

## SUSTAINABILITY POLICY AND PROCEDURE

Sustainability Policy and Procedure as a part of Bank's commitment to implement sustainability principle, support sustainable development, climate action and mitigation, and transition toward low carbon economy by taking into consideration the good corporate governance, prudential banking principles, compliance and risk management which focus on non-credit activities. In addition, Sustainability Policy and Procedure aims to provide framework, clarity and transparency on sustainability risk management efficiently and effectively and also as an instrument to establish the key minimum sustainability requirements in managing sustainability risk.

Bank's approach to implement sustainable practice is guided by five key principles as follows:

1. Bank will aim to ensure that the management of its internal operations and employees is consistent with applicable Sustainability Policy requirements
2. Bank will not knowingly engage in business activities or with business relations that do not meet Sustainability Policy requirements
3. Bank will always strive to create a net positive impact on Bank's Business Relations and the community, and will adopt an inclusive approach to Bank's Business Relations and strive to positively influence their own sustainability performance and commitment
4. Bank will engage actively and openly with the stakeholders regarding proactive management of sustainability risk and identification of opportunities for sustainable development
5. Bank will take a proactive approach to integrating EES (Environmental, Economic and Social) risk assessments in central processes such as lending, investments, procurement, and managing operational impacts

Regarding non-credit sustainability risks management, Bank implements Non Credit Sustainability Due Diligence (SDD) which is mandatory to be carried out for Bank's business relations. Non credit business relation included in the scope of Sustainability Policy are: a) Bank's subsidiaries, b) Corporate Responsibility Program Partners and Grantees, c) Suppliers, vendors, merchants and outsourcing partners, d) Tie-up partners, e) Board of Commissioners (BOC), Sharia Supervisory Board (SSB), Board of Directors (BOD), and Independent Party as member of the Board of Commissioners (BOC) Committee, f) Non-individual funding customer, g) Bank's Employee.

Through this Sustainability Policy and Procedure, Bank also regulates the provisions of the sustainability reporting framework which aims to report related but not limited to, the progress of sustainability implementation achievements, economic, environmental and social impacts as well as provide transparency to stakeholders.