

Environmental, Social, and Governance (ESG) Policy on Financing for the Electricity Sector

Disclaimer

This document outlines the Environmental, Social, and Governance (ESG) Policy on Financing for the Electricity Sector of PT Bank Central Asia Tbk, as stipulated in Decree No. 041/SK/DIR/2026. The policy has been developed with due consideration to the Company's business processes and in alignment with applicable national regulations and guidelines. This policy reflects BCA's commitment to responsible financing and serves as a sectoral framework that provides a foundation for the Bank in extending financing to debtors within the electricity sector while taking ESG aspects into account. The implementation of this policy will be carried out in a gradual, effective, and efficient manner, in accordance with the availability of resources, specific needs, and the level of urgency of each aspect regulated in this policy.

Introduction and Scope

In conducting responsible business practices, PT Bank Central Asia Tbk (BCA) recognizes the importance of effectively integrating environmental, social, and governance (ESG) aspects into its responsible business practices. The electricity sector entails ESG-related risks, including greenhouse gas emissions, environmental pollution, and social impacts on surrounding communities. Therefore, BCA places importance on and encourages (prospective) debtors in the electricity sector to implement responsible business practices and contribute to the transition toward a low-carbon economy.

This policy applies to productive corporate lending, specifically for the financing of projects and infrastructure in the electricity sector, encompassing electricity generation activities, including renewable energy, electricity transmission and distribution activities, as well as electricity support activities.

Electricity Sector Financing Policy

In channelling financing to the electricity sector, BCA has established the following policies:

1. BCA requires (prospective) debtors to comply with the following criteria:

- Holding all documents required under applicable laws and government regulations relevant to the electricity sector, in accordance with the type of financing and the nature of their business activities.
- Comply with all legal and regulatory requirements (including Acts and Government Regulations) applicable to the type of financing and the nature of their business activities, particularly those related to environmental protection, occupational health and safety (OHS), labour practices, and corporate social responsibility.
- For (prospective) debtors subject to the Company Performance Rating Program in Environmental Management (PROPER) by the Ministry of Environment/Environmental Control Agency (KLH/BPLH), the results of the PROPER assessment must be disclosed to BCA. If the results of the PROPER assessment do

not meet the applicable environmental requirements, appropriate follow-up actions must be taken in accordance with prevailing regulations.

2. BCA encourages (prospective) debtors to implement sustainable practices in various aspects, including:

- Having clear policies, certifications, and/or management systems related to environmental management.
- Conducting operational activities with appropriate measures to preserve, protect, and manage the environment.
- Striving to improve the quality of other environmental aspects in line with the criteria outlined in the Indonesia Taxonomy for Sustainable Finance (TKBI) and relevant laws and regulations on electricity sector.
- Fulfilling workers' rights, including occupational health and safety (OHS), in accordance with applicable regulations.
- Respecting human rights and minimizing other social risks within its operational areas.
- Implementing proactive measures to reduce social risks in alignment with the criteria outlined in the TKBI, particularly those relevant to the electricity sector.
- Implementing Good Corporate Governance (GCG) practices.
- Minimizing the potential for incidents or events that could lead to ESG-related risks due to failure to comply with applicable laws and regulations.
- Conducting ESG impact assessments to ensure compliance with legal and regulatory requirements, and to effectively mitigate and address any identified ESG impacts.
- Establishing a clear and transparent grievance mechanism regarding ESG-related concerns and designed to be accessible to all stakeholders, both internal and external.

Monitoring and Evaluation

In implementing and monitoring aforementioned policy, BCA takes the following measures:

- Identifying the condition of (prospective) debtor in fulfilling the mandatory provisions in the policy.
- Encouraging (prospective) debtors to adopt sustainable business practices.

Closing

For further information regarding the Environmental, Social, and Governance (ESG) Policy on Financing for the Electricity Sector, please contact the Environmental Social & Governance (ESG) Subdivision via email at esg_group@bca.co.id.