in implementing the employee value proposition within the bank are commendable, leading to a turnover rate that remains better than the industry average.





Composition of New Employees by Age Group and Gender [401-1]

Age Group	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
< 30 Years	410	430	764	790	494	579
30-50 Years	84	39	78	33	45	18
> 50 Years	12	1	13	7	8	2
Total	976		1,685		1,146	

Composition of New Employees by Operational Regions and Gender [401-1]

Operational Regions	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Head Office	364	236	657	477	346	254
Regional Office 01	10	16	11	21	5	14
Regional Office 02	3	10	19	25	6	16
Regional Office 03	4	7	5	6	53	52
Regional Office 04	7	17	15	30	8	20
Regional Office 05	6	21	11	26	20	19
Regional Office 06	16	11	22	31	12	27
Regional Office 07	11	19	11	23	11	23
Regional Office 08	14	16	10	20	2	19
Regional Office 09	4	4	3	5	7	5
Regional Office 10	15	14	10	21	6	26
Regional Office 11	4	11	4	16	9	15
Regional Office 12	5	21	10	21	2	20
Regional Office 14	13	18	11	21	3	23
Regional Office 15	8	22	13	34	5	21
Regional Office 16	5	5	11	10	12	8
Regional Office 17	11	12	18	19	24	12
Regional Office 18	5	10	14	24	16	25
Overseas Branch	1	0	0	0	0	0
Total	976		1,685		1,146	

Composition of Employee Turnover by Age Group and Gender [401-1]

Age Group	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
< 30 Years	59	98	35	100	51	102
30-50 Years	106	174	74	114	97	146
> 50 Years	7	7	6	3	12	11
Total	451		332		419	

Composition of Employee Turnover by Operational Regions and Gender [401-1]

Operational Regions	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Head Office	68	50	37	49	34	44
Regional Office 01	4	10	5	6	5	11
Regional Office 02	7	23	0	9	10	10
Regional Office 03	8	9	5	6	7	14
Regional Office 04	9	16	7	16	16	13
Regional Office 05	3	8	4	16	5	13
Regional Office 06	8	22	11	14	16	31
Regional Office 07	3	8	6	5	10	7
Regional Office 08	5	12	4	7	2	7
Regional Office 09	10	34	9	20	10	25
Regional Office 10	2	10	2	10	10	10
Regional Office 11	8	5	2	4	4	6
Regional Office 12	5	12	6	8	2	12
Regional Office 14	5	15	4	11	4	13
Regional Office 15	7	8	5	8	1	14
Regional Office 16	2	5	3	9	3	5
Regional Office 17	5	15	1	4	8	11
Regional Office 18	13	17	3	15	13	13
Overseas Branch	0	0	1	0	0	0
Total	451		332		419	





Respecting Human Rights and Diversity [2-3, 408-1, 409-1]

The Collective Labor Agreement (CLA) outlines the rights and obligations between the company and employees, as well as other labor-related aspects, including respect for human rights. The CLA includes regulations regarding working hours and rest periods in Chapter VI, Article 20, which affirms that forced labor is not practiced at BNI. The CLA also governs overtime, which is agreed upon by employees and management to address urgent tasks. Furthermore, BNI ensures that all employees meet the minimum legal working age, thus preventing child labor.

Creating a Respectful Working Place

Recognizing the diverse characteristics of its workforce, BNI is committed to fostering a work environment built on mutual respect, free from discrimination, exclusion, harassment, bullying, and any form of violence. This commitment is upheld through the implementation of comprehensive labor policies. The Board of Directors, particularly the Director of Human Capital and Compliance, is responsible for overseeing and ensuring the effective implementation of these policies.

BNI's labor policies integrate human rights principles in alignment with the standards set by the International Labour Organization (ILO), United Nations Global Compact (UNGC), and applicable labor and human rights regulations.

All BNI employees have access to the company's human rights policies, which are outlined in the Code of Conduct (e-PP) and the Collective Labor Agreement (CLA) through the DigiHC and DigiCM platforms. Any new policies or updates will be communicated in the form of infographics via DigiHC to ensure effective information delivery. Additionally, policy socialization is regularly conducted for employees and relevant functions, with the frequency adjusted based on operational needs.

Furthermore, BNI's commitment to fostering a respectful work environment, free from harassment and discrimination in the workplace or related activities is formalized in the Respectful Working Place policy. This policy aligns with the Ministry of State-Owned Enterprises (SOE) Circular Number SE-3/MBU/04/2022 on the Policy of Mutual Respect in the Workplace (Respectful Working

Place/RWP) within State-Owned Enterprises. BNI upholds a zero-tolerance policy for harassment and discrimination, enforcing administrative sanctions for any RWP violations. Employees can report such violations through designated channels, including the Whistleblowing System (WBS) or directly to their Line Manager/Unit Leader.

BNI upholds the principles of equality and dignity for every individual by implementing a strict policy against sexual harassment and discrimination in any form. BNI is committed to creating an inclusive work environment that respects diversity, providing secure reporting channels, transparent handling mechanisms, and continuous education to raise awareness and prevent actions that violate these values.

Following the guidance from the Ministry of State-Owned Enterprises through Letter No. SE-1/MBU/01/2024 dated January 18, 2024, BNI has established regulations in the Company Guidelines under Instruction No. IN/013/HCS/001 regarding the implementation of a Respectful Working Place. This initiative aims to create a safe and comfortable work environment that respects and protects the dignity of every individual, promotes mutual respect, and is free from discrimination, exclusion, restriction, bullying, harassment, and all forms of violence, both mental and physical, for all BNI Group employees.

The Respectful Working Place policy is enforced and communicated to all employees with the goal of creating a work environment that prioritizes mutual respect, free from discrimination, exclusion, restriction, bullying, harassment, and



all forms of violence, both mental and physical. This is aimed at fostering an inclusive, conducive, and productive work environment that supports the company's sustainability and upholds human rights.

As part of the Respectful Working Place initiative, BNI has enhanced its employee well-being program through the BNI Holistic Employee Well-Being Program, which focuses on mental & physical health, financial health, and social health. Several initiatives have been launched, including Employee Assistance Program 2.0, the provision of daycare services named BNI Little Explorers, financial health through the new Pension Health Fund (DKMP), and social health initiatives, such as 46Society or the employee community.

Concrete manifestations of the application of Human Rights Principles in HR Management include:

1. BNI prioritizes the principles of diversity, equal opportunity to work, and upholds the principle of non-discrimination.
2. Empowering 22 employees who have physical limitations (difabel).
3. Providing opportunities for unionization and assembly through the existence of Workers Union.

4. Providing opportunities to carry out religious obligations, where every BNI office is provided with a place to worship.
5. Providing remuneration above the Provincial Minimum Wage/City/Regency Minimum Wage and in determining the basic salary, there is no gender distinction. [202-1, 405-1]
6. Provide leave rights for all employees, including menstrual leave for a maximum of two days by submitting a doctor's certificate and three calendar months leave for women who give birth, and no other normative rights are reduced when returning to work. [401-3]
7. Providing the right to be absent from work while still receiving wages/salary without reducing leave rights following the right to permission to be absent from work mandated by law by submitting a written request to the immediate superior with valid evidence.

Career Opportunities for Employees with Disabilities

BNI pays particular attention to employees with disabilities and promotes gender equality across the company, its subsidiaries, and consolidated affiliates. Employees with disabilities are given equal opportunities to join BNI, considering their skills and competencies in determining appropriate positions and job types. BNI also provides facilities to support the comfort and productivity of employees with disabilities, such as lifts, accessible parking spaces and toilets, ramps, wheelchairs, walking aids, and more. In 2024, there were 22 employees with disabilities.



Increasing the Role of Women at the Managerial Level

The company has implemented the Accelerated Career Track policy to promote the career advancement of female talent and increase their representation in leadership positions (Assistant Vice President and above). This policy has successfully increased the proportion of female talent at the leadership level over the past three years.



Female employees holding managerial positions and above (%) [405-1]



The company remains committed to prioritizing equality and justice in human resource empowerment and creating an inclusive work environment. Support for gender equality and women's empowerment is realized through equitable policies, such as menstrual leave; childcare facilities (daycare); maternity leave; the Employee Assistance Program (EAP) to support employees' physical, mental, and financial well-being; breastfeeding rooms in each building; and flexible work arrangements.

Additionally, BNI has established Srikandi BNI as a platform for employees' creativity to raise awareness of career development based on competencies and employee performance, regardless of gender status. The creation of Srikandi BNI reflects BNI's commitment to implementing the spirit of female leadership, thereby providing a positive impact on the advancement of women through the values of caring, inspiring, and collaboration, which are crucial to an organization. The presence of Srikandi BNI is expected to encourage all employees, particularly women, to support each other and develop their personal and professional capabilities.

In 2024, various Srikandi programs were implemented to support the productivity of employees, particularly women. These included support for physical and mental health through the Respectful Working Place (RWP) programs, daycare services, webinars, the 46Society community, and collaboration with Srikandi BUMN. For more information, you can visit the Srikandi BNI social media on Instagram: srikandi.bni.

Labor Union and Collective Labor Agreement ^[2-30, 407-1]

BNI ensures the right of all employees to freedom of association and assembly through the establishment of the Labor Union. In maintaining a good relationship with the Union, BNI has taken several steps, including:

1. Responding promptly to input from the Labor Union.
2. Communicating openly and transparently to prevent and/or resolve industrial relations disputes.
3. Maintaining regular communication with the Labor Union through joint management-union forums.

Management and the Union have jointly drafted the current CLA for the period of 2024-2026, based on a spirit of partnership and togetherness with a familial principle for all BNI employees.

Employee Grievance Mechanism

BNI provides channels for employees to submit complaints, including those related to employment relationships, which can be addressed to direct supervisors or through official communication channels such as call center or email. In addition, the Labor Union can assist in escalating complaints to the Company's Management in a structured manner. Complaints related to legal violations, internal policies, and the company's code of ethics can be submitted through the Whistleblowing System (WBS), known as "WBS to CEO," which is managed by an independent external party.

Employee Competency Development [404-2]

Competency Development Policy

In competency development, BNI complies with OJK Regulation No. 24 of 2022 on the Development of Human Resources Quality in Commercial Banks. This ensures that all employees, both permanent and contract-based, are entitled to participate in training and competency development. Additionally, BNI provides opportunities for employees to enhance their knowledge and skills in relevant job fields.

BNI regularly organizes training and development programs aimed at enhancing the quality of human resources, strengthening future competitiveness, and creating a more productive and innovative work environment. Through BNI University, BNI ensures employee competency development by designing learning strategies aligned with BNI's needs and offering various training programs, including Sustainable Finance topics.

Employee competency and capability development at BNI is carried out through three main approaches:

1. Capability Development Based on Employee Categories

This development is categorized into two types:

- Employee Development, aimed at improving employee performance in their current positions/functions.
- Talent Development, focused on developing high-performing employees (talents) to take on higher positions/functions.

2. Position-Based Capability Development

Development is tailored to the competency requirements of a specific position. This development is mandatory, thematic, and individual, adjusted to the needs of the individual, whether for current or future roles.

3. Tiered Capability Development

Development is based on employee levels, with cross-functional programs such as Leadership Programs, Risk Management, and Human Capital Programs.

Types and Scope of Competency Development Programs

The types and scope of competency development programs at BNI have been adjusted to meet their intended purposes.

Learning programs to enhance employee capabilities in support of BNI's business

These learning programs cover eight training and development areas: Leadership; Finance & Human Capital; IT, Digital & Operations; Legal, Governance, Audit & Compliance; Network & Services; Retail Banking; Risk; and Wholesale, Treasury & International Banking. The objectives of each training and development area are detailed in the 2024 Annual Report, under the section on Competency Development Based on Job Level and Gender Equality.

Learning programs to support leadership capability

BNI's succession planning program is structured to ensure leadership continuity and preparedness for future challenges. Leadership programs are available to all employees at the officer level. Further details on leadership development can be found in the 2024 Annual Report under the section Competency Development by Position Level and Gender Equality.



The Board of Directors, Board of Commissioners, and employees one level below the Directors are given equal opportunities to enhance their leadership capabilities through the Board Level Program and Advanced Management Leadership Program. These initiatives include Executive Education, Roundtable Mentoring, Top Executive Sharing, TOP GUN (part of SOE's School of Excellence), and Business Essential (part of SOE's School of Excellence). These programs aim to enrich leadership insight and skills, aligned with strategic issues, market developments, and development interests to support BNI's objectives and/or their respective fields of work. [2-17]

BNI collaborates with prestigious institutions to offer its Board Level Program, partnering with renowned business schools and universities such as Harvard Business School, MIT Sloan Executive Education, Stanford Graduate School of Business, Columbia Business School, and IMD Business School. Furthermore, the Advanced Management Leadership Program is conducted in partnership with IMD Business School, MIT Sloan Executive Education, and INSEAD.

Learning programs to support employee preparation for retirement

BNI provides a Pre-Retirement program to prepare employees who are approaching retirement with essential skills and knowledge, including self-empowerment strategies, coping with psychological changes, healthy living habits, retirement financial planning, and entrepreneurial opportunities. In 2024, pre-retirement training focused on topics such as Wisdom Living, Healthy Lifestyle, Financial Planning, and Leveraging Assets.

Postgraduate education program

To fulfil its Employee Value Proposition (EVP) as the best place to learn, grow, and contribute, BNI provides employees with opportunities for self-development by pursuing postgraduate education through:

- a. Self-Development Program (SDP), this program offers reimbursement of educational expenses for employees who have completed domestic academic education at the bachelor's, master's, or doctoral levels and have met all requirements of the SDP. The chosen field of study must be relevant to BNI's business operations, such as Computer Science, Economics & Econometrics, Statistics, Mathematics, Accounting & Finance, Business & Management, and Law.
- b. Global Postgraduate Program (GPP), this is a globally oriented employee development program that provides scholarships for postgraduate (master's) studies at top international universities ranked within the top 30 universities per subject area based on the QS World University Rankings. The GPP is designed for high-performing employees categorized as talent and who meet all GPP program requirements.



Competency Development on Sustainable Finance [2-17, 404-2, FS4]

BNI's commitment to sustainable finance is demonstrated through the development of training modules on Environmental, Social, and Governance (ESG) issues and risks, sustainability principles, and sustainable finance. These modules are created in collaboration with Subject Matter Experts (SMEs), consultants, and other qualified professionals to equip employees with a comprehensive understanding of sustainability concepts, ESG risk management, and corporate sustainability report analysis.

Aligned with the Sustainable Finance Action Plan (RAKB), BNI aims to enhance the competencies of 93% of its employees in sustainable finance by 2024. By the end of the reporting period, 98.1% of employees, approximately 26,425 people, had participated in sustainable finance development programs through the e-Learning Mandatory Sustainability Finance program. The mandatory e-learning topics provided for all employees include:

1. Gratification Control and Anti-Bribery Management Systems
2. Anti-Fraud Awareness
3. Anti-Money Laundering
4. Workplace Culture
5. Good Corporate Governance
6. Risk Culture
7. Sustainable Finance
8. Personal Data Protection

In addition to e-learning mandatory, employees also participate in mandatory webinars. In 2024, the total number of webinar attendees reached 220,927 viewers. The mandatory webinar topics covered included:

1. Anti-Fraud Awareness
2. Business Ethics: Strengthening Organizations Through Conflict of Interest Prevention & Management
3. Business Ethics: Anti-Bribery and Anti-Corruption Strategies
4. Compliance Forum
5. Driving Innovation – Beyond Boundaries for Everyday Improvement

6. Ensuring Compliance – Social Media in Regulated Industries
7. Implementation of Governance, Risk & Compliance (GRC)
8. Mastering Financial Literacy to Enhance Transaction Security
9. Leaders Talk: Fostering a Global Mindset Toward the Future Business Ecosystem
10. Leaders Talk: Agile & Digital Mindset Experience – Transforming Markets & Fostering Collaboration
11. Leaders Talk: Optimizing Organizational Transformation Through Strategic Delegation
12. Leadership Development and Organizational Resilience in a Transforming Industry
13. Applying the Business Judgment Rule in Risk Management
14. Implementation of the Personal Data Protection Law (PDP)

Sustainability training is also provided to specific divisions. The program covers various topics, such as Greenhouse Gas (GHG) Calculation, Mitigation, Audit, and Reporting, which was attended by the ERM Division; Raising Awareness on Operational Carbon Emissions Reporting, attended by 99 participants, including relationship managers and division and branch managers; Global Reporting Initiative (GRI) Standards Certified Training, attended by those responsible for sustainability reporting; and Indonesia Sustainable Finance Taxonomy (TKBI), attended by 30 employees from the Business and Risk Divisions. Additionally, in 2024, a webinar focused on green MSME financing was attended by particular divisions.

On the other hand, BNI recorded that 12 members of the Board of Directors and 11 members of the Board of Commissioners participated in sustainability-related training sessions. These sessions covered a range of topics, including Navigating Risks Towards Business Resiliency and Sustainability, Sustainability Stronger Together, ESG Management and Sustainability, BUMN Corporate Communication and Sustainability Summit (BCOMSS), Navigating Global Market Forces and Technology Innovation for Sustainable Business, Leading & Sustaining a Culture of Innovation, Building Internal Capability, Sustainable Talent



Management and Culture Transformation, Leading Change & Organizational Renewal, Generative AI & Business Transformation, and the Certified Governance Oversight Professional (CGOP): Master Class on Corporate Governance (CRMS).

Additionally, members of the Board of Directors and Board of Commissioners actively served as speakers in external sustainability training sessions. Throughout 2024, they delivered material in nine sessions covering various topics, such as the CFO Forum (Climate Change Threatening Economy and Business: CFOs' Financial Strategies); Empowering Women in Finance Conference (Empowering Women by Embracing Technology); Empowering Women with AI (Women's Strategic Role in Advancing AI for Inclusive Growth); Kelana Wastra Fest Fashion Talkshow for Indonesia 2024 - Creative Financing: Meeting the Needs of Fashion MSMEs; Challenges and Opportunities in Empowering MSMEs to Support the Realization of Indonesia's Vision 2045; FHCI Sharing Session - Unlocking Global Opportunities: Key Insights for Business-Savvy Professionals; Crafting Future Strategies; CFO Financial Strategies Amid Climate Change Threats to Economy and Business; Issuance of Global Bonds and BNI's Transformation to Address 2024 Challenges; and CTO Strategies for the Future of Digital Payments.

Utilization of Technology and Digitalization in Competency Development

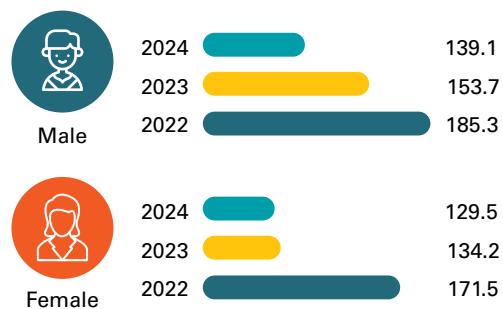
BNI utilizes technology to enhance its employee training programs, including mandatory e-learning, the Daily Exercise Employee Program (DEEP46) via the BNI Learning Management System namely BNI Smarter, webinars hosted on the BNI University YouTube channel, and third-party digital learning platforms such as GoFluent, LinkedIn Learning, Coursera, Udemy, and Moody's.

Employees are required to complete e-learning mandatory, with the results reported to regulators. DEEP46 offers concise learning sessions on daily work-related topics through daily quizzes, while further skill development is facilitated through webinars and digital learning platforms. All training activities are overseen by BNI University and recorded within the Integrated Human Capital System (IHCS).

Realization of Employee Competency Development

As of December 2024, BNI has implemented various competency development programs for 26,919 employees, ranging from new entry-level to executive positions. These programs cover all employees regardless of their employment status, with an average frequency of 10 sessions for permanent employees, 10 sessions for contract employees, and 9 sessions for trainees. A total of Rp200.9 billion has been allocated for these programs.

Average Training Hours Based on Gender ^[404-1]



Average Training Hours Based on Position Level and Gender [404-1]

Position Level	Employees Participating in Training		Training Hours a Year		Average Training Hours	
	Male	Female	Male	Female	Male	Female
≥ Senior Vice President *)	88	31	12,065.4	4,068.4	137.1	131.2
Vice President	201	71	20,452.2	8,204.7	101.8	115.6
Assistant Vice President	860	422	125,343.2	59,766.6	145.7	141.6
Manager	2,211	1,609	273,015.0	201,132.1	123.5	125.0
Assistant Manager	5,452	5,736	979,211.3	936,389.3	179.6	163.2
≤ Assistant **)	4,084	6,154	384,228.6	606,753.2	94.1	98.6
Total	26,919		3,610,630.0		134.1	

Note:

The data presented includes categories of active permanent employees, contract employees, and trainees (excluding employees in retirement preparation, unpaid leave, medical leave, and assignments outside of BNI, in total of 278 employees).

*) Includes: Senior Vice President, Executive Vice President, and Senior Executive Vice President.

**) Includes: Assistants and Entry-Level Employees.

In addition to sustainability-related topics, BNI regularly conducts training on debt collection policies. In 2024, the training was delivered through Zoom meetings as well as in-class sessions.

Training on Debt Collection Policy in 2024

Training Name	Training Format	Number of Participants	Participant Scope		Training Frequency (within 1 year)
			Permanent employees	Contract Employees	
Agency Recovery Meeting Jakarta	In Class Training	228 (3rd Party)	v	x	12 times
Agency Recovery Meeting Non-Jakarta	Zoom	1,200	v	v	12 times
Effective Collaborative Leadership	In Class Training	30	v	x	1 time
Training for Trainers - Restructuring	In Class Training	37	v	x	1 time
Jabodetabek Restructuring Training	In Class Training	277	v	v	1 time
Restructuring Training Outside Jabodetabek	Zoom	711	v	v	1 time
Mobile Collection - Card Socialization	Zoom	159	v	v	1 time
Website Lelang - Consumer Socialization	Zoom	162	v	v	1 time



Employee Welfare

Remuneration and Other Benefits for Employees [2-20, 202-1, 401-3, 405-2]

BNI determines remuneration and other benefits based on job grade, position, and employee performance, without discrimination based on gender, ethnicity, race, religion, or status, ensuring a 1:1 ratio for equivalent positions. Employee remuneration at the lowest level is above the regional minimum wage (UMP/UMK), adjusted according to the work area, in compliance with applicable regulations.

The remuneration policy is outlined in the HC Policy, which has been approved by the Board of Commissioners, and its implementation procedures are determined by the Board of Directors. In practice, the development of employee remuneration involves and/or utilizes data/information from remuneration consultants to gather information on BNI's remuneration positioning in the market, which is then proposed for approval by the Board of Directors. Employee remuneration at BNI is also monitored and overseen by the Board of Commissioners, including through the Nomination and Remuneration Committee and/or meetings between the Board of Directors and the Board of Commissioners. Additionally, management involves the Employee Union in discussions regarding the development and implementation of employee remuneration policies.

In addition to remuneration, BNI provides leave entitlements to all employees in accordance with the Collective Labor Agreement (CLA) Articles 27 to 33, which include annual leave, long leave, menstrual leave, maternity leave, and leave for work absences as per applicable regulations. In the case of childbirth, female employees are entitled to three months of maternity leave, including in cases of miscarriage or abortion. This entitlement is complemented by a guarantee to return to work with the same status and rights after the leave. Meanwhile, male employees are entitled to two days of leave to accompany their wives during childbirth

or miscarriage. Furthermore, female employees who give birth under special circumstances are entitled to an additional maternity leave of up to 3 months. Male employees are also granted an additional leave of up to 3 days if their wives give birth under special circumstances. This is in accordance with the implementation of Law No. 4 of 2024 regarding the welfare of mothers and children during the first 1,000 days of life.

In 2024, a total of 1,092 female employees utilized their maternity leave entitlement. Meanwhile, 589 male employees took leave to accompany their wives during childbirth, and all of them (100%) have returned to work. Furthermore, all (100%) female employees who completed their maternity leave have returned to their same positions.

Benefits Received Based on Employment Status

[401-2]

Type of Benefit*)	Permanent	Contract **)	Trainee
Pension	v	v	v
Holiday Allowance	v	v	v
Bonus	v	v	x
Health Facilities/ Medical Benefits	v	v	v
Leave Benefits	v	v	v

*) The allowances mentioned apply to all BNI offices.

**) The allowances/benefits for contract employees are in accordance with the terms agreed upon in the employment agreement.



Retirement Program ^[201-3]

To provide post-retirement welfare for employees who have dedicated themselves to growing together with BNI, the company offers a retirement program for its employees, as outlined in the CLA, Articles 52 to 56. This program includes:

- Pre-Retirement Program (MPP), is a program designed to prepare employees for retirement. This voluntary program can be undertaken one year prior to retirement.
- Retirement Program:
 1. Defined Benefit Pension Program (PPMP): is available for employees appointed as permanent staff before September 1, 2005. This program is funded by a 7.5% contribution from the employee's basic pension income and a company contribution based on actuarial calculations.
 2. Defined Contribution Pension Program (PPIP): is available for employees appointed as permanent staff on or after September 1, 2005. The contribution consists of 3.5% of the employee's total income, while the company contributes 11.5% of the total income.
- Retirement Period Health Fund Program (DKMP): is a defined contribution program that aims to help employees and their spouses prepare for healthcare benefits in retirement. Contributions begin while the employee is still actively working.
- In addition, BNI also provides programs mandated by the government through BPJS Employment to prepare for retirement, including the Old Age Security (JHT) program and the Pension Guarantee (JP) program.

In 2024, a total of 479 employees reached retirement age, consisting of 209 males and 270 females.

Performance Appraisal and Career Path ^[404-3]

Employee performance is a key factor in achieving BNI's strategic and business objectives. Therefore, BNI has developed a performance management policy centered around three significant aspects of the performance cycle. The performance cycle at BNI is a continuous process that includes Goal Setting to establish targeted performance objectives, Performance Driving to encourage the achievement of these goals, and Performance Evaluation as a mechanism to assess employee performance.

BNI conducts a comprehensive and annual performance assessment process for all employees to foster a performance-driven culture. This assessment process is implemented transparently and includes mechanisms such as self-assessment, 360-degree survey multirater, and One-On-One discussions between employees and their line managers. The assessment is based on the achievement of individual Key Performance Indicators (KPIs), ensuring that there is no discrimination based on ethnicity, religion, race, gender, social status, or any other factors that violate human rights in the evaluation process. The evaluation criteria for specific divisions also include sustainability aspects. One of the divisions evaluated for sustainability is the Enterprise Risk Management Division. The sustainability criteria evaluated include performance related to the green portfolio, ESG Framework, and BNI's ESG Rating.

To support objectivity in performance assessments, BNI implements a 360-degree multirater survey involving the employee's direct supervisor or other supervisors, colleagues, and subordinates who have coordinated and collaborated with the employee on projects or tasks.

The results of the performance evaluation serve as a basis for determining rewards and remuneration, capability development, and career planning. Employees who meet the objective criteria set by the human resources committee are eligible to participate in promotion or job advancement programs. To support the continuous development of its employees, BNI also fosters a culture of continuous feedback through One-On-One discussions held at the beginning of the year after the performance assessment. These discussions aim to create an Individual Development Plan (IDP) that serves as a guide for the employee's development throughout the year.

Composition and Percentage of Permanent Employees Receiving Reviews ^[404-3]

Status	Gender	2024	
		Total	%
Review One on One Career Development	Male	12,200	48%
	Female	13,178	52%
	Total	25,378	100%



Promoting Work-Life Balance through Wellbeing Culture Program

BNI regards its employees as a vital element in achieving the organization's vision and mission. Therefore, BNI is committed to supporting employee well-being and health by implementing the Employee Wellbeing Program in line with the mandate of SOE Minister Circulation No. SE-1/MBU/01/2024 on Employee Wellbeing Policy (EWP) within State-Owned Enterprises.

To foster a workplace that employees take pride in, drive performance, and support the Employee Wellbeing Program, BNI has introduced the Employee Wellbeing Guidebook. This guide serves as a reference for leaders and employees to understand the importance of workplace well-being. Through this initiative, BNI aims to enhance employee engagement, ultimately contributing to increased organizational productivity.

1. BISASAPA

BISA (CAN) is a coaching and mentoring culture aimed at improving communication quality among employees, both between leaders and their teams, as well as among colleagues. In addition to *BISA*, there is the *SAPA* (GREET) program, which encourages the habit of greeting one another by name, along with the use of the three magic words: "sorry," "please," and "thank you," to strengthen mutual respect among employees.

2. Let's Get It Done

Let's Get It Done is a program designed to enhance the quality of meetings by ensuring more efficient and effective outcomes. This program emphasizes the importance of having a clear agenda and maintaining focus on the effectiveness of each meeting.

3. Wellness Day

Wellness Day is a program focused on wellbeing activities to provide direction to all employees to do sports activities together on the 10th of every month.

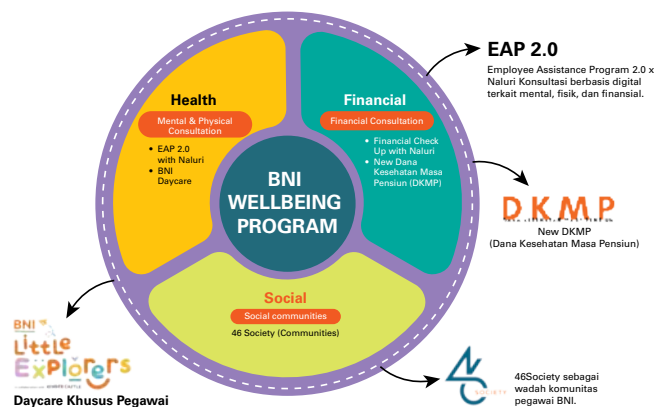
4. BNI Community (46Society)

BNI has several communities formed based on sports, arts, and employee hobbies which are gathered in a container called 46Society which is actively engaged in sports, arts, hobbies, and so on.

5. Flexible Working Hours

Employees can work flexibly through Flexitime, a flexible work schedule arrangement available via the DigiHC application.

In addition to the above programs, BNI recognizes that strengthening employee well-being is crucial for sustaining and enhancing productivity. In 2024, BNI launched the BNI Holistic Employee Wellbeing Program, focusing on three key areas: mental & physical well-being, financial well-being, and social well-being. This initiative aims to create a supportive and balanced work environment that empowers employees to thrive both personally and professionally.



• Employee Assistance Program 2.0

The Employee Assistance Program (EAP) is a corporate benefit designed to provide professional support for employees facing work-related challenges or personal situations that may impact their productivity, performance, and interpersonal relationships. This program aims to help both the company and its employees maintain a healthy work environment by offering guidance and resources to navigate various professional and personal difficulties effectively.

In 2024, BNI collaborated with professional consultants to provide an Employee Assistance Program (EAP) through a dedicated mobile application accessible to all employees. This platform enables employees to consult with experts on mental and physical health, as well as design personalized programs tailored to their specific health needs and goals. Through this initiative, BNI aims to enhance employee well-being by offering convenient and professional support for maintaining a healthy and balanced lifestyle.

On November 14, 2024, BNI hosted the BNI Culture Fest 2024, an event that introduced the Employee Wellbeing Program as a key initiative to enhance employee safety and comfort. This program is built on three core principles: health, financial well-being, and social well-being. The event marked the culmination of an advanced phase in strengthening corporate culture, aligning with BNI's transformation efforts to drive performance excellence.



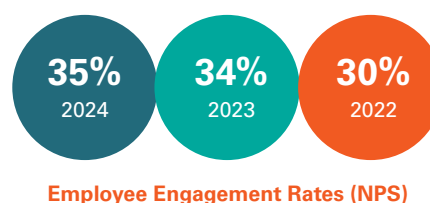
- BNI Little Explorers**
 BNI Little Explorers Daycare is a childcare facility designed for employees' children aged 1–4 years, managed in collaboration with professional daycare providers. Equipped with comprehensive facilities, it features a safe and clean environment, open-ended toys to foster children's imagination, and qualified professionals, including regular visits from child psychologists and pediatricians. Additionally, the daycare provides nutritious meals curated and monitored by nutrition experts. This initiative aims to enhance employee well-being, particularly for working parents, while also supporting work-life balance and productivity.

Employee Engagement and Satisfaction

BNI recognizes that employee job satisfaction contributes to positive engagement with the organization. Therefore, BNI regularly conducts employee satisfaction surveys as a means of interaction to monitor satisfaction and engagement levels. The surveys are conducted through the DigiHC platform, where all employees can participate by completing the available questionnaires.

The survey results are used as a basis for improvements to enhance employee engagement in the future. After 2023, the engagement measurement methodology was adjusted to provide more comprehensive and in-depth results. The employee engagement measurement in 2024 assessed the average satisfaction level of employees across 9 key drivers: Leadership, Work Climate, Work Infrastructure, Training & Development, Career, Performance Evaluation, Work-Life Balance, Reward & Remuneration, and Organizational Policies.

In 2024, BNI adjusted its employee engagement measurement methodology by adopting the Employee Net Promoter Score (NPS) to better reflect employee engagement levels. The engagement score for 2024 reached 35%, marking an improvement from 34% in 2023. This indicates a growing sense of engagement among employees toward BNI. The employee engagement survey is conducted once a year.



Scale Description:
 <0: Needs Improvement | 0-30: Fair | 30-70: Good | >70: Very Good



Decent, Healthy, and Safe Workplace

Access to Safety and Health Facilities [403-1, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8]

BNI prioritizes the creation of a Respectful Working Place by providing a healthy, suitable, and safe work environment for all employees. To support this, BNI offers various supporting facilities, such as dining areas, breastfeeding rooms, a daycare center, and sports facilities.

In terms of health, BNI ensures easy access to medical services through clinics located at Grha BNI, Menara BNI, Plaza BNI, and Gedoeng BNI. Employees requiring referrals can access partner hospitals in the DKI Jakarta area or in nearby cities for operations outside Jakarta. Additionally, BNI regularly raises health awareness by organizing webinars and health broadcasts.

For workplace safety, BNI provides fire extinguishers and personal protective equipment across various facilities. Fire extinguishers and earthquake drills are also conducted regularly twice a year at the main operational buildings in collaboration with the building management and the local Fire Department.

As of the end of 2024, BNI has not yet established a specific Occupational Health and Safety (OHS) committee or policy related to building management. However, BNI's operational buildings have adopted Operational Technical Guidelines from each Building Management as a reference for emergency situations, applied to all employees (100%), along with emergency response procedures specific to each building's management.

Incident Reporting Mechanism [403-2, 403-4]

We have established a communication procedure for employees who need to request leave or leave the office due to health or safety issues. Employees who are unwell can apply for leave to leave the office and report their health condition to their immediate supervisor.

BNI also provides a complaint mechanism for employees to report potential hazards, asset damage, or issues related to building facilities. Reports can be made via telephone/WhatsApp or through an official damage report submitted to the Building Management. Employees identifying potential hazards can also report them to the Emergency Task Force (ETF) established in each division/function. If an incident escalates into a broader crisis, in line with the Business Continuity Management (BCM) mechanism, the Crisis Management Team (CMT) may be activated to address the situation. In 2024, BNI successfully resolved 100% of complaints related to building facilities.

Occupational Diseases and Work Accidents [403-9, 403-10]

BNI recognizes that health significantly impacts employee productivity. Thus, we provide a safe and conducive workplace by offering both preventive and curative healthcare facilities to employees, including health insurance, annual medical check-ups (MCU), counselling services with psychologists, online health consultations, and BPJS Kesehatan.

BNI provides an annual MCU at partner hospitals, clinics, and laboratories. The common health concerns identified in the MCU include vision issues such as myopia and astigmatism, high cholesterol (hypercholesterolemia), overweight, fatty liver, and dental cavities. However, no specific occupational diseases have been identified. Throughout 2024, there were no accidents, injuries, or work-related diseases.

To address these health concerns, BNI has implemented both preventive and curative measures, including health webinars with invited health practitioners and experts, and encouraging employees to engage in wellbeing programs to adopt healthier lifestyles. Employees are also encouraged to join programs managed by the BNI Community (46Society).

Additionally, BNI offers the Employee Assistance Program 2.0 (EAP 2.0), in collaboration with digital consultation services to support employees' mental, physical, and financial health. Through this program, employees can consult with trained psychologists, nutrition experts, medical advisors, executive coaches, and fitness trainers to help achieve their health goals, such as weight loss, reduced blood pressure, blood sugar, or cholesterol levels, as well as better stress management. The company also provides health insurance in partnership with health insurance providers, in addition to mandatory BPJS Kesehatan, to cover the health needs of employees and their families.


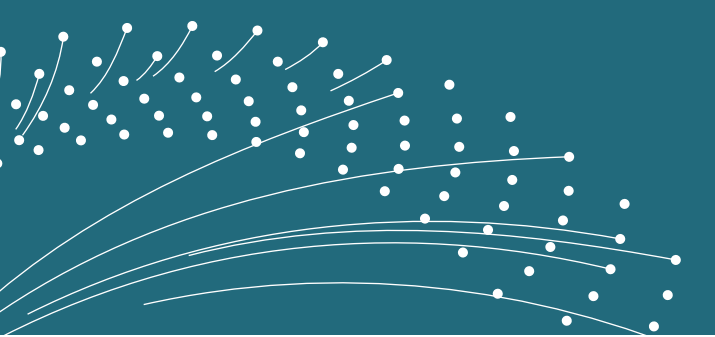
In 2024, BNI conducted socialization campaigns on healthy lifestyles and mental health, alongside various educational health activities. These included the Healthy Talk Series with topics such as "Prevent and Early Detection of Kidney Failure in Children," "Early Detection of Pinched Nerve Risks and Management with the Latest Technology," and "Sports Injuries: Prevention, Treatment, and Recovery."



06

SUSTAINABILITY GOVERNANCE AND STAKEHOLDER ENGAGEMENT

“BNI constantly upholds the highest code of conduct in operations and reporting. All its business processes are assuredly conducted in a responsible, accurate, and transparent manner whilst complying with prevailing laws and regulations. The Board of Directors and Board of Commissioners play a strategic role in overseeing the implementation of sustainability governance to firmly apply the prudence principles in ESG risk management for sustainable growth.”







Commitment to Implementing Sustainable Finance

Building Sustainability Culture ^[2-27]

BNI has thoroughly adopted the sustainability principles and sustainable finance on all levels starting from the staff to the management. This aims to instil a culture of environmental and social awareness across the company. Below are several steps that we have taken up:

1. Established a Sub-Committee of Environment, Social, and Governance (ESG) under the Risk Management & Anti-Fraud as per the Board of Directors Decree No. KP/484/DIR/R of October 26, 2021;
2. Established a Department of Environmental, Social & Governance (ESG) Management, specifically in the ERM Division to monitor daily sustainability practices internally;
3. Developed a loan policy by taking the Environmental, Social, and Governance (ESG) factors into account as well as integrating the sustainability principles into the Code of Conduct, policies, and Standard Operating Procedure (SOP);
4. Organizing training to enhance employees' insights on sustainability; and
5. Mapping high-risk credit portfolios against the environment.

For consistent implementation of the sustainability principles, BNI has conducted various strategic measures and initiatives. These include the socialization of the Indonesia Green Taxonomy (THI) and the Taxonomy for Sustainable Finance Indonesia (TKBI), training relating to environment, social, and governance (ESG) as well as the implementation of sustainability initiatives. Furthermore, all employees are mandated to study the sustainability training modules through e-learning mandatory and increase their ESG awareness through diverse channels, such as websites, YouTube, email blasts, and Majalah Sinergi BNI.

A comprehensive ESG framework, roadmap, and policy have also been developed to ensure all business activities are in line with the sustainability principles. Moreover, BNI actively supports the government's endeavors to achieve Net Zero Emission (NZE) and continues to observe the trends in sustainable finance, including preparing the Climate Risk Management and Scenario Analysis (CRMS) as per the OJK's directives.

Sustainable Finance Action Plan (RAKB)

Referring to the POJK No. 51/POJK.03/2017, BNI consistently formulates RAKB to comply with the implementation of sustainable finance. The 2025 RAKB focuses on strengthening BNI's position in the face of climate change by preparing a work plan that amplifies its role as a debtor partner in transitioning into a sustainable business. This step includes an advisory program for debtors' transition, an alignment of the management portfolio with a transition plan, an educational program for debtors' transition, and the strengthening of climate risk management by adopting international standards and best practices. BNI will also develop various initiatives, such as eco-friendly MSMEs and MSME Go Global, sustainable finance inclusion, sustainable product development, and the integration of sustainable finance management in risk management.

BNI regulates the implementation of Sustainable Finance through the President Director Decree No. KMP/4/2602. Through this effort, BNI created a Sub-Committee of Environment, Social & Governance (ESG) under the Risk Management & Anti-Fraud Committee based on the Board of Directors Decree No. KP/484/DIR/R of October 26, 2021. This sub-committee is tasked to coordinate the implementation of Sustainable Finance and control the division of functions related to it.

Sustainability Governance Structure [2-29]

BNI has active supports from its leaders, namely the Board of Commissioners and Board of Directors, in implementing sustainability governance. Both the Board of Commissioners and the Board of Directors are directly involved in planning and overseeing Sustainable Finance. To manage the sustainability governance, BNI operates with the Sub-Committee of ESG under the Risk Management & Anti-Fraud Committee. The personnel of the Sub-Committee of ESG consists of cross-function members in accordance with the Board of Directors Decree No. KP/745/DIR/R of October 26, 2023.

Chairman	: Vice President Director
Vice Chairman	: Risk Management Director
Secretary	: Head of the Enterprise Risk Management Division (concurrently holding the permanent position as a non-voting member)
Permanent Members Equivalent to the Board of Directors and SEVP (Voting Members)	: <ol style="list-style-type: none"> 1. Finance Director 2. Wholesale & International Banking Director 3. Institutional Banking Director 4. Retail Banking Director 5. Network & Services Director 6. Technology & Operations Director 7. SEVP Treasury
Permanent Members Equivalent to the Board of Directors (Non-Voting Members)	: Human Capital & Compliance Director
Permanent Members Equivalent to Divisions/Units (Non-Voting Members)	: <ol style="list-style-type: none"> 1. Head of Corporate Secretary Division 2. Head of Policy & Governance Division 3. Head of Investor Relations Division 4. Head of Corporate Planning & Performance Management Division 5. Head of International & Financial Institutions Division 6. Head of Subsidiaries Management Division 7. Head of Procurement & Fixed Assets Division 8. Head of Treasury Division 9. Head of Compliance Division 10. Head of BNI University Division 11. Head of Human Capital Strategy Division 12. Head of Human Capital Services Division 13. Head of Corporate Banking 1 Division 14. Head of Corporate Banking 2 Division 15. Head of Corporate Banking 3 Division 16. Head of Corporate Banking 4 Division 17. Head of Syndication & Structured Finance Division 18. Head of Enterprise Banking Division 19. Head of Commercial Banking Division 20. Head of Commercial Banking 2 Division 21. Head of Operational Risk Management Division 22. Head of Corporate & Enterprise Credit Risk Division 23. Head of Commercial Credit Risk Division 24. Head of Consumer Product Division 25. Head of Retail Productive Banking Division 26. Head of Business Program Division 27. Head of Card Business Division 28. Head of Agen46 Division
Non-Permanent Members (Non-Voting Members)	: Director of Sector/SEVP/Head of Division/Unit relating to the discussion topic.



Delegation of Responsibilities in Managing ESG [2-9, 2-13, 2-14, 2-15, 2-16]

The ESG Sub-Committee, consisting of members of BNI's Board of Directors, is responsible for implementing ESG initiatives. In 2024, the committee held four quarterly meetings. As the entity overseeing ESG management, its key duties include:

1. Preparing policies and strategies in managing ESG and its amendments;
2. Identifying potential ESG risk that may impact BNI and its stakeholders;
3. Overseeing the implementation of Sustainable Finance strategies;
4. Overseeing, evaluating, and giving recommendations on the results of BNI's ESG assessment;
5. Evaluating the implementation of ESG strategies in all BNI's business lines.

The sustainability management is a collective responsibility of all work units under the supervision of the Board of Commissioners and Board of Directors. For effective conduct, BNI established a Department of Environment, Social & Governance (ESG) Management under the Enterprise Risk Management (ERM) with the following key duties:

1. Formulating, developing, managing, and reviewing ESG framework, roadmap, and strategy along with Net Zero Emission and Climate Risk bankwide;
2. Formulating, developing, and reviewing the Sustainable Financing and Bond Framework with related Divisions;
3. Formulating, developing, managing, and reviewing the ESG programs;
4. Formulating and managing RAKB, ESG-related Corporate Plan, Sustainability Report, sustainability-aware bonds, and sustainable financing as per prevailing regulators' stipulations and/or best practices;

5. Developing and managing the ESG information system, including emissions calculation methodology and climate risk stress test in accordance with prevailing regulators' stipulations and/or best practices;
6. Coordinating the implementation of ESG principles and climate change risk across all of the Bank's lines of business, including Subsidiaries and KLN;
7. Preparing, organizing, and reviewing communication planning, execution and performance, socialization, and campaigns relating to ESG programs internally and externally;
8. Performing the functions of Working Group Coordinator for the Sub-Committee of ESG and liaisons with external parties regarding the ESG policy;
9. Monitoring the presentation and reporting on ESG (Green Portfolio, Green Bond, and other ESG-aware bonds, the Indonesia Green Taxonomy (THI), Sustainability Report (sustainability governance, sustainable financing, and carbon emissions data).

The Environment, Social & Governance (ESG) Management Department oversees 4 teams consisting of:

1. ESG Policy & Framework
2. ESG Program Development
3. ESG Communication Management
4. ESG Portfolio Management & Reporting

Enterprise Risk Management Division Organization Structure



Description:

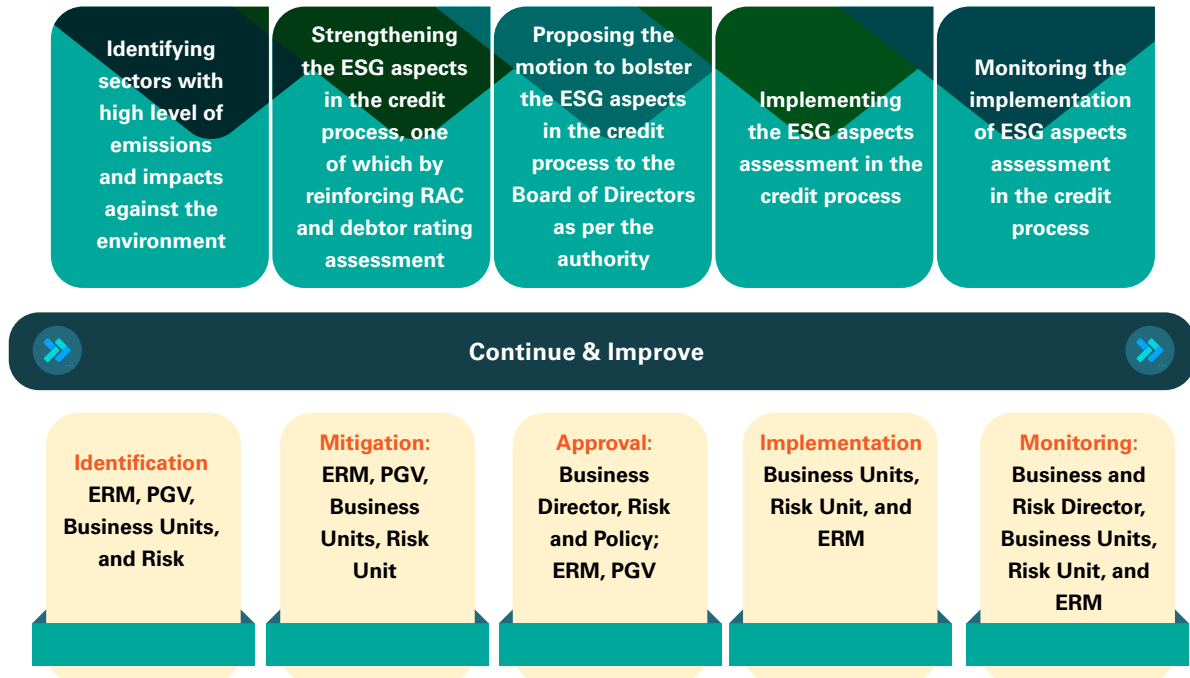
The organizational structure of the Enterprise Risk Management (ERM) Division is outlined in the Board of Directors Decree No. KP/136/DIR/R dated April 12, 2023, regarding the organizational arrangement of divisions/functional units at the Head Office. Additionally, CDV Memo No. 2/098/R dated January 30, 2024, provides updates on the structure, personnel composition, and main functions of the ERM Division.

*) In accordance with the limited centralization policy of the General Section of the Head Office.



ESG Oversight and Evaluation

Summary of ESG risk management in BNI



Policy for Managing Environmental, Social, and Governance (ESG) Risks ^[2-13]

BNI constantly upholds the highest code of conduct in operations and reporting in a responsible, accurate, and transparent manner whilst complying with prevailing laws and regulations. The Board of Directors and Board of Commissioners play a strategic role in overseeing the implementation of sustainability governance throughout all work units, promoting responsible business practices and applying the prudence principles in ESG risk management.

To reinforce this commitment, BNI establishes governance structures, policies, and procedures to identify and manage environmental, social, and governance (ESG) risks across its operational value chain.

Risk Identification Procedure in the Sustainable Finance Implementation and its Management ^{[2-16, 2-25, 2-26] [FN-CB-550a.2]}

BNI has four pillars of risk management to identify, measure, oversee, and control the Sustainable Finance risk:

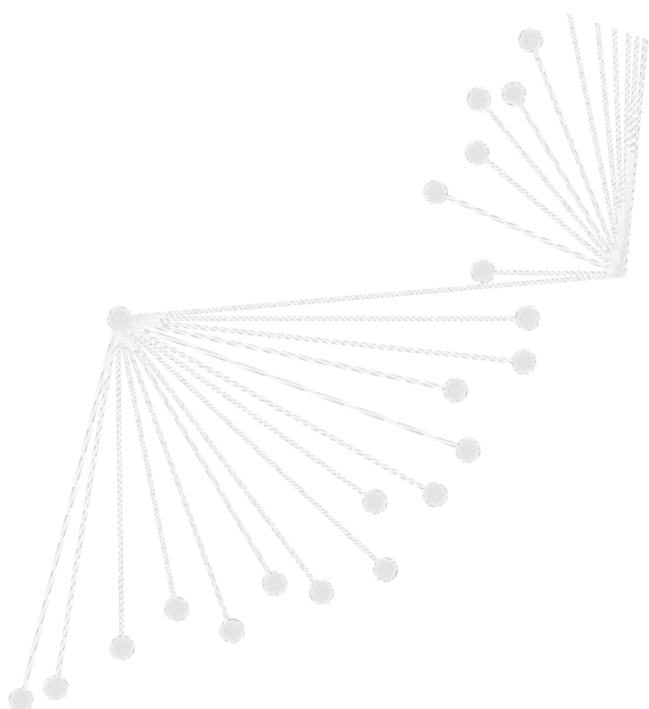
1. Active Oversight by the Board of Commissioners and Board of Directors;
2. Adequacy in Limit Policies, Procedures, and Establishment;
3. Internal Control System;
4. Adequacy in Risk Identification, Measurement, Monitoring, and Control as well as in the Risk Management Information System.

The identification results show several risks in the implementation of Sustainable Finance which are as follows:

No.	Risk	Risk Mitigation [2-25]
ESG Risk in banking operations		
1	The Bank's operations bring negative impacts to the environment and community	<ol style="list-style-type: none"> 1. All of BNI operational offices were located as per their functions. 2. BNI generated wasted was in a minimum amount and categorized as household waste. 3. BNI processed its wastewater which was previously used for watering plants. 4. Optimizing the use of digitalization in all the Bank's operations to reduce the use of paper.
2	Digital finance products/services increase the risk of technological crime, threatening customers' privacy	<ol style="list-style-type: none"> 1. Identifying, assessing, reviewing, and improving digital risk of each BNI's digital product. 2. Identifying, assessing, reviewing, and improving the resilience against cybercrime. 3. Assessing and intensifying the security maturity on third parties. 4. Assessing data privacy and the adequacy of data security through end-to-end process.
3	Emissions surge from the Bank's operations	<ol style="list-style-type: none"> 1. BNI has carried out energy saving in the form of: <ul style="list-style-type: none"> • Switching off lights during break sessions on working days. • Using solar energy for lighting purposes surrounding emergency stairs at BNI's main building. • Optimizing meetings through online media. • Optimizing the use of central AC in head office building. • Holding online training through Zoom or webinars. 2. BNI decided on the targeted operational NZE, including the strategy to reduce emissions.
4	Threat of physical risks (flood, drought, and forest fire) against BNI's offices	<ol style="list-style-type: none"> 1. Conducted a natural disaster risk analysis upon selecting offices. 2. BNI's offices are located in the urban areas, hence they were not exposed to the risk of forest fire. 3. BNI has a Business Continuity Management as one of the efforts to mitigate natural disaster conditions.
ESG Risk in loan disbursement [FN-CB-410a.2]		
5	Loan disbursement to sector with high emissions	<ol style="list-style-type: none"> 1. BNI has a Risk Acceptance Criteria (RAC) by adding mitigation for climate change risk, containing minimum requirements for (potential) debtors with high-risk impact on the environment, such as RSPO/ISPO certification and the commitment to implementing No Deforestation, No Peat, and No Exploitation (NDPE) policy in land clearing for debtors in oil palm plantation, fulfilling environmental mandatory documents (AMDAL or UPL/ UKL & PROPER) as per their business sector. 2. BNI selectively finances sectors with high emissions by considering the ESG implementation and the energy transition plan made by the debtors. 3. BNI disburses financing in the form of Sustainability Linked Loan to encourage debtors to initiate their energy transition.
6	Violation of ESG aspects by existing Debtors	Business units will periodically monitor through a watchlist system and debtor rating assessment. Should any violation was made again the ESG aspect, BNI will verify the relevant parties and make adjustments to the debtors' rating.



No.	Risk	Risk Mitigation (2-25)
7	Disbursement of green bonds disproportionate to the designations	Evaluating and selecting projects with green bonds disbursement is handled by the ESG Sub-Committee with Vice President as the chairman. The disbursements are carried out on projects with the nature of project financing so that the course of the fund use can be overseen by BNI. A second party opinion (SPO) has formed its opinion on the green bonds disbursement led by BNI.
8	Debtors of Sustainability Linked Loan not meeting the targeted SPT KPI that has been agreed upon.	A penalty system is in place to be subjected to debtors who fail to reach the targeted KPI SPT that has been agreed upon. An independent third party leads an annual evaluation for any loan, including the achievement of KPI SPT target.
9	The classification of taxonomy not in accordance with TKBI	<ol style="list-style-type: none"> 1. TKBI questionnaires have been developed in a plain language. 2. Technical assistant for filling out TKBI questionnaires has been provided for debtors in energy sectors. 3. Training for TKBI classification has been held for Relationship Manager.
Social risk in performing financial literacy and inclusion		
10	Uneven spread of financial literacy and inclusion beneficiaries	<ol style="list-style-type: none"> 1. Target market has been stipulated relating to financial literacy and inclusion beneficiaries. 2. Local mapping of financial literacy and inclusion has been developed. 3. Financial literacy and inclusion has been conducted gradually in accordance with the target market mapping results of financial literacy and inclusion beneficiaries.



Issues, Challenges, Developments, and Influences In Implementing Sustainable Finance

BNI faces various challenges in implementing sustainable finance. The following are some key obstacles, challenges, and management strategies undertaken by BNI:

1. Uneven Understanding of ESG BNI focuses on enhancing human resource capacity through training and e-learning programs, both internally and externally.
2. Limited Awareness of ESG Principles Among Debtors Many debtors still have a limited understanding of Environmental, Social, and Governance (ESG) principles, particularly in managing climate change risks. To address this, BNI provides training and technological support to help debtors adopt sustainable practices.
3. Development of Sustainable Financial Products To meet the needs of customers and debtors, BNI continuously innovates in developing relevant and competitive sustainable financial products.
4. Digitalization of ESG Data Management BNI is developing a digital system to efficiently manage the ESG database, ensuring more accurate and effective sustainability analysis and reporting.
5. Complex ESG Standards and Regulations The evolving regulatory landscape poses challenges in adopting sustainable finance practices in Indonesia. BNI actively monitors and adjusts its policies to stay aligned with these developments.

6. Dynamic New Regulations on Sustainability Practices Guidelines such as Climate Risk Management and Strategy (CRMS) and IFRS S1 & S2 require well-prepared human resources, enhanced knowledge, and strengthened capabilities to support effective implementation.

To address these challenges, BNI continues to adapt by leveraging technological advancements, collaborating with strategic partners, and implementing policy innovations to support sustainability and sustainable finance in Indonesia.

Despite these challenges, we continue to identify opportunities in sustainable finance that have a positive impact on banking and financing activities, including:

1. Growing opportunities for green financing in Indonesia;
2. Encouraging financing for debtors who adopt sustainable business practices through Sustainability-Linked Loans;
3. Increasing awareness of sustainable finance among businesses, particularly corporations;
4. Rising interest from the government, regulators, and investors in sustainability implementation;
5. The presence of a sustainable niche market, creating opportunities for financial products and services tailored to specific sustainability needs;
6. Building partnerships with knowledgeable and competent stakeholders in sustainability to design programs that support the Sustainable Development Goals (SDGs).



Implementing Good Corporate Governance (GCG)

[2-9, 2-10, 2-11, 2-12, 2-15, 2-17, 2-19, 2-20, 2-21]

The GCG principles are the basis for BNI in carrying out sustainability governance, Sustainable Finance, and corporate sustainability principles. BNI's governance structure includes the Board of Directors to lead and oversee operations and the Board of Commissioners to supervise the performance of the Board of Directors. Each Directorate is led by a Director and has a special division to manage the ESG aspect. The Board of Director is collectively responsible for the ESG performance. Details of the corporate governance structure can be viewed in the Annual Report page 96-97.

Shareholders are entitled to nominate and appoint the Board of Directors and Board of Commissioners through GMS. BNI is committed to maintaining good relationship and ensuring no conflict of interest among the Board of Directors, Board of Commissioners, and Shareholders which may affect the end results. Information on such matter is disclosed in the 2024 Annual Report pages 780-784 and 800-801.

More detailed information on remuneration and the annual total compensation ratio can be found in the 2024 Annual Report on page 784-797.

Composition of the Board of Directors and Board of Commissioners [2-11]

Detailed information on the highest governance organs and their committees are explained in the Annual Report:

- Board of Directors' Chapter, page 715-774;
- Board of Commissioners' Chapter, page 664-714;
- Board of Commissioners' Supporting Organs, page 802-867;
- Board of Directors' Supporting Organs, page 872-947.

Board of Directors' Performance Assessment [2-18]

The Company has various ways to evaluate and assess the performance of the Board of Directors, which are through an assessment in the GMS, fulfillment of the Company's performance target, and GCG assessment. Further information on this subject can be viewed in the Annual Report, Board of Directors' Performance Assessment Chapter, page 775-777.

Code of Conduct

BNI's prevailing code of conduct, also known as BNI Code of Conduct, assertively regulates matters relating to value system, business ethics, commitment, and enforcement of company's regulations in running its business and other activities. This guideline also distinctly sets rules on behaviors or interactions that are acceptable and improper between employees and customers and other stakeholders. The BNI Code of Conduct is established as a reference for all BNI personnel, including BNI Hi-Movers, the Board of Commissioners, and the Board of Directors in acting and making decisions so that they always work professionally and abide by the highest ethical standards as per the vision, mission, values, and prevailing regulations. The Code of Conduct is socialized through sharing session, internal media, seminar, coaching, and distribution of BNI Code of Conduct pocketbook. Information on Code of Conduct can be viewed in the 2024 Annual Report page 1052-1055. It is also accessible through the company website.

Whistleblowing System [FN-CB-510a.2]

BNI is committed to implementing GCG principles in all its activities, including through the Whistleblowing System (WBS) in accordance with the Ministry of SOE Regulation Number PER-09/MBU/2012 and PER-2/MBU/03/2023 concerning Guidelines for BUMN Governance and Significant Corporate Activities. WBS is a mechanism designed to support transparency, integrity, and accountability in company operations. This system gives opportunities to BNI personnel, customers, debtors, business partners, and other external parties to report on any BNI personnel who allegedly perpetrate unlawful actions; violate internal action and company's code of conduct. The report submitted comprises matters relating to fraud, corruption, conflict of interests, gratification/ bribery, unlawful actions, and violations of code of conduct/unethical behavior. With this system, BNI strives to create a safer environment and is committed to keeping the company's code of conduct standards.

The purpose of WBS is to prevent, detect early potential deviances/violations, and functions as a means for BNI to protect the trust of all stakeholders, including customers, debtors, business partners, employees, and regulators as well as to ensure preventative measures are accessible. The policy to protect reporters adheres to the Company Guidelines (PP) pertaining to matters of WBS. This will help BNI to protect the reporters from countermeasures or intimidation, encouraging more parties to come forward to report without apprehension.

BNI is committed to ensuring transparency and accountability in its operations by implementing WBS that is known as WBS to CEO. The President Director guarantees all WBS reports solidified with data and relevant supporting evidence will be followed up professionally and transparently. For provenly objective follow-ups, the WBS management is led by the Internal Audit (IAD), collaborating with an internal independent party. Further information on WBS and number of complaints through WBS can be viewed in the 2024 Annual Report page 1088-1091.

WBS reporting can contact:

Website : <https://bni-transparan.tipoffs.info>
 Email : bni-transparan@tipoffs.com.sg
 Phone : 021-57853377
 SMS/WhatsApp : 0811-970-1946
 Letter : BNI Transparan PO Box 2646/JKP 10026.





Responsibility for Ethical Issues ^[2-6]

Oversight for Ethical Issues

Responsibility and oversight for business ethics and behavioral ethics in BNI involve the Risk Management & Anti-Fraud Committee, Audit Committee, the Board of Directors, and the Board of Commissioners. Through Whistleblowing System (WBS), BNI will receive various reports of violation, including ethical violations which encompass fraud, corruption, conflict of interests, gratification/bribery, and policy violation, code of conduct, and other forms of non-ethical conducts, including HR-related issues.

The line of responsibility for the oversight of WBS implementation starts from the Internal Audit as WBS manager who quarterly delivers WBS reports to the BNI management; to the President Director, the Board of Commissioners and Audit Committee as well as external parties, such as the SOE Ministry, semesterly, and the Corruption Eradication Commission (KPK), annually. Every three months, the Audit Committee and the Board of Commissioners (including the Independent Commissioner) will have a discussion over WBS reports. Such reports contain violation reports, follow-ups that have been made, and effectiveness evaluation of the WBS management.



Regular Audit for Meeting Ethical Standards

The enactment of Anti-Bribery Management System (ABMS) in BNI adheres to an international ethical standard, ISO 37001:2016. Audits and assessments on the SMAP have been conducted every year by the Internal Audit (IAD) and independent parties to guarantee their compliance and effectiveness. In 2024, the assessment scope of ISO 37001:2016 included Goods and Services Procurement Activities, Corporate Segment Credit, and Financial Institution Pension Fund (DPLK).

Furthermore, the enforcement of standard ethical practices is also carried out through thematic audits, specifically the Audit on the Implementation of ISO 37001:2016 Anti-Bribery Management System (SMAP). The evaluation of SMAP implementation at BNI adheres to international ethical standards, namely ISO 37001:2016. Audits and assessments of SMAP have been conducted annually by the Internal Audit Unit as well as independent parties to ensure compliance and effectiveness. The scope of the ISO 37001:2016 assessment covers procurement activities, corporate segment loans, supporting work units, and financial institution pension funds.

Training on Ethical Standards

BNI's efforts in encouraging employees to apply business ethics and behavioral ethics are carried out by raising their awareness through trainings and socializations on ethics. Several ethics-related topics are Work Culture – Core Value AKHLAK; Ensuring Compliance – Social Media in Regulated Industries; Reinforcing Organization through Prevention and Management of Conflict of Interests; Anti-Bribery and Anti-Corruption Strategy; Building Integrity Culture in Work Environment; Creating Anti-Corruption Culture through Integrity Values. Trainings and socializations are given to permanent employees and contract employees, trainees, and outsource workers.

Anti-Corruption, Anti-Bribery, And Anti-Fraud Policy

[2-16, 205-1] [FN-CB-510a.1]

Anti-Corruption, Anti-Bribery, and Anti-Fraud Policy

To uphold the company's reputation, BNI is committed to strengthen the trust of the stakeholders. Several BNI policies that have been stipulated by BNI, such as those pertaining to corruption, bribery, and fraud, are applicable to all employees, members of the Board of Directors, and Board of Commissioners. The policy relating to anti-corruption, anti-bribery, and anti-fraud is stipulated as per POJK Number 12 of 2024 on the Implementation of Anti-Fraud Strategy for Financial Services Institution (LJK) as well as other laws and regulations. BNI also reports all fraud incidents to OJK every semester, supported by oversight from the highest governance body.

To have business activities untainted with corruption, bribery, and fraud, BNI formed several organizations, such as Gratification Control Unit (UPG), Anti-Fraud Unit, and Anti-Fraud Committee. Reports from these units are submitted regularly to the management, both the Board of Directors and Board of Commissioners. BNI also implements rigorous policies and procedures to defend the anti-corruption, anti-bribery, and anti-fraud principles, such as follows:

1. Employees' signing the Integrity Pact annually as a form of gratification control and anti-fraud commitment.
2. Periodical Gratification and Anti-Bribery Declaration.

3. Development of Code of Conduct as a guideline of conduct for all employees.
4. Implementation of the anti-bribery management system based on the ISO 37001:2016 certification on the Anti-Bribery Management System (ABMS).
5. Work Guidelines of the Risk Management & Anti-Fraud Committee that have been approved through the Board of Directors Decree No. KP/745/DIR/R of 26 October 2023.
6. Guidelines of the Implementation of Anti-Fraud Strategy, as stated in the Company Procedure Number IN/003/AFR/001 of 9 December 2024.
7. Implementation of a single action in the form of termination of employment (PHK) for fraudsters, as stated in the Whole Organization Letter (WO) MNumber HCE/7/0785 of 21 December 2021.
8. Prospective debtors' or debtors' signing of the Integrity Pact for the loan agreement as per the Company Guidelines of Credit.
9. Signing of the Integrity Pact by relevant parties in the procurement process, as regulated in the Company Guidelines of Procurement.
10. Implementation of good corporate governance, among which are avoiding any conflict of interests in the loan process, as per the Company Guidelines of Credit.



Communication, Socialization, and Training on Anti-Corruption and Anti-Fraud ^[205-2]

BNI conducts socialization to raise awareness on anti-corruption and anti-fraud, such as follows:

1. E-Learning Mandatory program on Gratification Control and Anti-Bribery Management System through BNI learning management system (BNI Smarter) that was joined by 26,352 employees.
2. E-Learning Mandatory program on Anti-Fraud Awareness through BNI learning management system (BNI Smarter) that was participated by 26,347 employees.
3. E-Learning Mandatory program on Anti-Money Laundering through BNI learning management system (BNI Smarter) that was participated by 26,365 employees.
4. Conducted a series of three Anti-Fraud Awareness webinars, attended by 8,894 viewers.
5. Held a series of five Business Ethics webinars, attended by 21,245 viewers.
6. Regular implementation of Quality Month initiatives and Morning Briefings.
7. Conducting socialization on Gratification Control and Anti-bribery Management System to Outsource Workers, Bina BNI Officer Development Program (ODP), and BNI' subsidiaries.
8. Conducting socialization and raising awareness on anti-fraud and anti-gratification to employees and other stakeholders through internal media communication, such as e-mail blasts, internal bulletins, desktop wallpapers, and posters.
9. Encouraging all employees to not accept or solicit any rewards in any form from third parties, and to read the Integrity Pact that informs BNI commitment towards gratification control.
10. Disseminating information through posters, videos, digital banners, videotrons, BNI website, national mass media, and BNI Forum on anti-gratification, anti-bribery management system, and guidelines on corruption prevention.
11. Organizing a Compliance Forum with the theme "Realizing an Anti-Corruption Culture by Instilling Integrity Values" which invited source persons from KPK and was participated by the Board of Directors, Board of Commissioners, SEVP BNI, Subsidiaries, PAKSI, API, Millennial Gratification Reporters, and all BNI employees.
12. Employees participation in training and certification related to anti-fraud to strengthen their understanding and competence in each operation business.

Monitoring, Evaluation, and Follow-Ups [2-27]

To supervise and prevent corruption, bribery, and fraud, the Bank has formed an Anti-Fraud Unit that also cooperates with the Risk Management & Anti-Fraud Committee. Moreover, an evaluation is carried out based on the results of active supervision from the Board of Directors and Board of Commissioners. The Bank also regularly reports how anti-fraud strategy is being implemented in the form of Anti-Fraud Strategy Implementation Report to OJK every semester as a form of compliance with the regulations.

BNI performs anti-bribery audit every year with an external certification institution as the lead to ensure compliance with the anti-bribery management system. The 2024 Surveillance Audit results show that BNI has consistently managed to implement anti-bribery management system without major deviation.

According to KPK evaluation, the 2024 BNI Gratification Control was ranked "Very Good", showing that Gratification Control and Anti-Bribery Management System has been implemented in BNI.

The Bank strives to reducing fraudulent incidents and prevent corruption through corrective measures whilst also buttressing various aspects, such as:

- Increasing integrity and understanding of risks of all employees.
- Enhancing tools that could support leaders' oversight activities.
- Strengthening internal control to minimize potential internal fraud.
- Solidifying mitigation and detection of external fraud cases in Card Payment Instruments products.
- Increasing literacy risk in customers through education on the Bank's official website.

Strict Sanction [205-3]

The Bank stands firm against any form of unlawful actions, such as corruption, bribery, and fraud. Every individual involved, without exception, will be given sanctions, such as warning, demotion, up to termination of employment, demand for recompense and due process. For those who are proven as fraudsters, a single sanction will be inflicted in the form of termination of employment and a report may be submitted to Law Enforcements to ensure the deterrent effect.

Fraud Cases Found [205-3]

Internal Fraud in 1 Year	Number of Cases Committed by								
	Members of the Board of Directors and Board of Commissioner			Permanent Employees			Non-Permanent Employees and Outsource Personnel		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Total fraud	0	0	0	14	10	14	2	0	7
Resolved	0	0	0	9	10*	14	2	0	7
Under resolution process within BNI	0	0	0	5	0*	0	0	0	0
No attempt at resolution	0	0	0	0	0	0	0	0	0
Followed up through legal process	0	0	0	5	2	2	0	0	1

Note: Fraud cases with a loss over Rp100 million

*Restatement due to the fraud findings that had been under resolution process within BNI as of the end of 2022 were resolved in 2023.



APU-PPT and PPPSPM Policy

BNI has Company Guidelines No. IN/003/CMP/001 of 28 February 2024 that regulates Anti-Money Laundering, Counter Terrorism Financing and Proliferation of Weapons of Mass Destruction Prevention (APU PPT and PPPSPM). The implementation of this program is predicated on five pillars, namely active oversight by the Board of Directors and Board of Commissioners, Policies and Procedures, Internal Control, Management Information System, as well as Human Capital and Training. BNI also submits the Anti-Money Laundering, Counter Terrorism Financing and Proliferation of Weapons of Mass Destruction Prevention program implementation report every six months to OJK.

periodically, all bni personnel will receive socialization on how to increase awareness towards anti-money laundering, counter terrorism financing and proliferation of weapons of mass destruction prevention through several activities, such as:

- Electronic/online-based training, for example e-learning anti-money laundering, counter terrorism financing and proliferation of weapons of mass destruction prevention on BNI Smarter as well as face-to-face training, such as training for new prospective employees (ODP/ BINA BNI) and specific units/divisions, including operations, IT, Custody, Pension Fund, Overseas Business, and Cross Border Correspondent Banking.
- Supervising and socializing the implementation of anti-money laundering, counter-terrorism financing and proliferation of weapons of mass destruction prevention implementation in Branch Offices, based on the assessment results of Branch Risk Rating, and in relevant divisions.

- Monitoring the implementation of anti-money laundering, counter-terrorism financing and proliferation of weapons of mass destruction prevention program in Overseas Branch Offices and Subsidiaries.
- Refreshment anti-money laundering, counter-terrorism financing and proliferation of weapons of mass destruction prevention program for BNI's Board of Directors and Board of Commissioners as well as its Subsidiaries.
- Sharing information on lessons learned over the implementation, such as concerning typology, latest modus, and the prudence principles that should be assimilated by all Branches/Units/ Divisions.

Further information on anti-money laundering, counter-terrorism financing and proliferation of weapons of mass destruction prevention can be accessed through <https://www.bni.co.id/en-us/company/corporate-governance/patriot-acts-certification-aml>.

The implementation of anti-money laundering, counter-terrorism financing and proliferation of weapons of mass destruction prevention program is a part of BNI's internal control system. Throughout 2024, BNI had no involvement in any money laundering case, counter terrorism financing, and proliferation of weapons of mass destruction.

The Financial Integrity Rating on Money Laundering and Terrorist (FIR on ML/TF) is an assessment led by the Financial Transaction Reports and Analysis Center (PPATK) to investigate the integrity and effectiveness of reporters in running the APU, PPT, and PPPSPM that includes the aspects of commitment, implementation, and compliance. In 2024, BNI was scored at 9.03 for FIR on ML/TF with Very Good Category (Highest Score FIR on ML/TF on KBMI 4).

Stakeholder Engagement [2-29]

BNI cultivates good relationships with all its stakeholders. We identify groups of stakeholder prioritization by taking influence, dependency, responsibility, and proximity into account. This year, BNI had each representative of stakeholder groups, internally and externally, involved in an in-depth interview. Through this interview, we discovered strategic issues that have become the main concerns of the stakeholders, requested feedback on BNI's previous sustainability performance, and discussed material topics that might have affected their decision-making.

Engagement Method	Significant Topics/Issues and Needs	BNI's Response
Customer: Economic Relations		
<ul style="list-style-type: none"> Call center services, branch offices, phone banking, websites, social media (Facebook, Instagram, and Twitter) Customer Satisfaction Survey Information from the Website & Frontliners Agen46 gathering 	<ul style="list-style-type: none"> Banking transaction security Micro Small Medium Enterprise loans Banking facilities and ease of access Clear and transparent information on banking products and services Financial products/services innovations Customer data confidentiality 	<ul style="list-style-type: none"> Innovations of products and services according to technological developments and needs Financial education on banking products Storage and protection of customer data as per the Personal Data Protection Law and relevant stipulations Maintaining the existing ISO 27001 certification and renewing the latest ISO certification Reaching and nurturing SMEs to helping provide financing
Frequency		
<ul style="list-style-type: none"> At all times Twice a year All the time At least once a year 		
Investor/Shareholder: Economic Relations, Ownership & Legal		
<ul style="list-style-type: none"> Bank's quarterly Performance Report Capital Market and Share Investor Analyst Meeting, quarterly and regularly every year Public Expose at least once a year Holding Annual GMS (once a year) and Extraordinary GMS when needed 	<ul style="list-style-type: none"> Financial and non-financial performance Environmental, Social, and Governance (ESG) performance Increased Investment value (shareholder return) Investment/financing in eco-friendly sectors Climate risk management Disclosure of methodology and results of calculation of scope 3 financing emissions Human capital management and developments KPI driving the achievement of sustainable profitability Green bonds performance 	<ul style="list-style-type: none"> Periodic information disclosure on BNI performance Direct communication to investors and through analysis of securities companies (brokers) to ensure company's information disclosure Consistently performing strategies to achieve business targets Comprehensively disclosing information on ESG performance in Sustainability Report as well as in periodic updates Strengthening employees' capabilities and skills Following up recommendations of ESG aspect from Rating Agency, SPO, and investors Performing audits on Financial Reports Developing Annual Reports and Sustainability Reports



Engagement Method	Significant Topics/Issues and Needs	BNI's Response
Employee: Legal relations & stakeholders involved in achieving the company goals		
<ul style="list-style-type: none"> Internal Media (eSinergi Digital Magazine, HCMS, Sinergi Magazine, BNI Forum) Employee Satisfaction Survey, once a year 	<ul style="list-style-type: none"> Employee rights Training and Competency Development for Employees Equality in opportunities Career developments Valuable and enjoyable work experience Work-life balance 	<ul style="list-style-type: none"> In-class and e-learning training Performance Assessment System and Promotion Availability of official communication facilities provided by BNI for employees, such as Info HCT and Internal Communication (eSinergi, SMS Blast) Establishing a community based on sports, arts, and hobbies, namely 46Society Existence of Whistleblowing system Existence of Labor Relations Availability of facilities and infrastructures for activities Providing welfare for work and post-employment periods
Labor Relations: Legal relations		
<ul style="list-style-type: none"> Meeting and Discussion Discussion of Collective Labor Agreement (CLA) 	Employee rights, remuneration and benefits	<ul style="list-style-type: none"> Accommodating and identifying proposals and feedback from Labor Relations Establishing the process of communication in case of industrial relations disputes Holding regular meetings in communication forum between BNI and labor relations Ensuring the safety and rights of employees through Collective Labor Agreement (CLA)
Government/OJK: Legal relations/Interests as Financial Services Institutions		
<ul style="list-style-type: none"> Submission of the Bank's Business Plan (RBB) and its realization to Bank Indonesia and OJK Submission of RAKB to OJK Other reporting as per prevailing stipulations to regulators Various activities of socialization/webinar/hearing/discussion forum held by the government and authorities At least once a year 	<ul style="list-style-type: none"> Compliance with laws and regulations Managing ESG risk in financing activities Environmental & social risk analysis in granting loans Anti-Bribery and Corruption (ABC), Anti-Money Laundering (AML) and Anti-Terrorism Green banking inclusive banking Implementing Sustainable Finance Supporting SDGs Setting more quantifiable and targeted targets, mainly in supporting green economy and NZE targets in Indonesia 	<ul style="list-style-type: none"> Complying with all prevailing regulations Paying taxes, retributions, and Non-Tax State Revenue (PNBP) as per laws and regulations Developing Sustainable Finance Action Plan (RAKB) Establishing the ESG Sub-Committee to monitor the implementation of RAKB Adjusting internal policies and regulations as per regulations issued by the government Implementing the GCG principles across all work units Submitting performance reports and other activities: Sustainable Finance Action Plan Report, Annual Report, Sustainability Report, and others

Engagement Method	Significant Topics/Issues and Needs	BNI's Response
Supplier: Economic Relations and Legal Relations		
Seminars and socialization of policies, when needed, through vendor gathering	<ul style="list-style-type: none"> • Mutually profitable relationships with suppliers • Fair and transparent goods and services procurement process 	<ul style="list-style-type: none"> • Building cooperation with partners in procuring goods and services for the Bank's needs • Fair and compliant selection process of partners • Payment system as per work contract • Socialization of policy relating procurement procedure
Community: Social relations, social license & social responsibility as well as proximity with the company		
Strategic collaboration in BNI's social care	<ul style="list-style-type: none"> • Environmental impact and performance • Planning and executing social and environmental responsibility program • Opportunities to collaborate in social and environmental responsibility program • Information on corporate activities • Understanding of Sustainable Finance 	<ul style="list-style-type: none"> • Implementing Financial Inclusion and Literacy • Implementing social and environmental responsibility program through BNI Berbagi and BNI Go Green programs • Opening an internship or contract program for fresh graduate through BINA BNI Program • Providing job opportunities as needed
Media: Social relations, social license		
Press release, when needed, and quarterly media gathering	<ul style="list-style-type: none"> • Financial and non-financial performance • Environmental impact and performance • Planning and executing social and environmental responsibility programs • Opportunities to collaborate in social and environmental responsibility programs 	<ul style="list-style-type: none"> • Updating information on banking solutions or company performance that are disseminated via www.bni.co.id • Regularly fostering good relationships with media through media gathering, and editor-in-chief gathering • Disseminating press release materials on www.bni.co.id and online media



Verification by Independent Parties



Independent Assurance Statement

The 2024 Sustainability Report PT Bank Negara Indonesia (Persero) Tbk

Number	: 02/000-758/I/2025/SRAI
Assurance Type	: Type 1 and Type 2 for the specific topic of Green Portfolio Management, and Data Security and Cyber Security
Assurance Level	: Moderate
Reporting Standards	: GRI Universal Standard 2021 Consolidated, GRI Financial Services Sector Supplement, Sustainability Accounting Standard Board (SASB) Financial Sector Commercial Banking, Sustainability Banking Assessment (SUSBA), and ASEAN Corporate Governance Scorecard (ACGS) regarding Resilience Sustainability
Reporting Regulation	: Otoritas Jasa Keuangan Regulation (POJK) Number 51/POJK.03/2017 (Indonesia) and SEOJK No. 16/SEOJK.04/2021

Dear stakeholders,

PT Sejahtera Rambah Asia or “SRAI” is issuing an **Independent Assurance Statement** (“the Statement”) of the **2024 Sustainability Report** (“the Report”) of **PT Bank Negara Indonesia (Persero) Tbk** (“the Bank”). The Bank is public legal entity that manages social security programs for Indonesian workers. The Report presents the commitment and efforts of the Bank in managing its sustainability performance for the reporting period of **January 1st to December 31st, 2024**. As agreed with Management, SRAI’s responsibility is to make an assessment based on the data and content of the Report for the year.

Intended User and Purpose

The purpose of the Statement is to present our opinion including the findings and recommendations based on the results of assurance work to the Bank’s stakeholders. The assurator team in accordance with specific procedures and a specific scope of work carried out the assessment. Except for the areas covered in the scope of the assurance, we encourage all NOT to solely interpret the Statement as the basis to conclude the Bank’s overall sustainability performance.

Responsibilities

Our obligations to the Management involve assessing the Report’s content, generating findings, and recommendations, and issuing a Statement. Additionally, we are tasked with establishing conclusions and recommendations according to agreed-upon standards, methods, and approaches. Consequently, SRAI’s evaluation is solely based on the most recent editorial and data received as of January 31st, 2025, regarding the final draft. SRAI’s responsibility lies solely in providing assurance work, distinct from an audit, in accordance with the Non-Disclosure Agreement, the Assurance Engagement Agreement, Representation Letter, and Subsequent Event Testing. Management bears the sole responsibility for presenting data, information, and disclosures within the Report. Therefore, any parties relying on the Report and Statement must assume and manage their own risk.

Independence, Impartiality, and Competency

SRAI confirms NO relationships between the assurator team and the clients that can influence their independence and impartiality to conduct the assessment and generate the Statements. The assurator team is mandated to follow a particular assurance protocol and professional ethical code of conduct to ensure their objectivity and integrity. We carried out a pre-engagement assessment before the

SRAI Independent Assurance Statement, version 2025, page 1 of 4

assurance work was taken to verify the risks of engagement as well as the independence and impartiality of the team. The assessor team members have knowledge of ISO 26000, AA1000 AccountAbility standards and principles, and also have experience in sustainability report assessment based on various reporting regulations such as Regulation of Otoritas Jasa Keuangan No.51/POJK.03/2017 on Sustainable Finance, GRI Universal Standard, GRI G4 Financial Disclosure, Sustainability Accounting Standard Board (Commercial Banking), Sustainable Banking Assessment (SUSBA) World Wide Fund for Nature (WWF), and ASEAN Corporate Governance Scorecard (ACGS) regarding Resilience Sustainability.

Type and Level of Assurance Service

1. **Type 1 assurance** on the Report content
2. **Type 2 assurance** on **Green Portfolio Management, and Data Security and Cyber Security**.
3. **A moderate level of assurance** to the procedure on the Report content and evidence, where the risks of information and conclusions of the Report being error is reduced, but not to very low, but not zero.

Scope and Limitation of Assurance Service

1. Data and information in the Report for the period of **January 1st to December 31st, 2024**.
2. Material topics presented in the Report: **Data Security and Cyber Security, Economic Performance, Green Portfolio Management, and Climate Resilience**.
3. Evaluation of publicly disclosed information, system, and process of the Bank to ensure adherence of the Report content to the reporting principles.
4. SRAI does NOT include financial data, information, and figures in the Report content. We assumed that the Bank, independent parties, or other parties associated with the Bank have verified and/or audited financial statements, data, and information.
5. Adherence to the following reporting principles, standards, and regulations:
 - a) Regulation of Otoritas Jasa Keuangan (OJK) No.51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Service Institution, Listed, and Public Companies (POJK 51) with reference to OJK Circular Letter (SEOJK) 2022 No.16/SEOJK.04/2021
 - b) Consolidated set of GRI Sustainability Reporting Standards 2021 (GRI Universal Standards).
 - c) GRI G4 Financial Disclosure (GRI G4-FS) issued by the Global Reporting Initiative.
 - d) Sustainability Accounting Standard Board – Commercial Banks.
 - e) Sustainable Banking Assessment (SUSBA) World Wide Fund for Nature (WWF).
 - f) ASEAN Corporate Governance Scorecard (ACGS) regarding Resilience Sustainability.

Exclusion

1. The expression of opinion, belief, expectation, advertisement, and also forward-looking statements, including future planning of the Bank as specified in the Report content.
2. Analysis or assessment against regulations, principles, standards, guidelines, and indicators other than those indicated in the Statement.
3. Topics, data, and information outside the reporting period, or in the public domain not covered in the reporting period.
4. Financial performance data and information as presented in the Bank's financial statements and documents, other than those mentioned in the Report.

Methodology and Source Disclosure

1. Form an Assessor Team whose members are capable in sustainability report development and assurance.



2. Perform the pre-engagement phase to ensure the independence and impartiality of the Assuror Team.
3. Hold a kick-off meeting and initial analysis of the Report draft based on the SRAI Protocol on Assurance Analysis refers to the standards, principles, and indicators of AA1000AS v3, AA1000APS (2018), and standards/regulations used in the Report.
4. Discuss online the results of the analysis with the Management and data contributors.
5. Verify evidence and trace data and information as covered in the Report.
6. The Bank incorporated our recommendations in the draft Report and release the final Report content.
7. Prepare a Management Letter detailing all aspects seen, recorded, and observed during the assurance work to the Management of the Bank for further improvement of sustainability processes.

Adherence to AA1000AP (2018) and GRI Universal Standards

Inclusivity – The Bank has engaged stakeholders in its operational activities and decision-making. In terms of the frequency of engagement that has been disclosed, the Bank explains significant topics or issues of concern to stakeholders by communication with stakeholders, both internal and external. Activities carried out by the Bank in engaging with stakeholders include community empowerment, and reaching out to customers through a financial literacy program that is in line with the concept of sustainable finance, meetings with vendors, and providing programs to support employee welfare and health.

Materiality – The Bank has identified material topics well. In the determination process, the Bank conducts in-depth interviews and distributes questionnaires to stakeholders, internally and externally. To adjust the material topics to the issues of concern to stakeholders, an analysis of the results of the material topics was conducted.

Responsiveness – The grievance process received through the whistle blowing system has explained by the Bank. In the process of managing the whistle blowing system, the Bank's Internal Audit division works closely with independent external parties to increase confidence in the follow-up. For external stakeholders, several channels that serve as a medium of contact in the complaint process. Furthermore, the Bank also provided an explanation of the mechanism for incoming complaints and the stages of resolution. All incoming complaints are reported to the Board of Directors and Board of Commissioners on a regular basis.

Impact – In its implementation of sustainable finance, the Bank continues to expand its sustainability financing portfolio with a focus on green loans, Sustainability Linked Loan (SLL), and green bonds. The Bank strives to create a safe, comfortable, inclusive, and fair work environment, with the implementation of respectful working place in the Bank's operational. Furthermore, in supporting human empowerment, the Bank carries out various programs that support the potential of the community to develop and increase/create jobs for the community. Though the Bank received concern on the information and communication aspects of services and products, this has been addressed well.

Statement of Use: "In Accordance to the GRI Standards" – We evaluated the Report content in adherence to the GRI Universal Standards principles, disclosures, and requirements for reporting. The Bank has referred to the nine requirements: apply the reporting principles, report the disclosures in GRI 2: General Disclosures 2021, determine material topics, report the disclosures in GRI 3: Material Topics 2021, report disclosures from the GRI Topic Standards for each material topic, provide reasons

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for omission for disclosures and requirements that the organization cannot comply with, publish a GRI content index, provide a statement of use, and notify GRI.

GRI Standards Principles – As the assurance work was taken, the report content sufficiently indicates its adherence to the Reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability). The Management provided sufficient support during the assurance work by submitting evidence/documents as requested.

Type 2 Assurance – The Bank applies ESG aspects to the assessment process of accepting debtors by implementing RAC (Risk Acceptance Criteria) procedures carried out by the ERM division. The Bank also voluntarily carries out CRST (Climate Risk Stress Test) to identify financial risks related to climate in the short, medium, and long term. The implementation of various aspects of supervision carried out by the Bank CISO (Chief Information Security Officer) team is adequate good because it not only looks covers people, processes, and technology aspects but the CISO team carries out the principle of multilayer defense for prevention and improvement in customer data protection.

Recommendation

1. To identify the impact of community empowerment programs, the Bank can conduct a social impact assessment to see the implications of the programs provided to the community and as a measure of the next steps that can be taken by the Bank.
2. To improve supervision of information and communication services, the Bank can map vulnerable areas to facilitate mitigation and anticipation steps to be taken.
3. To improve the optimization of CRST results, the Bank can conduct a comprehensive CRST calculation for all sectors.
4. To keep pace with the movement of Artificial Intelligence (AI) technology, the Bank needs to carefully and quickly follow the development of AI with the aim of being able to consider risks and implement appropriate mitigation to be applied.
5. To strengthen Net Zero Emission efforts, the Bank needs to develop ambitious GHG emission reduction targets in support of NZE targets.

The assurance provider,

Jakarta, January 31st 2025



Lim Hendra
Assurance Director
PT Sejahtera Rambah Asia
(SRAI)





Responsibility Statement of the Board of Commissioners on the 2024 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk ^[2-14]

We the undersigned, the Board of Commissioners of PT Bank Negara Indonesia (Persero) Tbk hereby declare that we have reviewed and approved the 2024 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk and that all information in the 2024 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk is presented in its entirety, and that we take full responsibility for the accuracy of the content of this Sustainability Report.

This statement is hereby made in all truthfulness.

Jakarta, February 2025

Board of Commissioners

Pradjoto

President Commissioner/Independent Commissioner

Pahala Nugraha Mansury

Vice President Commissioner

Sigit Widyawan

Independent Commissioner

Asmawi Syam

Independent Commissioner

Septian Hario Seto

Independent Commissioner

Iman Sugema

Independent Commissioner

Erwin Rijanto Slamet

Independent Commissioner

Askolani

Commissioner

Mohamad Yusuf Permana

Commissioner

Fadlansyah Lubis

Commissioner

Robertus Billitea

Commissioner

Responsibility Statement of the Board of Directors on the 2024 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk [2-14]

We the undersigned, acting as the Board of Directors and Members of the ESG Sub-Committee of PT Bank Negara Indonesia (Persero) Tbk, hereby declare that we have reviewed and approved the 2024 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk. We confirm that all information in the 2024 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk is presented in its entirety and take full responsibility for the accuracy of the content of this Sustainability Report.

This statement is hereby made in all truthfulness.

Jakarta, February 2025

Board of Directors



Royke Tumilaar
President Director



Putrama Wahyu Setyawan
Vice President Director



Novita Widya Anggraini
Finance Director



Hussein Paolo Kartadjoemena
Digital & Integrated Transaction
Banking Director



I Made Sukajaya
Enterprise & Commercial Banking
Director



David Pirzada
Risk Management Director



Agung Prabowo
Wholesale & International Banking
Director



Ronny Venir
Network & Services Director



Munadi Herlambang
Institutional Banking Director*



Corina Leyla Karnalies
Retail Banking Director



Mucharom
Human Capital & Compliance
Director



Toto Prasetio
Technology & Operations Director

*) Not yet effective



Reference of POJK No. 51, Indexes of GRI Standards, SASB, SUSBA, ACGS

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GRI Standard

Statement of use	PT Bank Negara Indonesia (Persero) Tbk has reported in accordance with the GRI Standards for the period 1 January – 31 December 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	-

GRI Standards	Indicator	Disclosure	Page	Omission			GRI Sector Standard Ref.No
				Requirement(s) Omitted	Reason	Explanation	
General Disclosures							
GRI 2: General Disclosures 2021	2-1	Organization details	20				
	2-2	Entities included in the organization’s sustainability reporting	24				
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	2-6	Activities, value chain and other business relationships	20				
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	2-8	Wokers who are not employees	112				
	2-9	Governance structure and composition	133-135,140				
	2-10	Nomination and selection of the highest governance body	140				
	2-11	Chair of the highest governance body	140				
	2-12	Role of the highest governance body in overseeing the management of impacts	16-19, 25, 140				
	2-13	Delegation of responsibility for managing impacts	134				
	2-14	Role of the highest governance body in sustainability reporting	16-19, 134, 154-155				

GRI Standards	Indicator	Disclosure	Page	Omission			GRI Sector Standard Ref.No
				Requirement(s) Omitted	Reason	Explanation	
	2-15	Conflicts of interest	134, 140				
	2-16	Communication of critical concerns	134, 136-138, 143-145				
	2-17	Collective knowledge of the highest governance body	119-122				
	2-18	Evaluation of the performance of the highest governance body	140				
	2-19	Remuneration policy	140				
	2-20	Process to determine remuneration	140				
	2-21	Annual total compensation ratio		Confidentiality constraints	The company cannot disclose the data since it is confidential		
	2-22	Statement on sustainable development strategy	10-19				
	2-23	Policy commitments	14-15, 57, 69				
	2-24	Embedding policy commitments	14-15				
	2-25	Processes to remediate negative impacts	72-73, 136-138				
	2-26	Mechanisms for seeking advice and raising concerns	136-138				
	2-27	Compliance with laws and regulations	57, 132, 145				
	2-28	Membership associations	23-24				
	2-29	Approach to stakeholder engagement	147-149				
	2-30	Collective bargaining agreements	118				
Material Topic							
GRI 3: Material Topics	3-1	Process to determine material topics	26				
	3-2	List of material topics	27				
	3-3	Management of material topics	33, 39, 60				



GRI Standards	Indicator	Disclosure	Page	Omission			GRI Sector Standard Ref.No
				Requirement(s) Omitted	Reason	Explanation	
Material Topic: Economic Performance and Green Portfolio Management							
GRI 3: Material Topics	3-3	Management of material topics	33				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	34				
	201-2	Financial implications and other risks and opportunities due to climate change	39-43				
	201-3	Defined benefit plan obligations and other retirement plans	125				
	201-4	Financial assistance received from government	35				
Material Topic: Climate Resilience							
GRI 3: Material Topics	3-3	Management of material topics	39				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	82				
	302-2	Energy consumption outside of the organization	82				
	302-3	Energy intensity	82				
	302-4	Reduction of energy consumption	82				
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	83				
	305-2	Indirect (Scope 2) GHG emissions	83				
	305-3	Other indirect (Scope 3) GHG emissions	42, 83				
	305-4	GHG emissions intensity	83				
	305-5	Reduction of GHG emissions	82-83				
	305-6	Emissions of ozone-depleting substances (ODS)	83				
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	83				
Material Topic: Data Security and Cybersecurity							
GRI 3: Material Topics	3-3	Management of material topics	60				
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	62				

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				Requirement(s) Omitted	Reason	Explanation	
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GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	117, 124				
	202-2	Proportion of senior management hired from the local community	111				
Indirect Economic Impacts							
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	104-106				
	203-2	Significant indirect economic impacts	92-98				
Anti-corruption							
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	143-145				
	205-2	Communication and training about anti-corruption policies and procedures	144				
	205-3	Confirmed incidents of corruption and actions taken	145				
Anti-competitive Behavior							
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	57				
Tax							
GRI 207: Tax 2019	207-1	Approach to tax	35				
	207-2	Tax governance, control, and risk management	35				
	207-3	Stakeholder engagement and management of concerns related to tax	35				
Materials							
GRI 301: Materials 2016	301-1	Materials used by weight or volume		Not applicable	Not relevant for banking business		
	301-2	Recycled input materials used					
	301-3	Reclaimed products and their packaging materials					



GRI Standards	Indicator	Disclosure	Page	Omission			GRI Sector Standard Ref.No
				Requirement(s) Omitted	Reason	Explanation	
Water and Effluents							
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	85				
	303-2	Management of water discharge-related impacts	85				
	303-3	Water withdrawal	85				
	303-4	Water discharge	85				
	303-5	Water consumption	85				
Biodiversity							
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	86				
	304-2	Significant impacts of activities, products and services on biodiversity	86				
	304-3	Habitats protected or restored	86-87				
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	87-88				
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GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	79-80, 84-85				
	306-2	Management of significant waste-related impacts	79-80, 84-85				
	306-3	Waste generation	84				
	306-4	Waste diverted from disposal	80, 84-85				
	306-5	Waste directed to disposal	84				
Supplier Environmental Assessment							
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	107				
	308-2	Negative environmental impacts in the supply chain and actions taken	107				

GRI Standards	Indicator	Disclosure	Page	Omission			GRI Sector Standard Ref.No
				Requirement(s) Omitted	Reason	Explanation	
Employment							
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	113-115				
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	124				
	401-3	Parental leave	117, 124				
Labor/Management Relations							
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes		Confidentiality constraints	Information is confidential		
Occupational Health & Safety							
GRI 403: Occupational Health & Safety 2018	403-1	Occupational health and safety management system	128				
	403-2	Hazard identification, risk assessment and incident investigation	128				
	403-3	Occupational health services	128				
	403-4	Worker participation, consultation, and communication on occupational health and safety	128				
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FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Not applicable
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Asean Corporate Governance Scorecard (ACGS)

Level 1

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B.1.3	Does the company adopt an internationally recognized reporting framework or standard for sustainability (i.e. GRI, Integrated Reporting, SASB, IFRS Sustainability Disclosure Standards)?	24
	If a company publicly sets a sustainability-related goal or target, the disclosure framework should provide that reliable metrics are regularly disclosed in an easily accessible form	
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B.2.1	Does the company engage internal stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	26, 147-149
B.2.2	Does the company engage external stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	26, 147-149

No.	Principles and Recommendations	Page
B.3	The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks	
	Boards should assess whether the company's capital structure is compatible with its strategic goals and its associated risk appetite to ensure it is resilient to different scenarios	
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B.5.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	72-73
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(B) B.1.4	Does the company have a unit / division / committee who is specifically responsible to manage the sustainability matters?	134-135
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Green Bond Report

June 2024



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01 | Introduction

As one of the Banks who are the driving force of Sustainable Finance implementation in Indonesia, PT Bank Negara Indonesia (Persero) Tbk or BNI continuously drives all BNI employees to stay in the forefront of sustainable finance implementation. BNI believes that its actions are in line with and support sustainable development, in addition to improving BNI's resilience and competitiveness.

BNI's commitment to sustainability is marked with the implementation of sustainable values as the Company's values, attitudes, and work cultures, as well as the Company's strategies, operating policies, systems, and procedures. BNI is involved firsthand in the establishment of Indonesia's Sustainable Finance Initiatives (Inisiatif Keuangan Berkelanjutan Indonesia, "IKBI") to support and improve the implementation of sustainable finance in Indonesia. Furthermore, BNI also continuously fosters partnership opportunities with various parties, to unite our energy to sustain the earth and its entire habitants.

The Financial Services Authority (Otoritas Jasa Keuangan, "OJK") has issued the Sustainable Finance Roadmap for Phase I (2015-2019) and Phase II (2021-2025), with the purpose of improving awareness and increasing the capacity of the financial service sector to operate in an environmentally friendly manner. The sustainable finance initiatives developed in the Phase II Roadmap by the Financial Services Authority (OJK) will integrate seven main components in a single ecosystem, consisting of policies, products, market infrastructures, inter-ministerial/institutional coordination, non-governmental support, human resources, and awareness. BNI will extend its contribution in product development and market infrastructures.

As the embodiments of BNI's tangible role commitments to support green financing, BNI issued Rupiah denominated Green Bonds in the amount of IDR5 trillion in June 2022





02 | Green Bond Framework & Issue

A. Green Bond Framework

Prior to the Green Bond Issue in June 2022, BNI has developed a Green Bond Framework and engaged Sustainalytics to issue a Second-Party Opinion (SPO). BNI has aligned the Green Bond Framework with the Provisions of the Financial Services Authority Regulation (Peraturan OJK, "POJK") No. 60/POJK.04/2017 concerning Issuance and Requirements of Green Debt Securities, Green Bond Principles 2021 (GPB) issued by the International Capital Market Association (ICMA) and the ASEAN Green Bond Standards 2018. The summary of BNI's Green Bond Framework is presented below:

Use of Proceeds

Proceeds from the Green Bond shall be used specifically to finance or re-finance assets that are directly related with "Eligible Green Projects" in compliance with the Green Bond Principles.

Eligible Green Projects must meet at least one of the following categories:

1. Renewable Energy
2. Energy Efficiency
3. Waste to Energy and Waste Management
4. Sustainable Natural Resources and Land Use
5. Terrestrial and Aquatic Biodiversity Conservation
6. Sustainable Transportation
7. Sustainable Water and Wastewater Management
8. Climate Change Adaptation
9. Green Buildings
10. Sustainable Agriculture

Project Selection & Evaluation Process

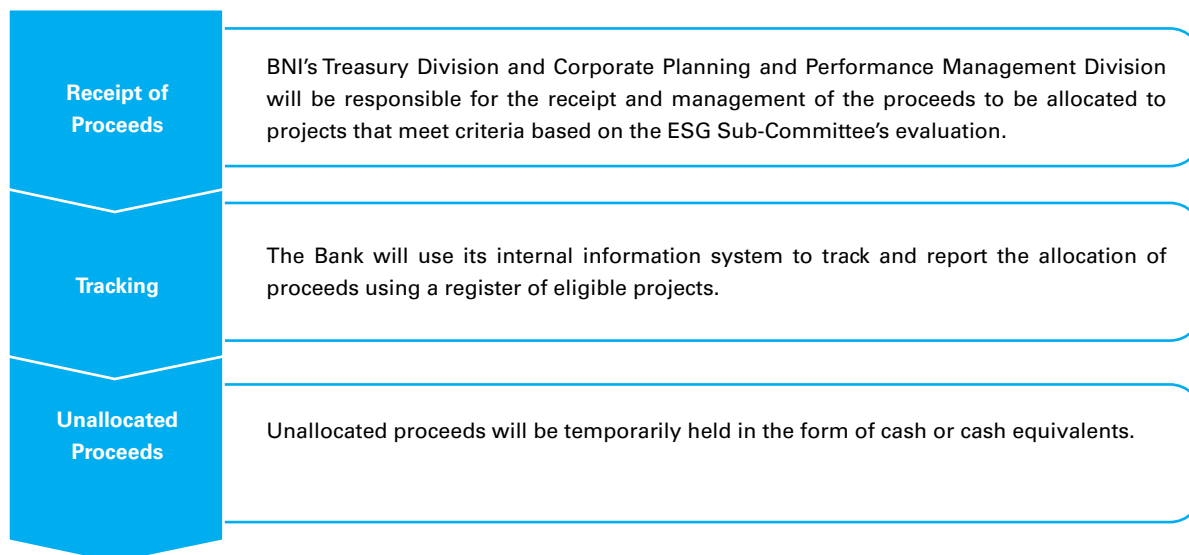
BNI has established the ESG Sub-Committee that is responsible for evaluating and selecting projects that meet the criteria of Green Bond Framework

Debtors are required to meet the requirements as BNI's debtors, as determined by the business unit and in accordance with the credit risk evaluation conducted by the risk unit.

Debtors meet the Risk Acceptance Criteria (RAC) based on the evaluation of the Bank's Risk Management.

02 | Green Bond Framework & Issue

B. Management of Use of Proceeds



C. Reporting

Allocation Reporting

BNI will issue a Green Bond Report on an annual basis, beginning at no later than the date that falls one year after the proceeds from the first issuance are received by BNI, in order to provide transparency to investors and regulations in relation to the implementation of the Framework.

Impact Reporting

BNI shall issue the environmental and/or social impacts of eligible assets financed by the issued Green Bonds. Whereas the quantitative positive impact indicators in BNI's Green Bond Report cover the following indicators:



02 | Green Bond Framework & Issue

1.	Renewable Energy	<ul style="list-style-type: none"> Estimated renewable energy generation per year in MWh/GWh (electricity) and GJ/TJ (other energies) Estimated annual green gas emission reduced/prevented in tonnes of CO₂ equivalent
2.	Sustainable Transportation	<ul style="list-style-type: none"> Estimated annual green gas emission reduced/prevented in tonnes of CO₂ equivalent Number of green vehicles launched Estimated kilometers of new/improved railway/special lanes for Bus, BRT, LRT corridors, and bike lanes
3.	Green Buildings	<ul style="list-style-type: none"> Percentage of energy use reduced/avoided vs initial data/local building codes Estimated annual green house gases reduced/avoided vs local initial data/local initial certification level Certification level per property
4.	Waste to Energy and Waste Management	<ul style="list-style-type: none"> Estimated tonnes of waste redirected or recycled
5.	Sustainable Natural Resources and Land Use	<ul style="list-style-type: none"> Estimated total hectares protected and/or certified Estimated total trees planted in FSC/PEFC certified reforestation projects

D. Issue

On June 21, 2022, BNI issued green bonds with a total principal of IDR5 trillion. The debt securities are divided into 2 series, i.e., A Series, with a total principal value of IDR4 trillion and a term of 3 years, and B Series with a total principal value of IDR1 trillion and a term of 3 years.

The aforementioned transaction represents a number of milestones for BNI, namely:

- The First Green Bond Issue by Banks in Indonesia
- BNI's Green Bond attracted investors during the bookbuilding, where the bonds were oversubscribed by 3.1 times

02 | Green Bond Framework & Issue

Deal Summary	
Instrument	: Domestic Corporate Green Bonds that meet the Provisions of POJK 60/2017 concerning Green Bonds
Total Issue	: IDR5,000,000,000,000 (Five Trillion Rupiah)
	A Series 3-year Term 6.35% in the amount of IDR4 Trillion
	B Series 5-year Term 6.85% in the amount of IDR1 Trillion
	Average term of 3.4 years and Coupon of 6.45%
Rating	: idAAA (PEFINDO)
Maturity Date	: A Series : June 21, 2025
	B Series : June 21, 2027
Settlement Date	: June 21, 2022
Penggunaan Hasil	: Business expansion, refinancing, and reprofiling fundings with due considerations to the provisions of POJK 60/2017 (minimum 70% financing for Green Business Activities)
Listing	: PT Bursa Efek Indonesia
Final Orderbook	: IDR15,300,000,000,000
Oversubscription rate	: 3.1x

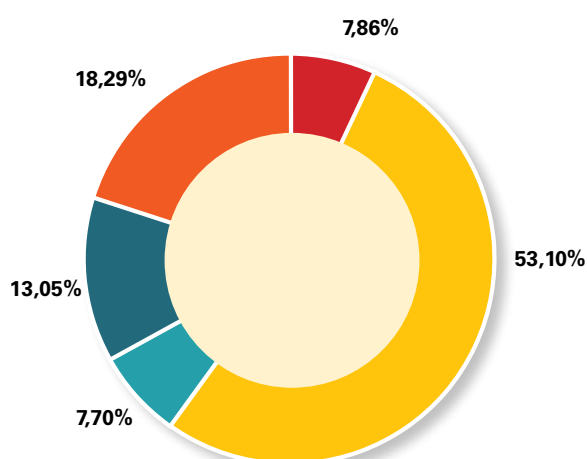


03 | Allocation of Proceeds

As of December 2022, BNI has allocated 87.26% of proceeds from BNI 2022 Green Bonds. The details of such allocation are presented below:

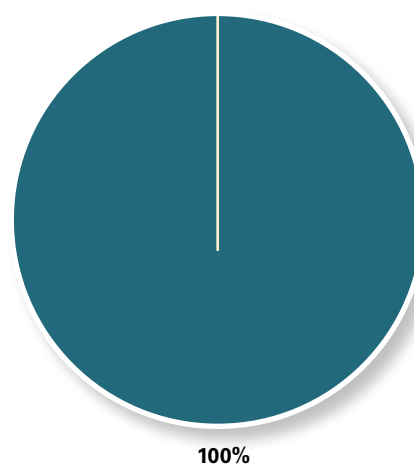
Eligible Categoryz	Financed/ Refinanced	Amount Allocated	Allocation of Proceeds
Renewable Energy	Refinanced	IDR343 Billion	7,86%
Sustainable Transportation	Refinanced	IDR2,317 Billion	53,10%
Green Buildings	Refinanced	IDR336 Billion	7,70%
Waste to Energy and Waste Management	Refinanced	IDR569 Billion	13,05%
Sustainable Natural Resources and Land Use	Refinanced	IDR798 Billion	18,29%
Total		IDR4,363 Billion	100%

Allocation Portion



- Renewable Energy
- Sustainable Transportation
- Green Buildings
- Waste to Energy and Waste Management
- Sustainable Natural Resources and Land Use

Financed vs Refinance



- Refinanced

03 | Allocation of Proceeds

BNI has allocated 100% of the proceeds from Green Bonds to 10 Green Business Activities (*Kegiatan Usaha Berwawasan Lingkungan*, "KUBL") categories in accordance with the provisions of Financial Services Authority (OJK) Regulation Number 60/POJK.04/2017 concerning Issuance and Requirement of Green Debt Securities (Green Bond). The aforementioned provisions also set out the minimum allocation of proceeds from Green Bonds to financing under KUBL categories at 70% of the issued bond value, therefore, BNI has complied with the requirements concerning allocation of proceeds from Green Bonds. The allocation in accordance with the Green Bond Framework amounted to 87.67%, where 7.86% was allocated to Renewable Energy, 53.10% to Green Transportation, 7.70% to Green Buildings, 13.05% to Waste to Energy and Waste Management, and 18.29% to Sustainable Natural Resources and Land Use from the categories available in the Green Bond Framework. The remaining proceeds were allocated to other KUBL categories.



04 | Impact Reporting



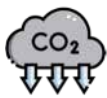
Renewable Energy

The allocation of proceeds from Green Bonds to the Renewable Energy category was made for Solar Power Plants (SPP), Mini-Hydro Power Plants (PLTMH), and Biogas Power Plants (PLTBG). These projects are able to provide direct contributions to the provision of access to clean and affordable energy and the improvement of proportion of renewable energy mix as well as the reduction of GHG emission.

Solar Power Plants (SPP)

Solar Power Plants are power plants that utilize potential energy from photovoltaic solar panels that are able to convert solar power to electricity, which can therefore be used to meet the needs for electricity. SPP to network projects available are located in Geranting Island, Akar Island, Jaga Island, Nuja Island, Pulang Panjang and Pulang Sebung in the Riau Islands (6 SPPs) and these SPPs have a total capacity of 0.78 MW that are capable to generate and distribute electricity directly.

Environmental Impact



1,394 (tCO₂eq/year)
Avoided GHG Emission per year



1,426 MWh
Energy produced per year

Other Impacts



600 Heads of Households
Access to clean and affordable energy



24 People
Total employees receiving training on project operation



30 People
Total local people employed

Alignment with SDGs :



04 | Impact Reporting



Renewable Energy

Mini-Hydro Power Plant (MHPP)

Mini-Hydro Power Plants (MHPP) are power plants that utilize the potential energy from the watershed area of Cikaengan river, Pandeuy Village, Pandeuy District, Garut Regency. Cikaengan MHPP has a capacity of 3 x 1.7 MW (5.1 MW) and is able to electrify households and increase the percentage of new renewable energy (NRE) mix in the area.

Environmental Impact



26,686 (tCO₂eq/year)
Avoided GHG Emission per year



25,415 MWh
Energy produced per year

Other Impacts



2 Districts
Karangnunggal and Singaparna Districts gained access to renewable energy



25 People
Total employees receiving training on project operation



30 People
Total local people employed



04 | Impact Reporting



Renewable Energy

Biogas Power Plant (PLTBG)

Biogas power plants are power plants that utilize palm oil waste from RSPO/ISPO-certified plantations and cassava waste from tapioca flour processing. The Biogas Power Plants are situated in several locations, namely:

Biogas Power Plant	Energy Capacity (MW)
Biogas Power Plants - Nanga Bulik, Lamandau District, Central Kalimantan Province	1.5
Biogas Power Plants - Pisau Island, Central Kalimantan	1.5
Biogas Power Plants - Sei Rampah, North Sumatra Province	1.0
Biogas Power Plants - Nabung Timur, Rumbia, Lampung Province	1.0
Biogas Power Plants - Setia Bumi, Seputih Banyak, Lampung Province	1.0
Biogas Power Plants - Sukaraja Nuban, Lampung Timur Regency, Lampung Province	1.0
Biogas Power Plants - Tulung Buyut, Lampung Province	2.0

Environmental Impact



21,275 (tCO₂eq/year)
Avoided GHG Emission per year



22,106 MWh
Energy produced per year

Other Impacts



7 Manufacturing
Total Manufacturing that obtained access to renewable energy



30 People
Total employees receiving training on project operation



30 People
Total local people employed

04 | Impact Reporting



Sustainable Transportation

The Jabodebek Light Rail Transit (LRT) project is an electric-powered single track train system project connecting Jakarta with its surrounding cities, such as Bogor, Depok, and Bekasi. The rail-based transportation project will be integrated with the existing transportation modes (Transjakarta buses, commuter lines, bus terminals, park and ride facilities, and the airport) at several stations. The Jabodebek LRT infrastructure project has a total railway length of 43 KM and is targeted to serve a total of 25,550,000 passengers/year based on the projection of total passengers of Jabodebek LRT in the 2024 Jabodebek LRT Feasibility Study Final Review Report.

Environmental Impact



55,414 (tCO₂eq/year)
Avoided GHG Emission per year



791,630 Gj
Energy saving per year

Other Impacts



2,295 People
Total employees employed



39 People
Total employees receiving training on project operation

Alignment with SDGs :





04 | Impact Reporting



Green Buildings

The allocation to Green Building category is made to Building construction projects that meet the Gold standards according to Greenship or higher, which are developed by the Green Building Council Indonesia (GBC Indonesia) or other nationally or internationally recognized standards or environmental performance certification, which consists of six categories, namely, appropriate site development, energy efficiency and conservation, water conservation, material resources & cycle, air quality and comfort, and building and environmental management.

The green building is located in Depok City, with 5 floors that function as a shopping center as well as open green-space with a total area of 14,133 m². The building has obtained the Green Mark certificate from BCA (Building and Construction Authority) with Platinum rating in 2023.

Environmental Impact



10.691 (tCO₂eq/year)
Avoided GHG Emission per year



Certificate
Platinum Level

Other Impacts



3 People
Total local people employed



10 People
Total employees receiving training on project operation

Alignment with SDGs :



04 | Impact Reporting



Waste to Energy and Waste Management

The allocation of Green Bond Proceeds to the Waste to Energy and Waste Management category is made waste processing projects, including recycling to secondary raw material processes and anaerobic composting to organic fertilizer projects. These projects are able to contribute to the achievement of sustainable targets in the form of sustainable use and management of natural resources, responsible chemical and waste management, and are able to substantially reduce waste generation in accordance with SDG 12 and reduce GHG emission in accordance with SDG 13.

Presented below are the Waste to Energy and Waste Management projects:

- Project to manage plastic waste to be recycled into plastic goods
- Projects to process aluminum scraps to be recycled into aluminum mix ingots.
- Project to process paper waste to be recycled into brown paper.
- Project to process metal ash waste to be recycled into secondary raw material in the form of Zinc Oxide.
- Project to process garden waste and/or organic waste to be recycled into organic fertilizers.

Environmental Impact



879,766 (tCO₂eq/year)
Avoided GHG Emission per year



1,642,473 (Tonnes/year)
Total waste recycled

Other Impacts



815 People
Total local people employed



255 People
Total employees receiving training on project operation

Alignment with SDGs :





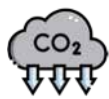
04 | Impact Reporting



Sustainable Natural Resources and Land Use

The Sustainable Natural Resources and Land Use category is applied to forest concession projects with an FSC-certified sustainable management plan, located in Nabire, Central Papua Province, and Kaimana, West Papua Province. This project protects and maintains tree species that are capable of capturing and storing carbon dioxide.

Environmental Impact



446.757 (tCO₂eq/year)
Avoided GHG Emission per year



28.955 (Trees)
Total trees planted in reforestation projects



314.387 (Ha)
Total hectares protected and/or certified

Other Impacts



12 People
Total local people employed

Alignment with SDGs :





LAPORAN REVIU AHLI LINGKUNGAN

Review Report by Environmental Expert

SDGs Hub Universitas Indonesia, selaku Ahli Lingkungan dipilih untuk melakukan reviu Laporan Obligasi Berwawasan Lingkungan Berkelanjutan BNI Tahun 2024 (*Green Bond Report*) dengan disertakan beberapa data pendukung terkait penerbitan Obligasi Berwawasan Lingkungan Berkelanjutan BNI tahun 2022 (*Green Bond 2022*) berikut kerangka kebijakan *Green Bond* tersebut. Ahli Lingkungan memiliki kompetensi pengalaman dan berijazah yang relevan dalam kegiatan berwawasan lingkungan dan Pembangunan berkelanjutan (Lampiran I).

Tanggung Jawab Manajemen BNI

Tanggung jawab manajemen BNI atas penyusunan dan penyajian *Green Bond Report 2024* tersebut sesuai dengan *Green Bond Framework* Bank BNI dan POJK No. 60 Tahun 2017.

Tanggung Jawab Ahli Lingkungan

Tanggung jawab Ahli Lingkungan adalah untuk melakukan reviu *Green Bond Report* dan beberapa dokumen pendukung lainnya sesuai ketentuan POJK No. 60 Tahun 2017. Reviu yang kami lakukan mencakup kesesuaian implementasi pemilihan proyek Kegiatan Usaha Berwawasan Lingkungan ("KUBL") sebagaimana tertera di dalam *Green Bond Framework* dan pada POJK 60 Tahun 2017. Meski telah terbit POJK No. 18 tahun 2023 pengganti POJK 60 Tahun 2017 tetapi Emiten yang telah melakukan penerbitan Efek Bersifat Utang Berwawasan Lingkungan sebelum POJK 18 Tahun 2023 ini berlaku, tetap mengikuti ketentuan sebagaimana diatur dalam POJK No. 60/POJK.04/2017 tentang Penerbitan dan Persyaratan Efek Bersifat Utang Berwawasan Lingkungan (*Green Bond*). Penyaluran dana hasil penerbitan *Green Bond 2022* ke proyek KUBL terpilih, sesuai *Green Bond Framework*. BNI telah melakukan penyaluran 100% atas dana penerbitan *Green Bond 2022* berdasarkan POJK No. 60/2017. Adapun penyaluran yang sesuai dengan BNI *Green Bond Framework* adalah sebesar 87,26%. Ahli Lingkungan melakukan reviu terhadap dampak lingkungan yang tertuang dalam *Green Bond Report 2024* dan menyesuaikan dengan data yang tersedia.

SDGs Hub Universitas Indonesia, as the Environmental Expert chosen to review the 2024 BNI Sustainable Environmentally Friendly Bonds Report (Green Bond Report) which includes several supporting data related to the issuance of BNI's 2022 Sustainable Environmentally Friendly Bonds (Green Bond 2022) and the Green Bond policy framework. Environmental Experts have relevant experience and certificate competencies in environmentally friendly and sustainable development activities (Appendix I).

Management Responsibilities

BNI management's responsibility for the preparation and presentation of the 2024 Green Bond Report is in accordance with BNI's Green Bond Framework and Financial Services Authority Regulation (POJK) No. 60 of 2017.

Responsibilities of Environmental Experts

The Environmental Expert's responsibility is to review the Green Bond Report and several other supporting documents following the provisions of POJK No. 60 of 2017. The review we carried out included the suitability of the implementation of the selection of Environmentally Friendly Business Activities ("KUBL") projects as stated in the Green Bond Framework and in POJK 60 of 2017. Even though POJK No. 18 of 2023 replaces POJK 60 of 2017, Issuers who have issued Environmentally Friendly Debt Securities before POJK 18 of 2023 comes into force still follow the provisions as regulated in POJK No. 60/POJK.04/2017 concerning Issuance and Requirements for Environmentally Friendly Debt Securities (Green Bond). Funds will be distributed from the issuance of Green Bond 20 to selected KUBL projects, following the Green Bond Framework. Funds from the 2022 Green Bond issuance have been allocated 100%, as reported in the 2024 Green Bond Report, and there is no difference to the KUBL category in the framework for financed projects (5 of 11 from the proposed KUBL). Environmental Experts review the environmental impacts contained in the 2024 Green Bond Report and adjust them to the available data.



Hasil Reviu

Hasil reviu atas *Green Bond Report 2024* terhadap penyaluran alokasi kegiatan yang didanai oleh hasil penerbitan *Green Bond 2022* adalah sebagai berikut:

- 1) Pemilihan proyek pada sektor KUBL dalam penyaluran dana hasil penerbitan *Green Bond 2024* telah sesuai dengan *Green Bond Framework*, meskipun penamaan untuk satu KUBL produk yang dapat mengurangi penggunaan sumber daya dan menghasilkan lebih sedikit polusi digunakan penamaan sesuai proyek yaitu pengelolaan sampah menjadi Energi dan manajemen sampah.
- 2) Tidak ada perubahan realisasi alokasi dana hasil penerbitan *Green Bond 2022* untuk membiayai lima sektor KUBL yang telah disetujui. Lima sektor tersebut adalah energi terbarukan, transportasi ramah lingkungan, pengelolaan sumber daya alam dan penggunaan lahan yang berkelanjutan, produk yang dapat mengurangi penggunaan sumber daya dan menghasilkan lebih sedikit polusi (pengelolaan sampah menjadi energi dan manajemen sampah), dan gedung berwawasan lingkungan (halaman 7 dalam Laporan Tahunan).
- 3) Dana green bond ini dialokasikan 100% untuk kegiatan yang termasuk di dalam KUBL (POJK No. 60/2017). Adapun, sampai tahun kedua penyaluran yang sesuai dengan BNI Green Bond Framework adalah sebesar 87,26%, dengan rincian yaitu energi Terbarukan sebesar 7,86%, Transportasi Ramah Lingkungan sebesar 53,10%, Gedung Berwawasan Lingkungan sebesar 7,70%, Pengolahan Sampah menjadi Energi dan Manajemen Limbah sebesar 13,05% dan Penggunaan Sumber Daya Alam dan Penggunaan Tanah yang Berkelanjutan sebesar 18,29%.
- 4) Pelaporan dampak dari 5 KUBL yaitu:
 - a) Proyek energi terbarukan yang terdiri dari 1) energi sinar surya pada enam (6) Proyek Listrik Tenaga Surya (PLTS) dengan total kapasitas 0,78 MW dan dampak lingkungan sebesar 1.394 (tCO₂eq/tahun), energi yang dihasilkan 1.426 MWh, 600 Kepala Keluarga dapat mengakses energi bersih dan terjangkau, penduduk lokal yang diperkerjakan sebanyak 30 orang, dan 24 orang pekerja dari 30 orang penduduk lokal menerima pelatihan dengan pengoperasian proyek; 2) energi terbarukan dari satu (1) Pembangkit Listrik Tenaga Mini Hidro (PLTMH) dengan kapasitas 5,1 MW, memberikan dampak lingkungan sebesar 26.686 (tCO₂eq/tahun), energi yang dihasilkan 25.415 MWh pertahun, jumlah pekerja lokal sebanyak 30 orang dengan 25 orang pekerja yang mendapatkan pelatihan terkait pengoperasian proyek, dan dapat diakses oleh 2 kecamatan (Karangnunggal dan Singaparna); 3) Proyek Pembangkit Listrik Tenaga Biogas yang berlokasi di tujuh lokasi, dengan dampak lingkungan

Review Results

The results of the review of the 2024 Green Bond Report regarding the distribution of activity allocations funded by the proceeds of the 2022 Green Bond issuance are as follows:

- 1) *The selection of projects in the KUBL sector for the distribution of funds from the 2022 Green Bond issuance follows the Green Bond Framework, although the naming of one KUBL product that can reduce resource use and produce less pollution is used according to the project, namely waste management into Energy and management rubbish.*
- 2) *There is no change in the realization of the allocation of funds from the issuance of Green Bond 2022 to finance the five approved KUBL sectors. The five sectors are renewable energy, environmentally friendly transportation, natural resource management, and sustainable land use, products that can reduce resource use and produce less pollution (waste to energy and waste management), and environmentally friendly buildings (page 7 in the Annual Report).*
- 3) *These green bond funds are allocated 100% for activities included in KUBL (POJK No. 60/2017). Meanwhile, until the second year, distribution in accordance with the BNI Green Bond Framework was 87.26%, with details namely Renewable Energy at 7.86%, Environmentally Friendly Transportation at 53.10%, Environmentally Friendly Buildings at 7.70%, Waste Processing at Energy and Waste Management at 13.05% and Sustainable Use of Natural Resources and Land Use at 18.29%.*
- 4) *Reporting the impact of 5 KUBLs, namely:*
 - a) *Renewable energy project consisting of 1) solar energy in six (6) Solar Powered Electricity Projects (PLTS) with a total capacity of 0.78 MW and an environmental impact of 1,394 (tCO₂eq/year), the energy produced is 1,426 MWh, 600 Heads Families can access clean and affordable energy, 30 local residents are employed, and 24 workers out of 30 local residents receive training with project operations; 2) energy from one (1) Mini Hydro Power Plant (PLTMH) with a capacity of 5.1 MW, providing an environmental impact of 26,686 (tCO₂eq/year), the energy produced is 25,415 MWh per year, the number of local workers is 30 people with 25 people workers who receive training related to project operations, and can be accessed by 2 sub-districts (Karangnunggal and Singaparna); 3) Power Generation Project Biogas power located in seven locations, with an environmental impact of 21,275 (tCO₂eq/year), with energy produced annually of 22,106 MWh, 7 manufacturers have access to biogas, and the number of employees who can be employed is 30 people with all local workers receiving training related to operations project (for Impact Reporting details Page 9-15).*



sebesar 21.275 (tCO₂eq/tahun), dengan energi yang dihasilkan pertahun 22.106 MWh, 7 manufaktur memperoleh akses biogas, serta jumlah karyawan yang dapat diperkerjakan sebanyak 30 orang dengan seluruh pekerja lokal mendapat pelatihan terkait pengoperasian proyek (untuk detail Pelaporan Dampak Hal 9-15).

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| <p>b) Estimasi dampak lingkungan dari proyek Transportasi Ramah Lingkungan Light Rail Transit (LRT) yaitu 55.414 (tCO₂eq/tahun) emisi GRK yang terhindarkan pertahun dengan penghematan energi sebesar 791.630 GJ, yang memperkerjakan 2.295 orang karyawan dan sebanyak 39 orang pekerja yang menerima pelatihan berkaitan dengan pengoperasian.</p> <p>c) Estimasi dampak lingkungan dari KUBL Gedung Berwawasan Lingkungan yaitu terhindarnya 10.691 (tCO₂eq/tahun) emisi gas rumah kaca pertahunnya, dengan memperoleh sertifikat <i>Green Mark</i> dari Building and Construction Authority (BCA) dengan pencapaian Platinum.</p> <p>d) Estimasi dampak dari produk yang dapat mengurangi penggunaan sumber daya & menghasilkan lebih sedikit polusi (<i>Eco-efficient</i>) melalui proyek pengelolaan sampah menjadi energi dan manajemen sampah yaitu 879.766 (tCO₂eq/tahun) emisi gas rumah kaca yang dapat dihindari pertahun, 1.642.473 (Ton/tahun) total limbah yang didaur ulang, 815 orang masyarakat lokal yang perkerjakan, dan ini mengurangi dampak negatif terhadap lingkungan dan masyarakat setempat.</p> <p>e) Untuk sektor KUBL Penggunaan Sumber Daya Alam dan Penggunaan Tanah yang Berkelanjutan memberikan dampak lingkungan sebesar 446.757 (tCO₂eq/tahun) emisi gas rumah kaca yang dihindari per tahun, dengan menanam pohon sebanyak 28.955, 314.387 hektar lahan yang dilindungi dan bersertifikat. Dengan dampak lain memperkerjakan 12 orang lokal yang berada di Nabire (Provinsi Papua Tengah) dan Kaimana (Provinsi Papua Barat), jumlah yang belum banyak untuk masyarakat lokal dapat membantu melindungi lahan seluas 314.387 hektar.</p> | <p>b) <i>The estimated environmental impact of the Light Rail Transit (LRT) Environmentally Friendly Transportation project is 55,414 (tCO₂eq/year) avoided GHG emissions per year with energy savings of 791,630 GJ, which employs 2,295 employees and 39 workers who receive training related to the operation.</i></p> <p>c) <i>Estimated environmental impact of the Environmentally Friendly Building KUBL, namely avoiding 10,691 (tCO₂eq/year) greenhouse gas emissions per year, by obtaining a Green Mark certificate from the Building and Construction Authority (BCA) with Platinum achievement.</i></p> <p>d) <i>Estimated impact of products that can reduce resource use & produce less pollution (Eco-efficient) through waste to energy and waste management projects, namely 879,766 (tCO₂eq/year) greenhouse gas emissions that can be avoided per year, 1,642,473 (Tons/year) total waste recycled, 815 local people employed, and this reduces negative impacts on the environment and local communities.</i></p> <p>e) <i>For the KUBL sector, the use of natural resources and sustainable land use has an environmental impact of 446,757 (tCO₂eq/year) avoided greenhouse gas emissions per year by planting 28,955 trees, 314,387 hectares of protected and certified land, with other impacts, it employs 12 locals in Nabire (Central Papua Province) and Kaimana (West Papua Province). This amount, not much for local communities, can help protect 314,387 hectares of land.</i></p> |
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Berdasarkan capaian proyek-proyek dari lima (5) sektor KUBL tersebut juga membantu mendukung pencapaian SDGs Indonesia yaitu SDG 4, 7, 8, 11, 12, 13, dan 15.

Based on the achievements of the projects from the five (5) KUBL sectors, they also help support the achievement of Indonesia's SDGs, namely SDG 4, 7, 8, 11, 12, 13, and 15.

Indikator pada KUBL yang telah ditetapkan sebelumnya oleh BNI telah sesuai. Perhitungan dampak yang dilakukan telah konsisten dan sesuai dengan *best practice* yang ada. Dalam perhitungan dampak lingkungan, kesesuaian waktu sangat penting diperhatikan dengan berjalannya proyek pada tahun kedua (2024) (halaman 9-15 dalam Laporan Tahunan Green Bond 2024).

The indicators in the KUBL previously determined by BNI are appropriate. The impact calculations carried out have been consistent and in accordance with existing best practices. In calculating environmental impacts, it is very important to pay attention to appropriate timing with the project running in the second year (2024) (pages 9-15 in the 2024 Green Bond Annual Report).

Agar dapat diketahui lebih pasti dampak yang ditimbulkan, untuk berikutnya dapat digunakan area yang terdampak dan dampak relasionalnya.

In order to know more definitely the impact caused, the next can be the affected area and its relational impact.

Jakarta, 07 Juni 2024
Jakarta, June 07, 2024

SDGS HUB UI

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Feedback Sheet

PT Bank Negara Indonesia (Persero) Tbk publishes a Sustainability Report to provide an overview of sustainability performance and the implementation of sustainable finance to stakeholders. We welcome feedback, criticism and suggestions from you after reading this Sustainability Report.



Name (if preferred) :
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- ☐ Government/OJK
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Please select the answer that best describes the question below.

- | | Yes | No |
|---|-----|-----|
| 1. This report is easy to understand. | () | () |
| 2. This report is useful to you. | () | () |
| 3. This report has clearly explained the sustainability performance. This report has disclosed material topics relevant to the Company. | () | () |

Other suggestions for improving the information in this report

Thank you for your participation.

We would like to thank you for any feedback, suggestions, and input for the improvement and progress of this report in the coming year. The return of forms and other matters related to the Sustainability Report can be submitted to:

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2024 Sustainability Report

Strong Bonds, Great Impact



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