



Uniting Energy

for Sustainability

2020

Sustainability Report



Uniting Energy for Sustainability

Sustainability has been an impetus for the prosperity of our nation and for the whole world. The sustainability initiative is an immense objective that cannot be realised by one or two parties alone. BNI, however, is committed to uniting energy together with stakeholders to achieve the Sustainable Development Goals/SDGs.

As one of the banks that is the driving force for the implementation of Sustainable Finance or better known as the “first movers on sustainable banking” in Indonesia, BNI also mobilises energy from all people of BNI to continue to be at the forefront of effecting sustainable finance. We believe that what we have been performing is inline with and support sustainable development, in addition to enhancing the resilience and competitiveness of BNI itself.

BNI’s commitment to sustainability is manifested by implementing sustainable finance as a patronage for values, attitudes and work culture, corporate strategy, operational policies, as well as the Company’s operational systems and procedures. Not to mention, we also continue to look for opportunities for cooperation with various parties; together with BNI, uniting energy for the sustainability of the earth and everything in it.

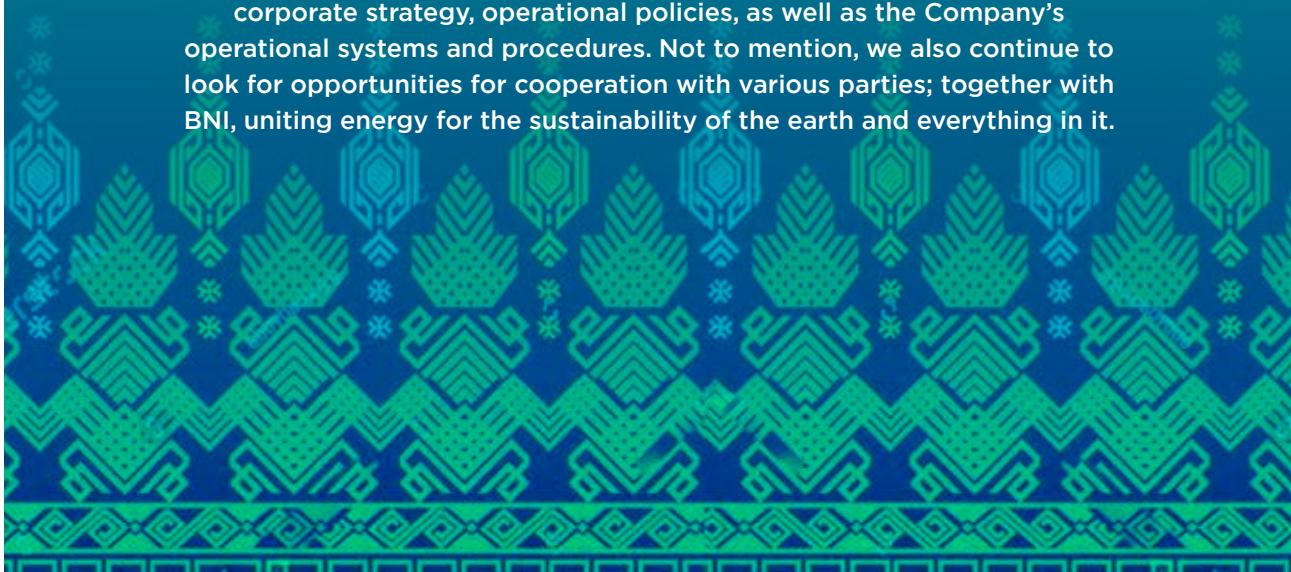


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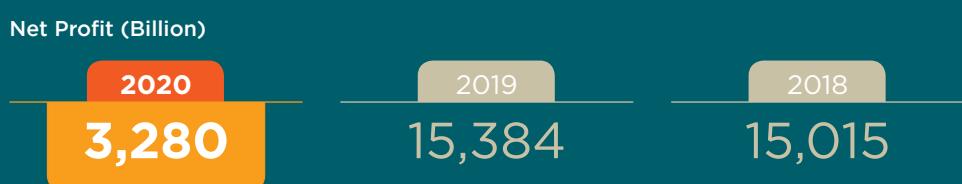
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Sustainability Overview

01

Economic Performance (OJK B.1)



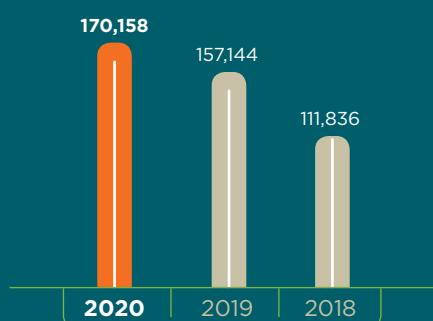
Nominal of Sustainable Products/Services (Billion)



The percentage of the total sustainable portfolio of business activities against the total portfolio



Number of Agents (inclusive financial)



A commitment to sustainability is a determining factor in the company's success in the long run.





02

Social Performance

[OJK B.3]



Assistance to curb COVID-19 transmission and its impacts are:

- a. Staple food assistance amounting to Rp33.71 billion in the form of 264,456 food packages for the affected families,
- b. Provision of 43 ambulances,
- c. Provision of healthcare equipment to tackle COVID-19 in the form of 18,500 PCR test, 10,500 rapid test, 74,334

sets of Personal Protective Equipment, 595,765 pieces of medical and non-medical masks, 10,000 pieces of medical gloves, 500 units of Thermogun, 1,720 boxes of vitamin supplements, 5 ventilator units, 1 freezer, 5 units of PCR detection equipment, 2 units of RNA extractors,

d. 5,804 sets of hand sanitizer and hand washer

	2020	2019	2018
Average training hour	73.67	75.30	378.47
Employment Engagement Level	95%	90%	88%
Number of development partners	1.155 partners	1.619 partners	1.800 partners
Target of PKBL	300 Billion	275 Billion	225 Billion

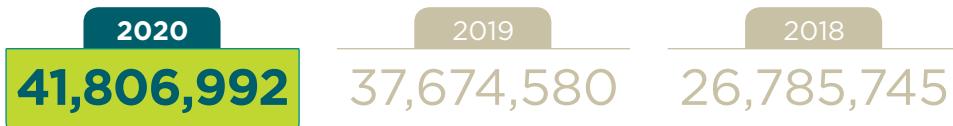
03

Environmental Performance

[OJK B.2]



Energy Use (KWh)



1,930.96 Billion Rupiah

“Let’s Save with Waste” Program

74 rhinos

Rhino Conservation program

10,000 Plants

Organic forest program: Planted 10,000 Manglid, Cinnamon, Kihiyang, Acacia, Banyan, and Mahogany trees.

Awards

Indonesia Green Concern Companies 2020
by SWA Magazine

Gold Rating: Asian Sustainability Report Rating/ASSRAT 2020
by NCSR (National Center for Sustainability Reporting)

Ranking BBB in the Realm of Economics, Social, and Environment
by MCSI (Morgan Stanley Capital International)

The Consequences of the Covid-19 Pandemic on BNI

The COVID-19 pandemic is the defining health crisis of our time both in Indonesia and the rest of the world. It has hampered all economic activities in the country and, in turn, contributed to BNI's weaker performance. For this reason, BNI has launched specific strategic initiatives to tackle the impacts of the pandemic on the economy, corporate governance, talents, and Corporate Social Responsibility (CSR). We are keeping tabs on the progress of the pandemic and observing its impacts on both the domestic and the global economy while preparing measured contingency plans.

POLICIES, STRATEGIES, AND CHALLENGES

BNI understands that the global outbreak is not ending anytime soon. Therefore, we have outlined the company's particular strategic policies as follows:

1. Confirming that our company will adapt to current events without overlooking the health and safety of our employees and customers.
2. Engaging in prudent business practices that are in line with national economic recovery programs.
3. Maintaining robust liquidity and boosting the sustainable growth of CASA.
4. Aiming attention at keeping assets' quality on track.

In order for the bank's performance to gain ground, BNI sought to reduce its cost of funds by collecting third-party funds (DPK) and prioritizing CASA. BNI also took tight measures to cut costs by improving the bank's efficiency in operating expenses.

We are also conscious of how the COVID-19 pandemic has exacerbated the burdens that our debtors bear. To that end, BNI has actively implemented restructuring schemes based on assessments of the profiles of debtors whose businesses have been affected by the outbreak. This measure pertains to OJK Regulation No. 11/POJK.03/2020 on the National Economic Stimulus as Countercyclical Policy on the Impact of the proliferation of Corona Virus Disease 2019 as amended by POJK no.48/POJK.03/2020. BNI provides stimulus to debtors who meet the requirements, in

As the COVID-19 pandemic persists, BNI is helping to boost the economy and serve society while keeping the health and safety of its employees and customers in mind.

the form of interest relief, postponement of principal instalments, and extension of time periods. BNI had restructured Rp139.6 trillion worth of loans which are equal to 25.3% of total credit. Segments of distressed debtors requesting loan restructuring were varied, ranging between small and medium-sized enterprises (SME), corporations, and individual customers. The schemes were expected to help debtors' businesses survive, if not thrive, during the outbreak.



ADAPTATIONS AND ADJUSTMENTS IN CORPORATE GOVERNANCE

In terms of coping with the pandemic, BNI proceeds to adjust itself to be an agile organisation; thus, it can adapt and continue to strive for the utmost performance, excellently. We have built a Crisis Management Team which is fully supervised by a squad of senior managers consisting of an Executive Management Team (EMT), a Business Continuity Coordinator (BCCo), a Support Team, a Critical Business Unit/Work Unit, and a Business Continuity Management (BCM) team with a coordinating function. The role of the Crisis Management Team includes the following:

1. Executive Management Team (EMT) Taking decisions based on reports of disaster detection and disaster impacts compiled by the Support Team and have been presented by the BCCo.
2. Business Continuity Coordinator (BCCo) Assuring the resumption of business activities by aligning the work unit and the support team.
3. Support Team

The team consists of specialists and may be activated by the disaster-mitigation-related CMT:



- a. Tech-focused specialist;
 - b. Talent-focused specialist;
 - c. Logistics-and-Security-focused specialist;
 - d. Finance-focused specialist;
 - e. Legal-focused specialist;
 - f. Network-and-Service-focused specialist;
 - g. Communication-Support-focused specialist;
 - h. Directors-Bureau-focused specialist (exclusively HQ's CMT);
 - i. Subsidiary-Management-Support-focused specialist (exclusively HQ's CMT).
Each support team is organized by the related Work Division/Work Unit
4. Critical Business Unit/Work Unit
- a. A designated unit which may provide a significant impact on the sustainability of BNI's businesses—referring to the result of Business Impact Analysis (BIA)—should disruption/disaster occur;

- b. The Critical Business Unit includes the main business support units which consist of those specializing in technology, talents, security, finance, logistics, communication, and services derived from the activation of the critical business.
5. The BCM with Coordinating Function
Synchronizing the Support Team and Critical Unit/Work Unit of the HQ's CMT in mitigating disaster/disruption as well as monitoring follow-up work.

The Crisis Management Team is expected to launch a speedy mitigation process and to anticipate future unforeseeable events.

CUSTOMER SECURITY AND SUPPORT

BNI provides digital services in support of all manners of customers. However, for those who are in need of going to the branch office, BNI complies with



It is high time for MSME to go digital during the pandemic due to the shifting purchasing trend towards online channels. Small businesses must connect with digital platforms/e-commerce to expand their reach to new markets

a rigorous health protocol as follows so as to protect its customers:

1. Providing masks and hand sanitizers and carry through body temperature checks.
2. Making sure of that the policy of maintaining distancing is well-implemented
3. Spraying disinfectants at our outlets and offices
4. Closing some outlets located in the centre of the pandemic in order to maintain the health and safety of our customers, as well as our employees. There are about 283 outlets or 14.45% of all outlets that we closed, temporarily.

CASHLESS TRANSACTIONS

People across the globe have been forced to adapt quickly to the social distancing measures brought about by the COVID-19 pandemic. Given the latest trend, digital banking has emerged as the safest option for our customers. BNI, moving toward digital

banking, saw the opportunity as an incentive to build up the system which provides various key features as follows:

1. Mobile Cash, which enables customers to withdraw money at any BNI ATM and ATM Link (BNI) without using a debit card.
2. BNI TapCash that is an electronic payment that can be used as payment method at merchants which cooperate with BNI. TapCash can also be topped up through BNI e-channel and various balance topup channels (retailer, e-commerce and e-wallet)
3. BNI Mobile Banking that enables customers to make transactions 24/7, without having to visit the BNI outlet, as all purchasing and payment features are available on a single application.
4. BNI Transactional Banking, which is an integrated digital solution, is for corporate and commercial customers that helps customers transact without distance and time limits.

In the reporting year, BNI recorded an increase in digital transactions by 5.3% compared to the previous year and the number of transactions grew by 7.9%.

BNI RELIES ON DIGITALIZATION TO HELP MSME BOUNCE BACK

Despite the challenges that the COVID-19 pandemic has imposed upon businesses, new trends and opportunities have emerged for entrepreneurs, including MSME, as shopping direction has moved toward e-commerce. As a response to the tendency, PT Bank Negara Indonesia (Persero) Tbk., or BNI, has promoted its digital banking ecosystem under the umbrella of BNI Smart Solution.

BNI has a comprehensive digitalization plan in store for MSME. As far as financing is concerned, BNI, in the first place, has kept on perfecting its end-to-end business processes through the improvement of its mobile app, BNI Move, which serves as a shortcut in the lending process. Moreover, BNI has not ceased to advance its supporting ecosystem through the likes of BNI smart-farming (digital agriculture), BNI smartfisheries (fishery), BNI smart-healthcare (healthcare), and BNI smart-education (education).

As for transactions, BNI has proceeded to upgrade the reliability of its digital tools and features such as Electronic Data Capture (EDC), QRIS, mobile banking, Tapcash and Tapcash Go, BNI MORE (mobile remittances), and BNI Direct (cash management) so as



to expedite transactions involving MSME. BNI has also developed an API (application programming interface) to reinforce its partnership with e-commerce, fintech, payment companies, startups, tech companies, and retail companies.

BNI has also enabled digital lending solutions for MSME through the e-Lo and SmartCA to sort out credit for MSME businessmen. Not only does the existence of the digital technology help the credit process be done in a paperless and quicker, but also it is in accordance with the principle of prudence.

BNI has distributed PEN (National Economic Program) funds in 2020 amounting to Rp28.29 trillion. From this figure, BNI has distributed credit to MSMEs amounting to Rp24.5 billion by considering that MSME actors are the most affected by the spread of COVID-19; thus, it is expected to provide a multiplier effect on the national economy.

BNI also presented the BNI MOVE app (a mobile innovation for the SME Ecosystem) to facilitate MSME to have more accessible financing. The app has helped customers avoid the need for going to BNI branch offices to make their proposals for Kredit Usaha Rakyat (KUR) or BNI Wirausaha (BWU) loans.

In addition, bearing in mind that MSME have been heavily affected by the COVID-19 pandemic, BNI is distributing credit to MSME up to a total amount of Rp25,039 billion for KUR and BWU products. This distribution is prioritized towards labor intensive sectors so as to have a strong multiplier effect on the national economy.



BNI proceeds to encourage its micro, small, and medium enterprises (MSMEs) to take advantage of the global market. To that end, the Company harnesses its overseas branch office network to accelerate the MSME business abroad

A package of strategies to help solidify MSME in the post-COVID-19 resurgence had been formulated. It is expected that these strategies will support the growth of MSME credit at a moderate level of around 9 – 10 percent by the end of 2020. Such moderate growth has been bolstered by the government through its fund placement in BNI as part of the National Economic Recovery (PEN) program.

MAINTAINING EXPORTS

While the COVID-19 pandemic has slowed down the economy, BNI has sought to urge on the growth in exports by making use of the global value chain of BNI's overseas branch network of correspondence and services available in various countries. BNI has also facilitated its export-oriented customers to maintain their businesses by using the BNI Trade Online (BTO) feature that has been integrated with our BNI webbased digital banking platform. The availability of BNI Trade Online provides flexibility to BNI customers in proposing for such instruments of Trade Finance as Letters of Credit (L/C), Domestic Letters of Credit (SKBDN), and Guarantees more straightforwardly.

BNI continues to encourage its MSME customers to seek benefit from the international market. Accordingly, the company has used its overseas network of branch offices in accelerating MSME's businesses elsewhere. At present, BNI has six overseas branch offices that are accessible for introducing MSME's products to the international market through cementing a partnership with the Indonesian diaspora, Embassy of the Republic of Indonesia, and global market players.

Some of BNI's development partners—one of whom originates from Central Java and produces paper bags and disposable clothes and has shipped them to France, the United States, and Australia—have found overseas market.

THE DIGITAL ECOSYSTEM HELPS ACCELERATE HANDLING OF COVID-19

The COVID-19 pandemic has changed people's way of living, including how transactions are carried out. To break the transmission of the coronavirus via banknotes, the government has called for its people to go cashless.

Besides issuing credit and debit cards, PT Bank Negara Indonesia (Persero) Tbk. (BNI) has rolled out TapCash as its electronic payment card. Users of BNI TapCash do not necessarily have to be the bank's customers.

The card can be acquired at retail stores partnering with BNI such as Alfamart, Indomaret, Circle K, as well as through e-Commerce from the likes of Shopee, Tokopedia, Bukalapak, Blibli, and Dinomarket. The card is also available in vending machines at some train stations. Up until October of 2020, BNI had issued almost 8 million TapCash cards throughout Indonesia.

TapCash can be used for public transport, toll road transactions, parking lots, tourist attractions, as well as minimarkets and for making payments to other BNI merchant partners. TapCash substitutes for cash and it has helped people pay more comfortably and securely.

PROTECTING THE HEALTH OF EMPLOYEES AND THEIR FAMILIES

We care about the health of our employees because they are BNI's vanguard in dynamically advancing its business. As such, we have put various policies and strategies into action so as to maintain their health and we also offer similar excellent service to our customers as follows:

1. Remote working (WFH) and rotational shiftwork.
2. Health protocols for employees.
3. Restrictions on travel and meetings.
4. Daily health monitoring for BNI employees and their families through our human resource information system.
5. Vitamins and food supply as well as exclusive transport for those returning to the office.
6. Rebooting the monitoring system for employee performance.
7. Hotline service for employees in need of support.
8. Making workplace counseling available.

BNI's board has paid regular visits to branch offices both to check out our workplaces as well as to offer their appreciation and encouragement to our vanguard of staff who have been hardworking, loyal, and have know-how in dealing with the customers.

COMMITMENT AND SUPPORT FOR PEOPLE

Not only has the COVID-19 pandemic presented an unprecedented challenge to public health, but it has also led to distressing economic consequences for society in general, notably during the imposition of Indonesia's mildest version of lockdown called largescale social restrictions (PSBB) in several

provinces due to a spike in confirmed COVID-19 cases. In the time of the social restrictions, more people lost their livelihoods and mobility was kept within strict bounds.

BNI launched a series of CSR initiatives in the campaign effort #BUMNPerangiCovid through a number of activities as follows:

1. Economic Mitigation

BNI took part in a social responsibility program by handing out staple foods to people in need. A total of 264,456 packages of food valuing Rp33.71 billion were distributed. Inside each package were rice, instant noodles, sugar, vegetable oil, etc. The aid was distributed during the Ramadan, and on Christmas day. It was also distributed to those who were heavily affected by the pandemic. This massive amount of aid packages was given out while following the obligatory social distancing measures.

2. Health Mitigation

BNI and six other state-owned enterprises (SOEs) and a Health Agency engaged in the mitigation effort to fight the COVID-19 pandemic by providing accommodation and transportation to medical personnel. It facilitated the mobility of the medical personnel to and from their workplaces in caring for people who contracted the virus.

The real impacts of the economic and health mitigation actions are as follows:

1. Helped speed up detection of the spread of the coronavirus among people in Indonesia
2. Helped alleviate people's economic burden by distributing food staples to those in need
3. Helped boost the stamina of both the employees in BNI and people in general by supplying vitamins to them.



COVID-19 MITIGATION

BNI made concrete the distribution of special aid during the Covid-19 pandemic through the BNI Berbagi initiative in the form of:

1. Medical devices: 5 Ventilators, 1 Freezer, 5 PCR equipments, and 2 RNA Extractors,
2. 74,334 pieces of PPE, 595,765 facemasks, 10,000 pairs of sterile surgical gloves, 500 Thermo Guns, 1,720 boxes of Vitamins, 5,804 bottles of Hand Sanitizers and Hand Washers,
3. COVID-19 testing: (i) Venues : Jakarta, Padang, Bukittinggi, Palembang, Bandung, Semarang, Solo, Yogyakarta, Sidoarjo, Bali, Balikpapan, dan Tangerang Selatan, (ii) Number of Tests : 18,500 PCR Testing and 10,500 Rapid Testing
4. Relief for Medical Personnel (Synergy of Stateowned Enterprises)

COLLABORATION WITH THE GOVERNMENT

The Indonesian government teamed up with banks to allocate social aid to people and this program included a Program Sembako or Food Assistance Program. Powered by the Ministry of Social Affairs, BNI made available 2,219 outlets and 40,027 agents to pay out Rp17.1 trillion worth of social aid to 7.9 million of beneficiary families in 123 cities and regencies. The social aid distribution was supported by BNI's Laku Pandai Agen46 agents.

Apart from the Program Sembako or Food Assistance Program, BNI also distributed the cash transfer program (BST)—a part of the Social Safety Nets Program—which totaled Rp548.2 billion to 134.1 thousand beneficiary families in 439 cities and regencies. We guaranteed that the social assistance from the government has been thoroughly and appropriately distributed to the recipients and it has helped people escape from extreme poverty.

CUSTOMER DAY DURING THE PANDEMIC

The COVID-19 pandemic had severely affected people. No one knows when the COVID-19 pandemic will end. We can only adjust ourselves to the “new normal” in our daily lives by adopting the compulsory health protocols, including new ways of serving customers.

During Customer Day, BNI's Board had virtual meetings with our customers. It was in the course of that particular moment that BNI's Managing Director, Royke Tumilaar, spoke directly to some of the participants and offered his appreciation to them for continuing to put their trust in the bank. He also enlightened them on BNI's digital banking services.

NATIONAL ECONOMIC RECOVERY PROGRAM (PEN)

The National Economic Recovery Program is a sequence of programs to fall off the impact of COVID-19 on the economy. The program includes the Placement of State Money in Commercial Banks (regulated in PMK 70/2020), the Interest Subsidy Program for Debtors affected by the spread of COVID-19 (regulated in PMK 65/2020), and the Credit Guarantee Program for Debtors affected by the spread of COVID-19 (regulated in PMK 71/2020).

In the State Money Placement program at Commercial Banks, BNI distributed credit to the real sector in the midst of the COVID-19 pandemic. With the Government placement funds received by BNI in the first phase of Rp5 trillion, BNI is committed to being able to leverage the funds thrice and to distribute them in the form of loans of Rp15 trillion. In the second stage, however, BNI received a total placement of government funds of Rp7.5 trillion with a loan disbursement plan of Rp22.54 trillion.

Considering that MSME actors are most affected by the spread of COVID-19, BNI will distribute credit to MSMEs. Lending to MSMEs is prioritized for labour intensive sectors so as to provide a multiplier effect on the national economy. To be able to encourage the real sector, BNI's MSME credit will primarily be channelled in the form of People's Business Loans (KUR) so that it can reach a wider level of society.

The productive sectors, such as agriculture, industry, services and trade are BNI's priority sectors. The realisation of credit disbursement as of December 30, 2020 has reached Rp28.29 trillion (150,858 debtors) with the achievement of the December target of 125.5%



Royke Tumilaar
President Director



Message from the President Directors

[GRI 102-14] [OJK D.1]



While we are in our best endeavours to pose mitigation acts towards the pandemic issue, we have not failed to remember BNI's commitment as "First Movers" in sustainable finance to continue working for the achievement of sustainability goals.



Dear valued stakeholders,

2020 has been a year filled with impediments for both business actors and all levels of society. With the lenience poured down to us by the Lord, however, we have been given the strength to surmount such hindrances, and have still been able to perform our work excellently, thereby giving birth to a variety of paramount accomplishments.

Since de novo of 2020, Indonesia—along with almost all nations in the entire world—has been confronted by the pandemic, COVID-19, which has diminished business activities, limited our mobility, and caused disturbances in multifarious aspects of people's lives. Just about all business sectors have experienced the down-turn: in tourism, mining, hotels, and even corporations to MSMEs, and so forth. The industrial world is now experiencing a disparity between keeping its employees fit and healthy and maintaining Company performance. Thus, the restrictions on people's activities have inevitably affected our economic standing. By the same token, the downturn in economic activity has provoked business actors to make efforts

to improve efficiency by reducing losses, including by laying off workers, which has had further impact on the economic face-off. This has had an impact on BNI's performance in the form of a go-slow in credit growth, an upturn in credit costs, an increase in credit restructuring, and a low profit margin.

In terms of confronting these challenging times, since the beginning of the pandemic outbreak, we have been distributing aid to all corners of the country in order to alleviate the burden on the people affected by COVID-19. A succession of BNI activities were carried out as part of the #BUMNPerangiCOVID campaign.

From the internal perspective, we are planning to stand strong in going against the COVID-19 pandemic by forming a Crisis Management Team/Emergency Task Force as the forefront of handling COVID-19. In terms of the working environment of BNI, Management has implemented a few new employment policies, such as Working From Home, setting shift working hours, as well as providing lunch and health supplements for employees.

While we making our best endeavours to mitigate the pandemic issue, we have not failed to remember BNI's commitment as "First Movers" in sustainable finance to continue working for the achievement of our sustainability goals. We support the Government's efforts to reduce GHG emissions by up to 29% by their independent effort, or up to 41% should they get backing from donor countries in 2030, as stated in The Conference of the Parties (COP) 21 Paris 2015. As a consequence, we implement sustainable finance, one objective of which is to reduce GHG emissions. For the most part, this implementation incorporates economic facets by improving community welfare, and environmental preservation aspects to help reduce the impacts of climate change, and social aspects to reach and empower people who are left behind or live in remote locations. All of these initiatives are undertaken through good corporate governance.

In addition to putting such sustainable finance into practice, we are also intensifying the implementation of our corporate strategy to reinforce the #BNItuDigital motto, unequivocally. We believe that digitization will continue to alter the face of banking, and we are greatly looking forward to having the long-term digitization of BNI that will help reduce GHG emissions by adopting an environmentally friendly lifestyle, increasing the reach of financial inclusion, and financing in environmentally friendly industries.

BUSINESS DEVELOPMENT STRATEGY

In another expansion move, BNI has outlined a comprehensive sustainability strategy to support the achievement of the goals of sustainable development/SDGs. This action is being conducted by further developing the Company upon the basis of the Five Pillars of Sustainability, namely BNI for Indonesia, BNI for Customers, BNI for Employees, BNI for the Community, and BNI for the Environment.

We are convinced that the application of the principles of sustainability will make BNI more forceful. Hence, we can corroborate that this culture of sustainability is well-applied in each and every line and process of the Company, commencing from the vision, work design, BNI strategies, even in training to ensure effective understanding and implementation.

It goes without saying that implementing sustainable finance initiatives has its own unique set of challenges and rewards, as sustainable finance entails investing in relatively new projects, such as renewable energy projects, alongside financing for economically weak communities. Nonetheless, BNI maintains the dynamics of profitability and sustainability through a watchful assessment and puts risk management principles in accordance with applicable standards and regulations as prime concerns. On this account, we can achieve an unwavering growth while contributing to a more sustainable, just, and sustainable world for generations to come.

BNI POLICIES AND IMPLEMENTATION IN CONVERTING CHALLENGES INTO CHANCES

We understand that sustainability augmentation is a key and a correction to the concept of development that is solely oriented towards economic aspects without paying attention to environmental and social aspects. Through sustainable development, namely development efforts based on the three aspects of our orientation: profit, people (social community relations), and planet (protection of natural resources and the environment), the one-sidedness that occurs amongst economic, environmental, and social aspects can be ameliorated and even synergized.

In that manner, in terms of preparing and establishing the Sustainable Finance Action Plan (RAKB) as part of BNI's strategy in addressing environmental, social, and governance issues that are the focus of implementing sustainability and achieving the goals of sustainable development/SDGs, we have set various targets for BNI's performance oriented to the SDGs. We have set up an Environmental, Social, and Governance policy with distribution, among other things, for financing (i) the Renewable Energy sector such as mini-hydro, biomass and biogas power plants, (ii) the sustainable Palm Oil Industry sector requiring RSPO and/or ISPO for debtors.

Moreover, we have framed a loan portfolio that is classified as a category of Sustainable Business Activities (KKUB), and have conducted training to improve understanding of the concept of Sustainable Finance, and adjusted our sustainability governance.



As part of the steps to build a culture of sustainability, in 2019, we will co-opt the SOP for an Environmentally Friendly Lifestyle as stipulated in the internal memo IN /418/KMP/001 on September 12, 2017, namely: (i) Energy Saving Behaviour (Electricity and Water), (ii) Environmentally Friendly Consumption Behaviour (Reduce, Reuse, Recycle), (iii) Non-Carbon Behaviour, (iv) Environmentally Friendly Friendship Behaviour.

Our strict scrutiny has shown up some of the changes necessary in the social fabric of human interactions, including changing the way that transactions are made as a result of the COVID-19 pandemic. To prevent spreading the virus through the exchange of cash, the government urges the public to use cashless (noncash) payment methods. Another social change that has occurred is the trend in people's consumption patterns in moving towards digital transactions. We have responded to this change and have seized new business development opportunities by promoting digital initiatives according to the motto #BNItuDigital. With the motto Go Global and Go Digital, we have developed a variety of digital technology-based services in the last few years. We also launched an Application Programming Interface (API) in 2017 to improve digital-based ecosystem services that can be accessed by the wider market.

BNI keeps putting its best endeavours forward to optimise digital service solutions in ideal ways that have been developed since before the pandemic. Customers can perform assorted financial activities through our digital services, such as: opening an account, sending money, and even applying for credit. To support economic recovery, especially in the MSME segment, we have also launched BNI Move (a mobile innovation for the MSME ecosystem). Through this application, it is expected that MSME actors, including those in remote areas, can leverage the new opportunities and achieve success in the midst of the pandemic.

In addition, the BNI API Digital Services team participated in the 2020 DevPortal Awards; an award event that is intended for the best API Portal at the international level. BNI API Digital Services became the only Indonesian company that was successfully nominated.

BNI is transforming itself by continuing to create new innovations in the banking world. Right at this time, BNI is increasingly improving the BNI Call Virtual Assistant application by adding a transaction feature via voice-command. Not to mention that we also pay attention to providing the best digital banking services available to the 7 million Indonesian Diaspora who live abroad. We are improving our remittance services through the Mobile Remittance (MoRe) application in Singapore, and through BNI MoRe, which is one of BNI Singapore's real contributions to help Indonesian Migrant Workers; so that they can send money digitally, safely, and easily.

ACHIEVEMENT OF SUSTAINABLE FINANCE IMPLEMENTATION PERFORMANCE

Our commitment to increasing the adoption of sustainable finance and contributing more to the Sustainable Development Goals (SDGs) is through the application of sustainability and management of environmental, social, and governance (ESG) issues in economic performance. Through the Sustainable Finance Action Plan, BNI's contribution as a Financial Services Institution in responding to climate change is by encouraging financing in sustainable business sectors/activities that are environmentally friendly and developing a product portfolio (e.g., digitization) that will support the National Action Plan for Reducing Greenhouse Gas Emissions (RAN-GRK).

In accordance with the Sustainable Finance Action Plan, we have completed the baseline identification process to further intensify the application of the KKUB for the development of renewable energy, ISPO and/or RSPO certified palm oil and social forestry over the next two years. We believe that these activities are in line with BNI's support for the sustainable development goals, including mitigating the impact of climate change through financing the renewable energy industry, as well as increasing inclusive and sustainable economic growth through the Ayo Menabung dengan Sampah Program which shows good developments.



By and large, BNI's economic performance has been quite affected by the COVID-19 pandemic, which at the time of writing this report has not yet been resolved. Substantial deterioration in almost all economic sectors has affected the quality of assets of all business segments that we operate in under our whole scheme. BNI has been able to actualise the non-interest income or fee-based income of Rp11.9 trillion or a 4.5% growth compared to the same period in 2019, and has made an operational costs efficiency which only grew by 2.2% YoY. These two things have been the main targets for the company during the pandemic: both to reduce the pressure on interest income which fell by 4.0% YoY in the context of providing a stimulus for credit restructuring to debtors affected by the pandemic; as well as contributing to the achievement of profit growth before fees and taxes (PPOP) by Rp27.8 trillion at the end of 2020.

The PPOP provision provides room for BNI to cultivate sufficient reserves in the face of future economic challenges and also provides the strength to reduce the volatility of the Company's profits. Thus, in 2020, BNI recorded a net profit of Rp3.3 trillion accompanied by a coverage ratio of 182.4%, which is higher than the 2019 figure, which was 133.5%.

As of December 2020, BNI has prepared a provision of Rp22.6 trillion, up 155.6% up from the position in December 2019. Nonetheless, other performance indicators were successfully maintained, and we still recorded an increase in non-interest income accounts, for the overall provision that had to be prepared was too dominant to affect BNI's economic performance. As of December 2020, we recorded a net profit of Rp3.3 trillion.

BNI continues to actualise the programs in the Sustainable Finance Action Plan by channelling financing to industries that are included in KKUB, with this portion reaching 41.20% of total BNI credit as of September 2020. Of this percentage, the largest proportion of this financing was distributed to Micro, Small, and Medium Enterprises (MSMEs) amounting to Rp11,350 billion, followed by the natural resources sector and sustainable land use, amounting to Rp20,986 billion, then financing renewable energy at Rp4,649 billion, and eco-efficient product sector at Rp1,158 billion. We also support the financing of 5 other KKUB sectors at varying values.



BNI continues to synergize with the Government to improve the micro economy sector through the distribution of People's Business Credit (KUR) which has been running businesses with ESG insight. As of September, we have distributed KUR amounting to Rp21,259 billion to 239,536 debtors, which means we have reached 96.6% of the Government's KUR distribution target.

In order to support the implementation of the PEN Program aimed at dealing with the impact of the pandemic on business actors, as of October 2020, BNI has distributed program loan funds amounting to Rp28.29 trillion which is 125.5% of the ceiling of Rp22,541 billion.

We also continue to support financial inclusion programs for rural and urban communities through the Agen46 program. Throughout 2020, a total of 170,158 Agent 46 (2019: 157,144 Agen46) were spread throughout Indonesia with transaction values increasing rapidly and now reaching Rp190 trillion (2019: Rp160 trillion). Financial inclusion is also built through the 'Ayo Menabung dengan Sampah' program which integrates financial literacy with environmental concerns in BNI's supply chain along with realisation in several major cities in Indonesia.

Apart from financing, we always keep abreast of the latest issues related to sustainability, including through participation in the Indonesian Sustainable Finance Initiative (IKBI), the Indonesia Business Council for Sustainable Development (IBCS), and the United Nations Environment Program Finance Initiative (UNEP FI). On the internal side, we are also consistently applying the Go Green concept which is manifested through saving paper, electricity, and water. In addition, we have launched the use of renewable energy sources in the form of solar panels for Plaza BNI Building lighting.

CHALLENGES OF SUSTAINABLE FINANCE IMPLEMENTATION

One of the hindrances of implementing Sustainable Finance is changing the mindset and behaviour of all stakeholders in order to become more environmentally friendly, both within the Company and as debtors. There is also an uneven understanding

of ESG integration in implementing Sustainable Finance, including understanding the KKUB criteria which are the basis for financing in order to achieve sustainability goals as stipulated in the Sustainable Finance Action Plan.

We reason that BNI needs to establish a definition and further implementation guidelines to facilitate the categorisation of debtors so that there will be no difference in understanding of the KKUB criteria. Another challenge is that there is still insufficient synergy between agencies at the central and regional levels in responding to sustainability issues which are essential for the success of development activities that are aligned with the achievement of the SDGs sustainability goals.

STRATEGY FOR ACHIEVING PERFORMANCE TARGETS FOR THE IMPLEMENTATION OF SUSTAINABLE FINANCE

In line with the external situation of the industry to contribute to mitigating the impact of climate change, BNI is taking steps to apply the principles of sustainable finance by taking into account environmental, social, and governance (ESG) aspects. To ensure the achievement of the target for sustainable financial performance, we implement various focal strategies. Firstly, by determining definitions and implementation guidelines in categorising debtor groups so that there is a common viewpoint in setting up KKUB criteria in the Sustainable Finance Action Plan. Secondly, by increasing understanding, recognition, assessment, and mitigation of risks from economic, environmental, and social aspects in a balanced manner in assessing the feasibility of financing economic sectors in the KKUB, including implementing the best governance in all business processes.

Another strategy we have implemented is to increase the competence of human resources, especially in understanding the concept of sustainability and handling sustainability issues. For this reason, in 2020, BNI has expended an investment of Rp200.55 billion to organise in-class training and e-learning, especially related to social, environmental and economic risk management, governance and sustainable finance. By the end of 2020, there had been 29,588 participants include 2,571 employees terminated (2019: 28,470 participants).

SUSTAINABLE FINANCE BUSINESS OPPORTUNITIES AND PROSPECTS

From BNI's point of view, implementing sustainable finance also opens up a huge portal of opportunities that will encourage the creation of sustainable economic growth and will support BNI's business development into the future. These opportunities come from Indonesia's abundant natural resource potentials. One of them is geothermal renewable energy sources that can be proliferated for power generation. According to data from the Geological Agency, its utilisation is still very low, as at the end of 2019, it was only 2,130.6 MW or only 8.9% of the total potential for geothermal power generation which is 23.9 GW. Other significant potential renewable energy sources are from hydropower and biomass.

Nationally, the Government (through PT PLN) has set an NRE power plant mix target of up to 23% by the end of 2025, while by the end of 2019 this proportion only reached 10.4%. This figure shows a vast prospect of financing opportunities for renewable energy power generation projects. To seize these opportunities, we are preparing ourselves to support the use of renewable energy, in order to avert climate change and global warming. As of September 2020, BNI has financed renewable energy projects to a value of Rp4,649 billion.

The strengthening of environmental issues and the resulting climate change has made BNI determined to seize opportunities for business development from the corporate segment in the context of utilizing these renewable energy sources. We have mapped the environmental risks of the KKUB sector related to energy, low carbon transportation, and the environmentally friendly plantation sector and have been actively financing various related projects.

BNI TRANSFORMS

In 2021, BNI will move cautiously but more optimistically, after going through tough challenges during the early days of the COVID-19 pandemic. For this reason, BNI has rolled out the BNI Transformation which officially began in January 2021.

implementing sustainable finance also opens huge portal of opportunities that will encourage the creation of sustainable economic growth and will support BNI's business development in the future.

The transformation steps prepared by BNI will ensure that the company will continue to be able to grow in a sustainable manner. Management has set a strategy to make BNI a financial institution that excels in services and performance in a sustainable manner.

During a pandemic such as we face at this time, where business in general is declining, BNI has taken the initiative to carry out a transformation as an effort to accelerate the improvement of financial performance in a sustainable manner, as well as by perfecting BNI's long-term plans. The BNI Transformation Program is based on the BNI RACE values, namely Risk culture, Agility, Collaboration, and Execution oriented.



With the values of BNI RACE being implemented daily, we believe that BNI can compete with competitors, prepare to go faster, lead the competition, and win.

APPRECIATION

All the achievements of BNI's sustainability performance are the return of the hard work and

dedication of all employees and our intimate synergy with stakeholders. For that, on behalf of all BNI management, we would like to express our appreciation and gratitude. On this occasion, we also invite all levels of employees and other stakeholders to cooperate more closely, to forge synergies, and to integrate all competencies to ensure the achievement of various sustainability goals in the SDGs for the common benefit and welfare of future generations.

Jakarta, January 2021

Royke Tumilaar
President Director



- Pillars and Strategy of BNI
- Sustainability
- External Initiatives
- Association Membership
- Company Scale
- Vision, Mission, and Values
- History of BNI



About BNI



About BNI

As a public trust bank, BNI has developed itself as a sustainable bank that professionally manages finances and pays attention to profitability while maintaining an environmental and social perspective.

PILLARS AND STRATEGIES OF BNI SUSTAINABILITY [OJK A.1]

BNI is committed to realizing maximum sustainability performance by building values, culture, and strategies

that are directed towards the economic, environmental, and social fields.



Making BNI as a sustainable company means: being a financial institution that provides superior performance and service to all customers, increases investment value for investors, creates the best working conditions for employees, increases awareness of the environment and community, and enforces corporate governance in the context of sustainable finance.



This sustainability commitment is stated in the company's vision and mission. BNI has considered ESG (Environmental, Social, and Governance) principles in every aspect of its operations and in all lines of the company. We have also designed a Sustainable Finance blueprint to support the achievement of the

sustainable development goals which are manifested in five Pillars (Board of Directors Decree No. KP/412/DIR/R dated December 4, 2018, concerning the 2019 Sustainable Finance Action Plan / RAKB). The five pillars of BNI's sustainability are:

BNI
f o r

- | | |
|----|--------------------|
| 01 | Indonesia |
| 02 | Customers |
| 03 | Environment |
| 04 | Community |
| 05 | Employees |

BNI PILLARS OF SUSTAINABILITY


BNI FOR INDONESIA

Environmental presentation, improvement of social welfare, and community economic empowerment



- Financing activities that deliver positive effects on economic and social aspects and environmental conservation. The biggest share was for Micro, Small and Medium Enterprises (MSMEs), followed by financing for management of living natural resources and sustainable land.
- Promoting inclusive and sustainable funding product through the “Let’s Save with Waste” program


BNI FOR CUSTOMERS

Establishing partnership with customers while paying attention to ESG



- Providing products and services on a digital platform basis
- Developing the Agen46 network
- Customer data is our professional commitment to always being kept confidential


BNI FOR THE ENVIRONMENT

Reduce environmental impact and embrace green business opportunities



- Adopting environmentally friendly building management. Menara BNI Pejompongan with Gold certification. Meanwhile, the Plaza BNI building is in the process of Platinum certification by GBCI.
- Financial support for a number of renewable energy sector (solar and hydro) and sustainable palm oil
- Solar Panel Installation in Plaza BNI BSD
- Green campaign program (BNI Go Green)


BNI FOR THE COMMUNITY

Community Empowerment



- Technical Assistance to increase the capacity and capability of SME
- Fostering the application of digital technologies in Agriculture (Smart Farming)
- Channeling subsidized loan to improve the welfare of communities around degraded and deforested land
- Development of public and religious facilities/infrastructures on in-kind or pro-bono basis


BNI FOR EMPLOYEES

Providing the best conditions for employees as a place of pride for work and accomplishment



- Provided fair and equal employment opportunities
- Allocates decent budget for learning and development
- Decent and safe working environment with ovid-19 protocol
- Employee Health Services amidst COVID-19 Pandemic



End All Forms of Poverty Everywhere

- Student Savings with 13,509.573 accounts amounting to Rp1,848,07 billion;
- Smart Indonesia Program with 4,458,393 beneficiaries amounting to Rp4,310.22 billion;
- Rp115.89 billion for MSME partnership program credit disbursements
- Rp20,485 billion for community empowerment programs to improve their standard of living and welfare
- Mobile Remittance (MOR) transactions, including those of Indonesian migrant workers, which amounted to SGD 25,466,074.58
- People's business credit (KUR) for 867 fishermen of Rp142.32 billion
- Basic needs assistance of Rp33,71 billion, in 264,456 packages for families affected by the pandemic
- Distribution of government social assistance in the Social Safety Net Program of Rp548.2 billion to 134,1 thousand families.



Eliminate hunger, achieve food security and good nutrition, and promote sustainable agriculture

- Social Forestry KUR for 3,805 farmers in the amount of Rp32.70 billion
- Rp6.30 billion assistance to develop Smart Farming 4.0 for 2,962 beneficiary farmers.



Promote healthy living and support well-being for all ages

- Provision of 43 ambulances
- COVID-19 relief in the form of 18,500 PCR tests, 10,500 rapid tests, 74,334 sets of PPE, 595,765 masks, 10,000 gloves, 597 Thermoguns, 1,720 boxes of vitamins, 5 ventilators, 1 freezer, 5 PCR detection kits, 2 RNA extractors.
- Assistance of 5,804 hand sanitizers and hand washers



Ensure inclusive and equal quality education, and supporting lifelong learning opportunities for all

- Financial literacy for 800 migrant workers
- Waste wise education to students and the community through Let's Save with Waste (Ayo Menabung dengan Sampah).



Achieve gender equality and empowerment of young and adult women

- Percentage of female workers 51.82% of all workers
- Equal salary ratio between female and male workers



Ensure availability and sustainable management of clean water and sanitation for all

Wastewater management systems in the BNI building, Menara BNI Pejompongan 60 m³, Plaza BNI 125 m³ per



Ensure access to affordable, reliable, sustainable, and modern energy for all

- Using a solar cell with a capacity of 2,200 watts for lighting at Plaza BNI BSD.
- Energy-related KKUB Financing, RAKB 2020: (i) Renewable Energy of Rp4,649 Billion, (ii) Energy Efficiency of Rp238 Billion (as of September 2020)



Decent work and economic growth

- Employment for 27,202 people throughout Indonesia
- Job opportunities for 20 people with disabilities
- Rp1,539 million in assistance to develop the economy of 4 tourism destinations Balige-Toba, Belitung Island, Wakatobi, Ranupani-Bromo



Take swift action to tackle climate change and its impacts

- Rp9,976 billion in assistance to provide clean energy financing (Solar Energy, Water, Biogas, and Mini Hydro)
- Financing for 25 palm oil industry companies with 15 PROPER Blue Companies, 10 Green PROPER Companies
- Financing to 84 ISPO and/or RSPO certified palm oil companies



Build resilient infrastructure, enhance an inclusive and sustainable industry, and encourage innovation

Funds 1,785 km of toll roads



Build inclusive, safe, resilient, and sustainable cities and settlements

- The green building concept has been certified by the Green Building Council Indonesia (GBCI), namely the Menara BNI Pejompongan with Gold certification. Meanwhile, the Plaza BNI building is in the process of Platinum certification by GBCI
- Provision of 3,243 ATMs that can be used by persons with disabilities throughout Indonesia
- Provision of 170,158 Agen46 for banking activities in weak economic and low population areas



Manage forests sustainably, fight desertification, stop and rehabilitate land degradation, stop the extinction of biodiversity

- Conservation of Javan Rhinoceroses in Ujung Kulon together with WWF and other SOEs
- Rehabilitation of 6 hectares of critical land for Organic Forest Cijeruk Village, Bogor by planting 10,000 trees of various types



Reviving global partnerships for sustainable development

Development of 36,311 Affinity BNI-WWF credit cards, with environmental benefits, with a total sharing fee of Rp1,765 billion

COMPANY NAME [GRI 102-1]
PT BANK NEGARA INDONESIA (PERSERO) TBK



HEAD OFFICE ADDRESS [GRI 102-3] [OJK C.2]

Grha BNI
Jl. Jenderal Sudirman Kav. 1 Jakarta 10220
Tel : (62-21) 251 1946
I-Telex : 765185 BNI DLN IA
Website : www.bni.co.id
PO Box 1946 Jakarta Mampang 12700

BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

[GRI 102-2] [OJK C.4]

Banking business activities with products and services in the form of savings, loans, credit cards, and e-banking.



Savings



Loans



Credit Cards



e-banking

OWNERSHIP AND LEGAL BASIS [GRI 102-5]

60% ■ Government of Indonesia

40% ■ Society



MARKET SERVED [GRI 102-6]

BNI's customer segments include



Location [GRI 102-4]



LEGAL BASIS FOR ESTABLISHMENT

- SIUP: Perpu No. 2 of 1946, Law no. 17 of 1968, State Gazette No. 70 of 1968,
- TDP: TDP of PT Bank Negara Indonesia (Persero) Tbk, valid until February 25, 2023

EXTERNAL INITIATIVES [GRI 102-12]

As a financial services company, BNI is bound by OJK Regulation Number 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies (LJK-EPP). The regulation contains the principles of Sustainable Finance covering the economic, environmental, social, and governance fields for LJK-EPP, in addition to the obligation to prepare a sustainability report.

BNI is a signatory and founder of the Indonesian Business Council on Sustainable Development (IBCS) which is a branch of the World Business Council on Sustainable Development (WBCSD) for Indonesia. As a member, BNI is bound by the sustainability initiatives (economic, environmental and social) issued by the WBCSD.

No	External Initiatives
1	ISO 9001/2008: Preparation and Verification Procession Published Financial Statement. Preparation, Verification, and Reporting Process of Corporate Income Tax
2	ISO 9001/2015: Quality Management System on Trade Processing Center
3	ISO 9001/2015: Quality Management System on IT Operating Services
4	ISO 9001/2015: Quality Management System on Security Management
5	ISO 9001/2015: Credit Clearing, Credit Administration and Card Production & Distribution
6	ISO 9001/2015: BNI Corporate University Quality Management System In House Learning and eLearning/Digital Learning for BNI Employees
7	ISO 9001/2015: Banking Operations for Guarantee Letter, RTGS and Remittance Services
8	ISO 9001/2015: BNI Contact Center Services in BSD Surabaya & Semarang Site
9	ISO 9001/2015: Quality Management untuk Unit HPS
10	ISO 9001/2015: Quality Management untuk Unit Manajemen Vendor
11	ISO 9001/2015: Quality Management System on Trade Processing Center
12	ISO 9001/2015: Quality Management BNI Credit Card Business
13	ISO 37001/2016: Sistem Manajemen Anti Penyuapan
14	ISO 30301/2019: Management systems for records untuk Unit Kearsipan
15	European Foundation for Management Development (EFMD) Global CLIP (Corporate Learning Improvement Process)

ASSOCIATION MEMBERSHIP [GRI 102-13] [OJK C.5]

No	Association	Role	Scope
1	International Chamber of Commerce (ICC)	Member	International
2	SWIFT	Member	International
3	United Nations Environment Programme Finance Initiatives	Member	International
4	Asosiasi Kartu Kredit Indonesia (AKKI)	Chairman	National
5	Asosiasi Sistem Pembayaran Indonesia (ASPI)	Chairman	National
6	Asosiasi Bank Kustodian Indonesia (ABKI)	Chairman	National

No	Association	Role	Scope
7	Forum Komunikasi Direktur Kepatuhan Perbankan (FKDKP)	Head of Training Division	National
8	Banker Association for Risk Management (BARA)	Chairman	National
9	Perhimpunan Bank Nasional (PERBANAS)	Member	National
10	Himpunan Bank-bank Milik Negara (HIMBARA)	Member	National
11	Forum Komunikasi Kearsipan Perbankan (FKKP)	Member	National
12	Indonesia Contact Center Association (ICCA)	Member	National
13	Asosiasi Pengelola Reksadana Indonesia (APRDI)	Member	National
14	Asosiasi Emiten Indonesia (AEI)	Member	National
15	Ikatan Ahli Bangunan Hijau Indonesia (IABHI)	Member	National
16	Forum Contact Center Industri Jasa Keuangan (FCCJJK)	Member	National
17	Forum Human Capital Indonesia (FHCI)	Member	National
18	Forum Human Capital Perbankan Indonesia (FHCPI)	Member	National
19	Forum Humas BUMN	Member	National
20	Perhimpunan Hubungan Masyarakat (Perhumas)	Member	National
21	Asosiasi Fintech Indonesia (AFTECH)	Member	National
22	Inisiatif Keuangan Berkelanjutan Indonesia (IKBI)	Member/Founder	National
23	Indonesia Business Council for Sustainable Development (IBCSD)	Member/Founder	National

COMPANY SCALE [GRI 102-7] [OJK C.3]



SIGNIFICANT CHANGES IN THE ORGANIZATION [GRI 102-10] [OJK C.6]

In the reporting year, there were no significant changes in ownership, organizational structure, or supply chain. However, there are several branch offices that are opened and closed as required.

Vision, Mission, and Values

[GRI 102-16] [OJK C.1]

VISION

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



MISSION

1. Providing excellent services and digital solutions to all customers, and as the primary partner of choice.
2. Strengthen international services to support the needs from our global business partner.
3. Increasing the prime investment value for investors.
4. Creating the best conditions for employees as a place of pride for work and accomplishment
5. Increasing awareness and responsibility to the environment and society.
6. Becoming a reference for the implementation of compliance and good corporate governance for industry.



CORPORATE CULTURE AKHLAK

The Ministry of State-Owned Enterprises (KBUMN) has determined AKHLAK (Amanah, Kompeten, Harmonis, Loyal, Adaptif, Kolaboratif) as a “core value”, namely:

- Amanah/Trustworthy : Hold on to commitment
- Kompeten/Competent : Continue to learn and develop capabilities
- Harmonis/Harmonious : Care about each other and embrace diversity
- Loyal : Dedicated to prioritise the interest of the nation
- Adaptif/Adaptive : Continue to innovative and are enthusiastic to drive and facing change
- Kolaboratif/Collaborative : Build a synergistic collaboration

BNI actively adopts all BNI Hi-Movers in the application of values Core values and AKHLAK's behavioural guidelines in daily activities.

History of BNI



PT Bank Negara Indonesia (Persero) Tbk (hereinafter "BNI" or the "Bank" or the "Company") was originally established in Indonesia as a central Bank under the name of "Bank Negara Indonesia" based on Government Regulation in Lieu of Law No. 2 of 1946 dated July 5, 1946. Subsequently, pursuant to Law No. 17 In 1968, BNI became "Bank Negara Indonesia 1946", with the status of a Stateowned Commercial Bank. Additionally, BNI's role as a Bank was mandated to improve the people's economy and participate in national development as confirmed by Law No. 17 of 1968 regarding Bank Negara Indonesia 1946.

Based on Government Regulation No. 19, 1992, April 29, 1992, BNI changed its legal status to a limited liability company (Persero). The change of legal status to limited liability company, was made in Deed No. 131, dated July 31, 1992, before Muhamani Salim, SH, and was published in the State Gazette of the Republic of Indonesia No. 73 dated September 11, 1992, Supplement No. 1A.

In 1996, BNI was the first state-owned bank (stateowned company) to become a public company

after listing its shares on the Jakarta Stock Exchange and the Surabaya Stock Exchange (now the IDX). To strengthen the financial structure and increase business competition in the national banking sector, BNI carried out several corporate actions such as the recapitalization process by the Government in 1999, the divestment of government shares in 2007, and a limited public offering of shares in 2010.

Currently, the Government of the Republic of Indonesia owns 60% of BNI shares and the remaining 40% is owned by the public, both individuals and institutions, domestic and foreign. BNI is now listed as the 4th largest national bank in Indonesia based on total assets, total loans, and total third party funds.

To strengthen integrated financial services, BNI is supported by its subsidiaries (BNI Syariah, BNI Multifinance, BNI Securities, BNI Life Insurance, and BNI Remittance Ltd). BNI also offers deposit and loan services for the corporate, medium, and small segments. Some of the best products and services have been tailored to the needs of customers from childhood, adolescence, adulthood, to retirement.





- Sustainability Policy and Inclusive Finance
- Financial Inclusion
- Sustainable Palm Oil Financing
- BNI Performance
- Risk Management
- Environmental, Social and Governance Risk Management
- Review of Financing



IMPROVING THE QUALITY OF SUSTAINABLE FINANCE
As a major financial services provider in Indonesia, BNI shares the responsibility to build the country's financial services sector and align economic, social, and environmental interests to achieve sustainable development.

Sustainable finance is the general concern of banking and financial institutions because the financial sector has the unique role and ability to encourage or halt business on the basis of environmental and social issues. Financial institutions can both provide incentives that promote sustainable performance or, otherwise, refrain from sponsoring initiatives that have negative environmental and social impacts. Realizing its environmental and social performance role, BNI is committed to applying the principles of sustainable finance in every aspect of its operation.

SUSTAINABILITY POLICY AND INCLUSIVE FINANCE

BNI's sustainable finance policy translates into a commitment to further develop BNI as a financial institution which: [OJK A.1]

1. Delivers excellent performance and services to all customers,
2. Boosts investment value for investors,
3. Establishes the best working conditions for employees,
4. Shows concern for the environment and the community,
5. Enforces good corporate governance in the context of sustainable finance.

At BNI, the implementation of sustainable finance begins with the planning laid out in the Annual Work Plan, which is periodically evaluated and reported to all related stakeholders. BNI also plans and arranges the Sustainable Finance Action Plan (RAKB) which serves as the basis of our application of sustainable finance between 2020 and 2022, and has been presented to OJK through Letter No. DIR/585 dated 28 November 2019. In particular, in terms of our sustainable finance performance, BNI issues policies, imposes implementation strategy, and organizes constant evaluation and improvement. [OJK A.1]

Green Economy

Green economy is by definition a development model that aims to prevent the increase in greenhouse gas emissions and prevent climate change. Since BNI holds a vital position as part of the Indonesian economy, we are committed to directing financing towards environmentally and socially responsible companies. BNI implements a green economy approach through its Sustainable Finance Action Plan (RAKB) by:

1. Integrating sustainable finance into the industry sector gradually;
2. Instilling higher understanding of Environmental, Social, and Governance (ESG) criteria to employees and customers/debtors;
3. Launching products and services that are included in the Criteria of Sustainable Business Activities (KKUB);
4. Applying sustainable finance in risk management;
5. Expanding credit to sectors to which green and sustainable categories apply.

Sustainability is an essential concept for BNI, and is inseparable from the principles of preserving the environment while doing business. As our business expands, BNI is constantly motivated to do more in sustainable value creation (SVC). Taking into account stakeholders' support, BNI is commencing on a new journey toward achieving harmony and sustainability in economic, environmental and social aspects.

Indonesia's "First Movers on Sustainable Banking" Pilot Project

Since 2015, the Government of Indonesia has started to apply Sustainable Finance measures through the Financial Services Authority. BNI has joined in the pilot project "First Movers on Sustainable Banking" with seven other national banks. This initiative is aimed at improving the durability and competitiveness of the Financial Services Agency in order for it to grow and contribute to efforts in tackling climate change and the shift towards a low carbon economy, and to gain technical guidance from WWF-Indonesia. In the project, all eight banks of 'First Movers' were educated on the implementation of environmental risk management and governance. Some of the outputs of the pioneering projects included improved policies and Standard Operating Procedures (SOPs) from each bank and improvement in financing quality, particularly in those business sectors dealing with high risk in terms of environmental and social aspects.

The eight national banks, representing 46% of Indonesia's banking assets, announced the formation of the Indonesia Sustainable Finance Initiative (ISFI). The eight banks are Bank Artha Graha Indonesia, BRI Syariah, Bank Central Asia, Bank Mandiri, Bank Muamalat, Bank Negara Indonesia, Bank Pembangunan

Daerah Jawa Barat and Banten, and Bank Rakyat Indonesia. Founding ISFI was the embodiment of the Indonesian banking's commitment to apply the inclusive practices of sustainable finance within the financial services sector. The platform is open to the entire financial services industry, including banks and non-banks, issuers, and other relevant industrial sectors.

In 2019, ISFI officially accepted five national banks as its new members: CIMB Niaga, Bank Mandiri, OCBC NISP, Maybank Indonesia, and HSBC Indonesia. A total of 13 banks with ISFI membership now represent 60% of national bank assets. This extensive network of ISFI members is expected to serve as a catalyst for the equitable improvement of national bank performance in terms of the integration of Environmental, Social, and Governance (ESG) principles in its business strategy. Key steps forward in the industry will leverage innovative business opportunities in sustainable finance by building new financial solutions.

Environmental and Social Assessment [FS 11]

BNI appreciates and supports debtors seeking to achieve PROPER Gold status, the highest award in the Company Performance Rating Program (PROPER). Credit distribution is only channeled to companies achieving, at least, PROPER Blue, which means that the company is in compliance with environmental regulations. Then, the highest achievement is PROPER Gold, which means that the relevant company not only abides by environmental regulations, but also successfully implements initiatives concerning community empowerment.

BNI has assets that have passed social or environmental screenings such as, among other things, sustainability bonds, or bonds the proceeds of which will be applied to finance or re-finance a combination of both Green and Social Projects, worth USD5,000,000. This shows that BNI supports the environment.

Developing Sustainability Culture [OJK E.1] [OJK F.1]

In order to ascertain the achievement of our sustainability objectives, BNI fosters an internal culture of sustainability in a variety of ways such as by improving management and employee competence with regard to their positions, disseminating information on various topics of sustainability, establishing sustainability as part of our operating system through the applicable policies and SOPs (Standard Operating Procedures). Based on the directive of the CEO on the Application of Sustainable

Finance in Memo No. KMP/4/2602, the Application of Sustainable Finance at BNI consists of:

- **Strategic Planning Division**

The party responsible for the formation and monitoring of the Sustainable Finance Action Plan (RAKB) document.

- **Enterprise Risk Management Division**

The party implementing and evaluating Sustainable Finance.

- **Corporate Secretary & Communication Division**

Responsible Party in presenting the ESG performance to stakeholders through the Sustainability Report.

The President Director oversees the implementation of Sustainable Finance, which includes having the responsibility to guarantee the alignment of the RAKB targets with the implementation stage.

Challenges and opportunities in Sustainable Finance Initiative [OJK E.5]

BNI's commitment in applying sustainable finance is not independent of internal or external challenges. However, this does not lessen our commitment to achieving our sustainable finance goals.

Internal challenges include:

1. Extra effort and time are required to train up and increase the competence of a large number of employees, given our extensive organizational structure and branch network.
2. There are limitations in the integrated automation systems to monitor and report on sustainable finance practices.

To overcome these internal challenges, BNI always seeks to organize consistent and structured trainings for employees at both the head office and at branches regarding sustainability topics. This training comprises e-learning, video, or online training hosted by guest experts and speakers. With regard to integrated automation systems, we are constantly developing the systems that can expedite implementation and reporting.

External challenges include:

1. Regulations on sustainable finance that are issued to influence the market, which, in turn, hinder the application of sustainable finance.
2. The recent developments in digital technology require the banking sector to keep evolving, increasing the risk of disruption occurring.

3. Clear guidance and information on sustainable finance for each industry is limited, thereby challenging the application of sustainable finance.
4. The COVID-19 pandemic has disrupted the global economy, thus impeding work process and frustrating BNI's funding and financing efforts.

In anticipation, we implement risk management to identify possible potential risks from external factors.

The Positive and Negative Impacts of Sustainable Finance Products [OJK F.28]

We recognize the importance of applying sustainable finance initiatives to support the government's efforts to achieve the sustainable development goals (SDGs) and build a better life for future generations. In line with the application of sustainable finance, BNI sees potential for upgrading the ESG credit portfolio which will have a positive impact on the promotion of environmental preservation and the improvement of community welfare. However, the application of sustainable finance is not free from risk in that it may have negative impacts on BNI's performance if under loose monitoring. One of the risks is that ESG credit may increase nonperforming loan (NPL) if no viability is met. For that reason, BNI applies thorough checks and estimations while strictly implementing credit procedures as well as consistently applying a comprehensive risk management process for each financing product, including ESG credit.

FINANCIAL INCLUSION

Financial inclusion is one of the means to alleviate poverty, address inequality, and improve the wellbeing of the poor. Not only does financial inclusion affect the economy, it also contributes to the country's overall resilience. Decreasing social inequality leads to lower risks in national stability and economic growth. Financial inclusion provides access to financial products and services to all income groups in society with ease of access and relatively affordable costs. BNI is committed to engaging in a financial inclusion initiative by providing a wide range of products and services to various unbanked groups and classes of people.

Portfolio by Size (Category), Business Segments, Economic [FS6]

We also disburse productive credit to small and medium scale debtors as a contribution to both the Indonesian economy and the development of people's welfare. We also help finance government projects on public infrastructure building and oil and gas exploration. The following are the portfolios by size/category, business segment, and economic sector.

Credit Portfolio by Category *(Rp billions) [FS6]

Business Group	Percentage	2020	2019	2018
Small	18.37%	84,800	75,461	66,063
Medium	14.55%	67,193	72,691	74,731
Corporation	67.08%	309,715	288,430	262,998
Total	100%	461,708	436,582	403,493

* Productive credit

Credit Portfolios based on the Business Sector

(Rp billions) [FS6] [FS7]

Type of KUR	Number of Debtors	Maximum (Rp millions)	Target (Rp millions)	Achieve Government Target
Super Micro	3,072	20,869	200,000	10.4%
Micro	161,606	3,420,961	3,550,000	96.4%
Small	70,831	17,591,515	17,750,000	99.1%
TKI	4,027	226,544	500,000	45.3%
Total	239,536	21,259,891	22,000,000	96.6%

BNI inclusive finance initiative includes KUR disbursement for micro-entrepreneurs, MSMEs and migrant workers. KUR is aimed at productive debtors who are feasible for loans yet do not have additional, or sufficient, warranty. In the reporting year, 239,536 KUR debtors had Rp21,259 billion of total credit. People's Business Loans (KUR) funding is also BNI's commitment to providing products with a social perspective.

Credit Portfolio based on the Business Sector (Rp billion) [FS6]

Business Sector	2020	2019	2018
Industry	108,380	106,952	100,013
Trade, Restaurat and Hotel	95,936	75,436	72,382
Agriculture	61,444	71,754	64,315
Business Services	46,122	47,025	38,731
Transportation, warehousing and communication	39,687	28,260	30,415
Contruction	49,045	38,609	32,900
Electricity, gas and water	21,765	29,578	23,134
Mining	15,022	16,993	22,954
Social services	21,048	17,346	13,519
Other	3,258	4,627	5,130
Total	461,708	436,582	403,493

Financing Portfolio based on the Economics Sector (Rp billion) [FS6]

Sektor Ekonomi	2020	2019	2018
Toll roads and contruction	49,975	40,986	37,804
Electricity	21,756	29,867	25,384
Transportation	26,920	17,623	16,689
Telecommunication	14,423	12,727	12,154
Oil and gas	5,963	6,078	18,572
Total	119,038	107,282	110,604

BNI is providing the above financing as the development of economic sectors related to infrastructure, transport and telecommunications have a very positive impact on the general development of the national economy. In addition, infrastructure also has a significant impact on the improvement of

the quality of life and the welfare of the nation as a whole. Meanwhile, financing for electrical power and oil and gas exploration is our way of supporting the availability of energy that is urgently needed for the people to improve their economy.

Products with Environmental Benefit [FS7] [OJK F.26]

The increase in BNI profitability improvement is compensated with concerns in economic equity. For this reason, we launch products with social benefits as follows.

		2020	2019	2018
Fund Distribution				
BNI Move	BNI Move (Mobile Innovation for the SME Ecosystem) is a digital platform to facilitate MSMEs in credit applications.	Rp18,094 million	NA	NA
KUR Fisheries	Loan disbursements to fishermen and coastal communities to improve their income and welfare.	Rp142.32 billion 867 Debtors	NA	NA
KUR Tani	Loan disbursements to farmers to improve their income and welfare. BNI also distributes a Kartu Tani or Farmer's Card, a type of debit card which also functions as a medium for receiving subsidies and social assistance from the government.	Rp4,201.64 billion 121,654 Debtors	1,361 billion 105 Debtors	NA
Funding of Partnership Program	Funding for MSMEs	Rp115.89 billion 1,155 MSME players *	Rp122.17 billion 1,619 MSME players	Rp104.49 billion 1,800 MSME players
FLPP Program	Housing Liquidity Facility (FLPP) support for Low-Income Communities (MBR) managed by the Ministry of Public Works and Public Housing (PUPR).	Rp2,026.00 billion 14,572 Debtors	Rp1,263.33 billion 9,743 Debtors	Rp961.71 billion 7,592 Debtors
Infrastructure	Financing for public infrastructure to support access, acceleration, and economic improvement in various Indonesian regions: Toll roads, MRT, LRT. Investment in the infrastructure certainly helps improve people's welfare in a significant way.	Rp117.28 Trillion 195 Number of projects	Rp107.28 Trillion 177 Number of projects	Rp110.60 Trillion 179 Number of projects
Funding				
BNI Pandai	A personal savings scheme with easy requirements that is issued by BNI and has the characteristics of a basic savings account (BSA) and can be opened through Branch Offices or through the Agen46 agents network. It can be opened immediately by Customers or serves as a means for receiving social assistance from the government.	Rp3,102.75 billion 18,350,623 Accounts	Rp771,20 billion 9,723,377 Accounts	Rp636,37 billion 9,176,345 Accounts
Tabunganku	A personal savings scheme jointly issued by Indonesian banks to foster a savings culture, either opened immediately by customers or serving as a means for receiving social assistance from the government.	Rp4,552,14 billion 10,809,470 Accounts	Rp3,410.46 billion 6,090,033 Accounts	Rp3,089.43 billion 5,504,407 Accounts

		2020	2019	2018
BNI Simpanan Pelajar	A student savings scheme issued nationally by Indonesian banks, with easy and simple requirements and attractive features, aiming at financial literacy and inclusion to encourage a savings culture early on in life. It can be opened immediately by Customers or serves as a means for receiving social assistance from the government.	Rp1,848.07 billion 13,509,573 Accounts	Rp2,354.46 billion 11,374,823 Accounts	Rp1,815.26 billion 8,559,859 Accounts

* Not including UMKM distribution through PNM

Products with Environmental Benefit [FS8] [OJK F.26]

Our concern with the environment is manifested through our products and services providing environmental benefits or products and services with ESG credit requirements as follows:

		2020	2019	2018
Fund Distribution				
Renewable energy credits	Disbursing credit to such renewable energy development projects as hydropower, solar energy, Biogas, Mini hydropower plants. (Corporations)	27 Number of projects Rp27,562 billion	26 Number of projects Rp27,569 billion	16 Number of projects Rp17,691 billion
Maritime sector credit	Launching a credit scheme for fishermen and/or business people in the field, including those focusing on aquaculture and fishing, fishery processing industry, shipyard, shipping, etc.	316.62 billion 1,817 debtors	NA	NA
Social Forestry credit	Providing credit to farmers working on forest lands to improve their welfare, especially those working on degraded and deforested land, and to conserve forests	66.97 billion 5,907 farmers	32.70 billion 3,805 farmers	NA
Sustainable palm oil industry credit	Financing palm oil debtors which already have RSPO (Roundtable Sustainable Palm Oil) and ISPO (Indonesian Sustainable Palm Oil) certificates as well as blue or green PROPER ratings. For debtors who are still registering under RSPO or ISPO, we encourage them to meet all compliances on social and environmental regulations.	84 debtors 46,414 total lending	101 debtors 52,632 total lending	96 debtors 84,852 total lending
BNI-WWF Affinity Card	In partnership with WWF (World Wildlife Fund) BNI offers a card to its customers. The cardholders participate in funding conservation activities through a sharing fee of 0.4% from each retail transaction.	36,311 credit card Rp1,765,081,885 total sharing fee	38,966 credit card Rp2,343,211,221 total sharing fee	28,222 credit card Rp1,855,093,647 total sharing fee
Funding				
Let's save with waste	A program in collaboration with schools, local governments, and communities, where people can exchange recycled waste in exchange for savings.	1,930.96 billion 273,626 accounts	1,183.09 billion 116,328 accounts	143.01 billion 111,716 accounts

SUSTAINABLE PALM OIL FINANCING

BNI supports financing of debtors that pay attention to social aspects such as community empowerment; and environmental aspects such as water crisis prevention. Despite ESG risks in every financing, BNI supports debtors who refrain from contributing to biodiversity loss, forest logging, floods, droughts, pollution, human rights violations, or labor rights abuse. BNI's policies also indirectly aim at avoiding deforestation.

In order to ensure financing for sustainable palm oil debtors, BNI requires all corporate palm oil debtors to be registered or certified by the Roundtable for Sustainable Palm Oil (RSPO) or the Indonesian

Sustainable Palm Oil (ISPO) according to the policy in the Business Banking Guidelines for the Corporate Segment. BNI also pays attention to the issue of deforestation, potential overlaps with the surrounding communities or conservation areas, and any possible violation of legality by debtors. In case of a violation, BNI will verify to the relevant party to minimize granting credit to debtors who fail to comply with the applicable regulation.

Over 2020, BNI funded 84 certified palm oil debtors who were registering under ISPO and/or RSPO, with a maximum loan of Rp46,414 billion.

ISPO & RSPO Certification Status



BNI is committed to not financing business people who fail to apply ESG business processes, and has issued a policy to ban any credit for businesses relating to gambling or speculative activities, and exports of prohibited goods. This commitment is realized through the exclusionary principles based on KMP/8/0274 Memo on 1 February 2012 on the prohibition of financing palm oil businesses having a Black or Red PROPER rating. BNI also encourages its debtors to increase awareness and responsibilities on environmental and social aspects under the provisions for debtors/prospective debtors along with PROPER ratings:

1. As per Minister of Environment Regulation No. 5/2011 on PROPER, debtors with a black rating are referred to law enforcement agencies, while those with a red rating are referred for instruction in improving their environmental performance. In order to anticipate risk from BNI's financing of debtors who are considered to not yet comply with the applicable laws, debtors/prospective debtors are required to set out anticipatory measures.
2. The blue, green, and gold PROPER ratings are used to enhance BNI's commitment and mission towards business and environmental sustainability which arise as a consequence of debtors' activities.

BNI appreciates and supports debtors in obtaining PROPER ratings. Loans are only extended to companies that have at least earned a Blue PROPER.



In 2020, BNI conducted a study related to the CPO Industry Report to determine the Key Success and Risk Factors as well as the outlook for the Palm Oil industry, globally and domestically.

Social Assistance Products in Partnership with the Government

In line with inclusive finance, BNI partners with the government in distributing various forms of social assistance improving the welfare of the people especially those in low-income communities.

Products	Description	Number (Rp Billions)	Beneficiaries
Programs Indonesia Smart Indonesia Program (PIP)	PIP, through Kartu Indonesia Pintar (Smart Indonesia Card/KIP), is in the form of cash assistance to school-age children (6-21 years old) from poor and vulnerable families studying in public schools or madrasa from Ministry of Education & Culture.	4.310,22	4,458,393
Programs Ministry of Social Affairs	The Ministry of Social Affairs' has a program for the poor, providing cash assistance for rehabilitating dilapidated homes, improving the living environment, assistance for empowering community groups, assistance for the elderly, the poor and for family support, as well as social rehabilitation for children. In 2020, the Government (Ministry of Social Affairs) also distributed assistance related to community resilience in the context of National Economic Recovery as a result of the impact of the COVID-19 Pandemic.	21.389,54	12,720,456
BSPS Program	Assistance for improving and building simple homes for the underprivileged classes from the Ministry of Public Works and Public Housing (PUPR), both Central and Regional work units.	899.31	50,558
Keluarga Harapan Program (PKH)	A program for providing conditional social assistance to poor families (KM) designated as families of PKH beneficiaries	36,711.66	9,997,354
Non-Cash Food Assistance (BPNT)	Food support as non-cash social assistance from the government which is given to Beneficiary Families (KPM) every month through an electronic account mechanism that is used only to purchase food at e-warong merchants in collaboration with banks.	17,079.32	8,262,063

Financial Inclusion Supporting Products

Social assistance has proved effective in alleviating poverty and improving the human development index. Therefore, the government has issued a variety of assistance cards circulated to underprivileged communities. BNI is a government partner in distributing the cards and channeling the funds.

Products	Description	Activated cards
Bansos Card	The Bansos card is a type of BNI Debit Card that is used for channeling government social assistance programs (Bansos).	8,738,798
Farmer's Card (Kartu Tani)	Farmer Card or Kartu Tani is a type of debit card that is intended for use by Indonesian farmers. Besides functioning as debit cards, it also serves as a medium for accepting subsidies and social assistance from the government.	1,973,783
Smart Indonesia Card (KIP)	A debit card that can be used as a marker to ensure all school-age children (6-21 years old) from KKS holder families receive benefits from the Smart Indonesia.	12,248,953
Kusuka Fisherman Card	A single identity card meant for marine and fisheries businesses that also functions as a distribution channel for aid and subsidies from the Ministry of Fisheries and Maritime Affairs. This is a Multi-Function Card issued by banks where the recipient's data is recorded on the card. It also functions as a savings card and e-wallet (Combo) for spending from quota allocations.	54,082

BNI PERFORMANCE

2020 was a challenging year for the banking industry not only because of the decline in profits due to economic slowdown, but also the difficulties debtors dealt with in repaying their obligations to banks. In such a situation, BNI still managed to record a net profit of Rp3.3 trillion, and reported asset growth of 5.4% compared to the previous year. As a contingency plan to deal with future economic uncertainty, BNI is focused on quality improvement, among other things, by conducting a comprehensive assessment to monitor debtors. Below is some data on BNI's recent performance:

Distribution of Acquired Economic Value (Rp Million) Million) [GRI 201-1] [OJK B.1]

Description	2020	2019	2018
Economic Value Generated			
Revenue	74.9	78.4	71.7
Economic Value Retained			
	74.9	78.4	71.7
Economic Value Distributed			
Operating Costs	59.9	48.7	42.6
Employee Salaries And Benefits	9.8	10.2	9.5
Dividends	3.8	3.8	4.8
Tax Payments To Government	1.8	3.9	4.7
Community Investment	0.1	0.1	0.1
Economic Value Distributed	75.4	68.5	61.7
Economic Value Retained			
Income - Economic Value Distributed	-0.5 *	9.9	10

* In contrast to the aforementioned presentation of "Retained Economic Value", in 2020, BNI documented a profit of Rp3.3 trillion. This dissimilarity occurred due to the differences in financial reporting methods based on Financial Accounting Standards against sustainability reports that refer to the GRI Standards.

An economic performance monitoring audit is conducted internally and externally based on our Financial Accounting Standards (SAK) and International Financial Reporting Standards. BNI reports periodic economic performance to the Executive Board and Financial Services Authority (OJK), while the consolidated results of financial reports are submitted to the Annual General Meeting of Shareholders and the BNI Annual Report. Mechanisms for handling complaints about economic performance are conducted through the Corporate Communication and Secretary Division.

Performance Overview of Economics Aspect [OJK B.1]

Description/Year	2020	2019	2018
Bank's operating income (IDR)*	52,036 billion	52,012 billion	.48,771 billion
Bank's net profit (IDR)*	3,280 billion	15.384 billion	15.015 billion
Sustainability-related Economic Performance			
Types of products meeting the criteria of sustainable business activities			
Nominal value of product and/or service meeting the criteria for sustainable business activities (IDR)	115.956 billion	134.052 billion	n/a
Percentage of total portfolio of sustainable business activities to total portfolio (%)	41.20%	41.20%	n/a
A. Funding	.63 billion	.57 billion	n/a
B. Fund Distribution	22.710 billion	30.064 billion	n/a
Financial Inclusion Performance			
Laku Pandai Growth			
a. Total Agents	170,158	157,144	111,836
b. Nominal value of product and/or service provided by the Agents	190 Trillion	160 Trillion	95 Trillion

* Data taken from Bank's Annual Report.

** Data taken from Laku Pandai Reports.

Through Laku Pandai (Officeless Financial Services for Inclusive Finance), BNI provides collaborative banking services with bank agents who are supported by mobile gadgets. Laku Pandai is an effort to smooth-sail economic activities in the communities as well as implement distributive justice in Indonesia. In the reporting year, the number of smart agents increased by 8.28% from the previous year, reaching a total of 170,158 agents. Nominal value of products and services accessed by communities through Laku Pandai is worth Rp190 trillion, an increase by 19% from the previous year which amounted to Rp160 trillion. BNI is targeting the continued development of Laku Pandai services through various channels such as Agen46.

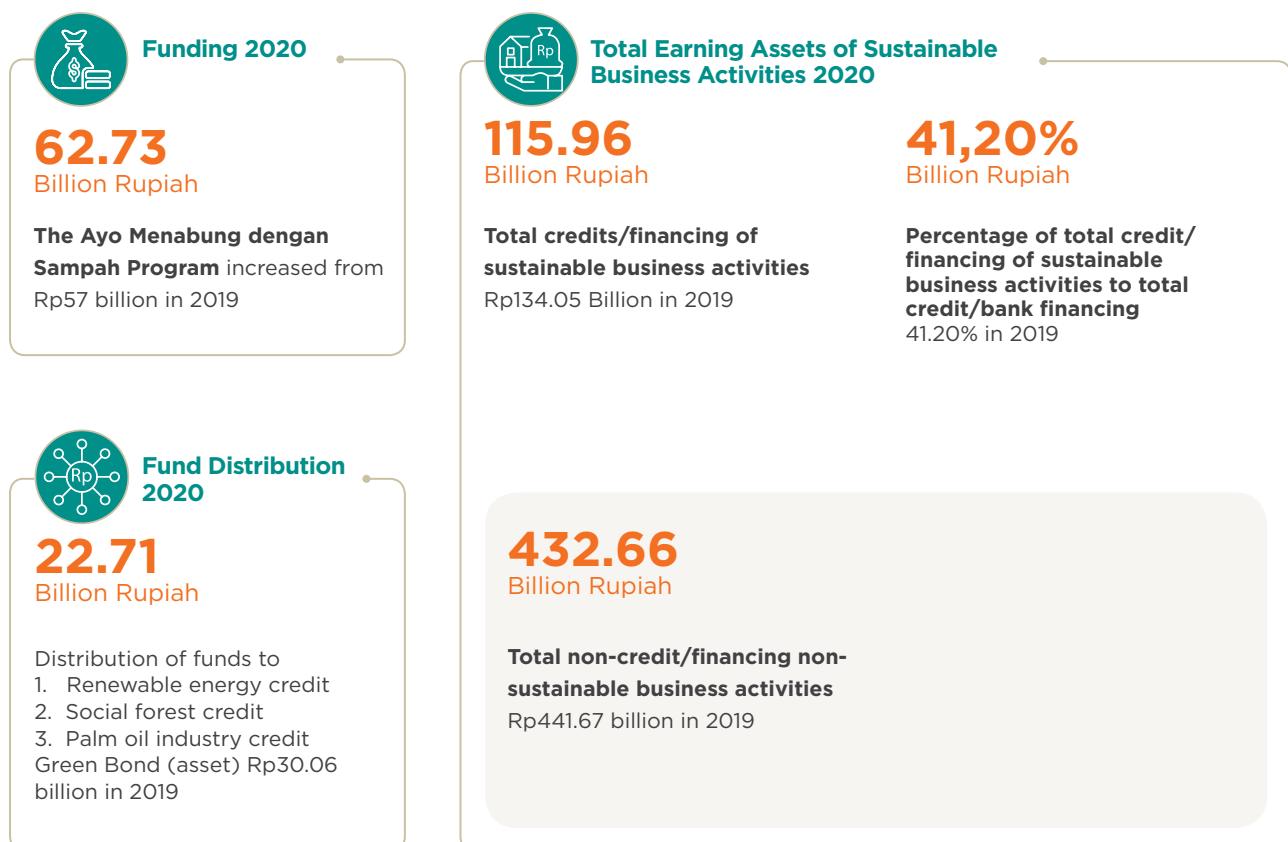
Comparison of Target and Production Performance, Portfolio, Financing Target, or Investment, Income, and Profit Loss Statement (Trillion) [OJK F.2]

Description/Year	2020	2019	2018
Total Asset	891.3	845.6	808.6
Productive Assets	827.4	797.2	778
Bank credit/financing (consumer credit not included)	463.1	438.4	405.4
Third Party Funds	679.5	614.3	578.8
Operating Income (IDR)	52.0	52.0	48.8
Operating Cost (IDR)	24.2	23.7	21.8
Net profit (IDR)	3.3	15.4	15.0
Performance Ratio %			
Minimum Capital Adequacy Ratio (KPMM)	16.8	19.7	18.5
Problematic earning assets and non-earning assets to total earning assets and non-earning assets	3.1	1.8	1.3
Problematic earning assets to total earning assets	2.9	1.6	1.3

Description/Year	2020	2019	2018
Provisioning against Loss of Value (CKPP) of financial assets to earning assets	6.2	2.2	1.9
Gross NPL	4.3	2.3	1.9
Net NPL	0.9	1.2	0.8
Return on Asset (ROA)	0.5	2.4	2.8
Return on Equity (ROE)	2.9	14.0	16.1
Net Interest Margin (NIM)	4.5	4.9	5.3
Efficiency ratio (BOPO)	93.3	73.2	70.1
Loan to Deposit Ratio (LDR)	87.3	91.5	88.8
Liquidity Coverage Ratio (LCR)* %			
a. Individual LCR	224.2	181.6	-
b. Consolidated LCR	223.6	184.1	-

*) Only filled in by Banks that are required to compile and publish the Quarterly Liquidity Coverage Ratio (LCR) calculation and value as stipulated in the provisions concerning the liquidity adequacy ratio (LCR) compliance requirement for commercial banks. LCR values are first presented for the reporting position for March 2019.

Project that is in Line with Sustainable Finance [FS8] [OJK F.3]



The amount and quality of credit/financing based on the category of sustainable business activity



Renewable energy

2020

4.65
Trillion Rupiah

2019

3.46
Trillion Rupiah

Energy efficiency

2020

238
Billion Rupiah

2019

436
Billion Rupiah

Pollution prevention & control

2020

215
Billion Rupiah

2019

226
Billion Rupiah

Natural Resource Management and Sustainable Land Use

2020

20.54
Trillion Rupiah

2019

20.98
Trillion Rupiah

Conservation of Biodiversity in Water and on Land

2020

17
Billion Rupiah

2019

142
Billion Rupiah

Products that May Reduce Resource Usage and Pollute Less (Eco-efficient)

2020

1.16
Trillion Rupiah

2019

1.16
Trillion Rupiah

Green Buildings Meeting National, Regional, or International Standards or Certification

Business and/or Other Eco-friendly Activities

2020

528
Billion Rupiah

2019

528
Billion Rupiah

2020

22*
Billion Rupiah

2019

2,302
Billion Rupiah

MSME Activities

2020

113.35
Trillion Rupiah

2019

104.81
Trillion Rupiah

* There is a reclassification

Position per September

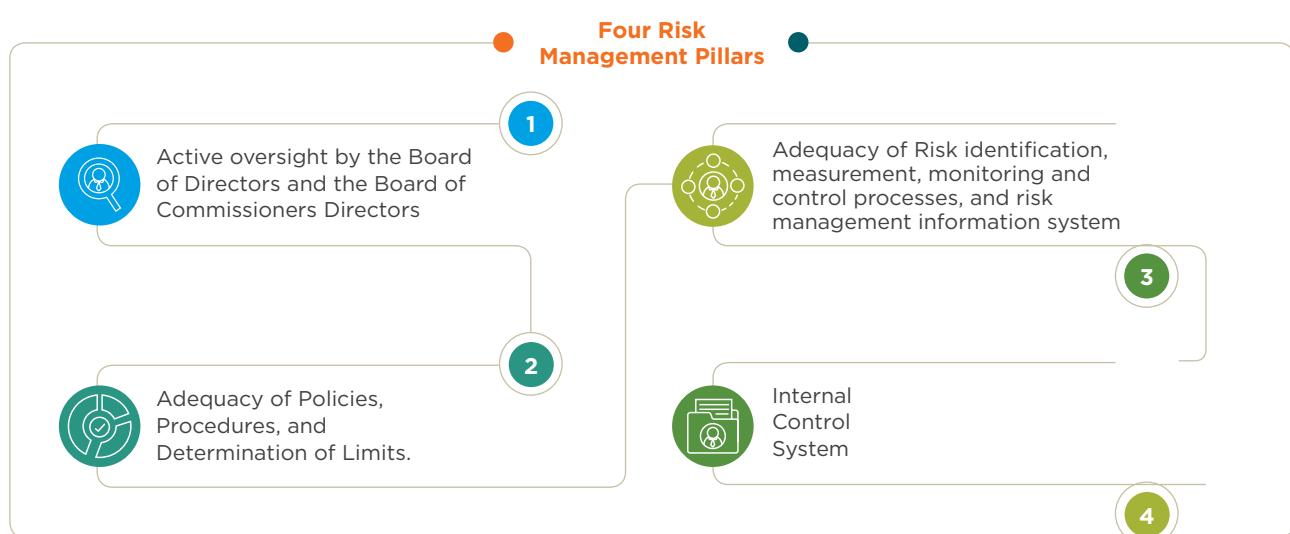
Sustainable portfolio performance in 2020 represents the total value of Rp115.96 billion. This is 13.5% lower than the previous year, the value of which reached Rp134.05 billion. The sustainable portfolio is 41.20% of the total portfolio managed by BNI.

Supply Chain [GRI 102-9]

In doing business, BNI is in partnership with thirdparty vendors as part of our business process such as IT contractors, office facility providers, transportation providers, and security services. It is estimated that our business chain includes 530 suppliers of goods and services from various regions according to the corresponding branch offices. Our selection of suppliers is enabled with an e-procurement application.

RISK MANAGEMENT

Risk management is crucial in banking business because risk factors may stem from a number of sources that may harm the sustainability of a bank's business model. For that reason, BNI applies a structured and comprehensive risk management approach so as to identify risks deeply through the following four risk management pillars:



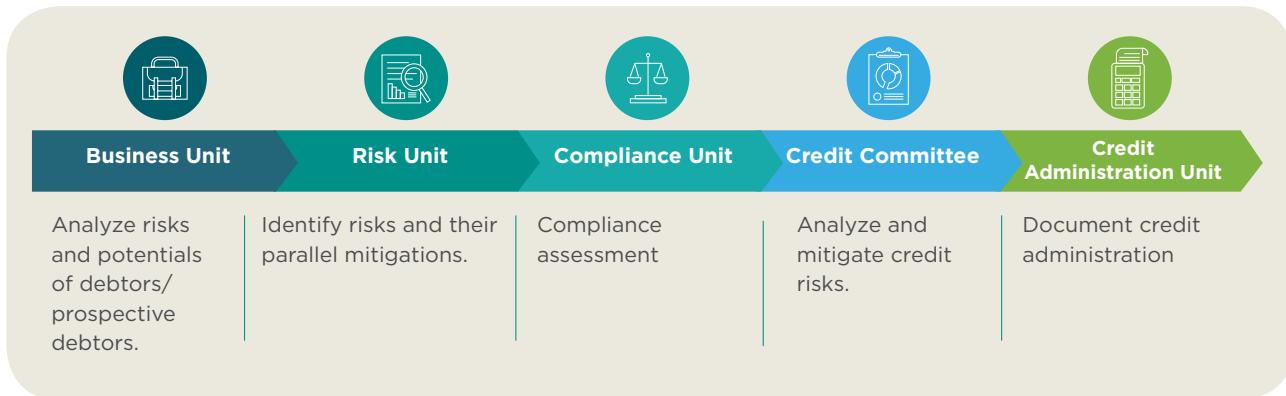
BNI's risk management application is based on a number of national and international regulations, such as: Regulation of Financial Services Authority (OJK), Circular Letter of Financial Services Authority (SEOJK), Bank Indonesia Regulation (PBI), Circular Letter of Bank Indonesia (SEBI), and documents of the Basel Committee on Banking supervision (BCBS).

In particular, we implement ESG risk monitoring and management as follows: [OJK E.3]

1. Business Units: Organize an assessment related to identification and opportunities
2. Risk Unit: Determining the CRR (Customer Risk Rating) and CCR (Customer Credit Rating) generated from the Internal Rating System (IRS) and LEL (Loan Exposure Limit), including IRR (Industry Risk Rating).

3. Compliance Unit: Perform C2R (Credit Compliance Review) to ensure that the credit process complies with all applicable provisions including regulations on ESG aspects.
4. Credit Committee: Analyze debtors/prospective debtors including risks and the risk mitigation mechanism.
5. Credit Administration: Conduct credit administration and documentation.

In addition, the Internal Audit Unit (SPI) performs internal controls and audits of every branch office as regards compliance to the customers' credit processes. Here is a summary of the assessment process:



Before the Credit Committee approves a credit proposal, the Compliance Division runs a test on debtors' compliance with external regulations in line with the proposed types of credit and industry sectors. The results of this compliance test will be considered by the Credit Committee when accepting the proposal. If debtors are not yet eligible, we will give a certain period of time in order for the debtors to comply with the provisions before or after the credit is disbursed.

Implementation of Monitoring and Compliance with Social and Environmental Rules [FS3]

Our commitment to upholding compliance with the ESG rules is performed through a regular monitoring system. The monitoring is carried out on a monthly basis by the Business Banking unit via a watchlist system as well as a rating system whose output is delivered to BNR (Corporate Credit Risk Division) and CMR (Mid & Small Credit Risk Division) every three months. Compliance is also measured with a scoring system, which refers to:

1. Organic Consumer Credit Company Guidelines;
2. Organic Consumer Credit Company Guidelines Book IV;
3. Business Banking Credit Company Guidelines Book I.

Monitoring of a sample of debtors is carried out through an internal audit in the respective unit. BNI already has policies and procedures in place for making adjustments (down-grading) in case debtors fail to comply with the ESG regulation, which will in turn affect business continuity both in the short and long term.

ESG Compliance Audit [FS9]

We also perform an audit of debtors whose businesses may have negative impacts on the environment. In the reporting year, this auditing was implemented for 24 debtors in the Corporate segment, in regards to the textile, pulp & paper, timber, palm oil and chemicals industries. The audit results are used to encourage debtors to comply with the ESG requirements. In addition, to support eco-friendly programs such as paper use reduction, the BNI Internal Audit Unit/ SAI has digitalized the audit process through the Audit Management System (FAST Application) which covers audit planning, monitoring of findings, and documentation of audit work papers in the form of electronic files.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISK MANAGEMENT

[OJK E.3]

BNI is committed to providing lending that is not prohibited by external regulations and does not pose a reputational risk.

In enforcing a Sustainable Finance Policy, BNI periodically reviews policies issued by the company.

In relation to credit policy managed by Policy Governance Division, BNI adopted the Business Banking Guidelines which sets out various criteria on environmental, social, and governance integration, and includes the following

1. Legal requirement for the debtor's business to have an Environmental Impact Analysis (AMDAL);
2. Debtors in the plantation sector, such as oil palm plantations, must have the following business permits: Plantation Business Permit (IUP), Cultivation Business License (IUP-B), Plantation Business Registration (IUP-P), Plantation Business Registration (SPUP). In addition, companies must have the Indonesian Sustainable Palm Oil and Roundtable Sustainable Palm Oil (RSPO) certificates. Through the ISPO and RSPO requirements, BNI indirectly encourages palm oil debtors to pay more attention to social and environmental aspects of its business processes.

The Company Guidelines can be accessed through the Electronic Company Guidelines (e-PP) which is a tangible form of digitizing and minimizing the use of paper.

REVIEW OF FINANCING

[OJK E.3]

Environmental, Social and Governance issues are the guidelines of the implementation of sustainability risk management according to the three lines of defense.

Thus, BNI has developed a framework to assess risks related to customer's business activities based on their capacity, commitment and track record on sustainability issues. To ascertain that debtors apply the principles of Sustainable Finance, BNI will review reports and Debtors' performance and commitments on environmental issues on a regular basis. In general, this issue will be discussed as part of our Credit Analysis process. BNI will periodically review debtor reports and performance on environmental issues and their commitments as well as fulfill all legality requirements according to the business sector being financed, for instance the requirements for performance in the Environmental Performance Rating Program (PROPER) from the Ministry of Environment and Forestry (KLHK) and the ecolabelling and the timber legality verification system (SVLK) for debtors in the furniture industry who are working at an export scale.

If BNI finds any infringements of commitments during the review, it will review the financing according to Company Policies specified in the Legal Company Guidelines on Lending.

BNI also has policies and procedures in place for making adjustments (down-grading) in case of debtors' indifference to environmental factors that impact business continuity both in the short and long term.

Lastly, BNI has a policy on credit categories that are prohibited from being financed, including not financing credit for export purposes that are prohibited by the Government.





- Services To Customers During the COVID-19 Pandemic
- Products And Services
- Digital Banking
- Occupational Safety
- Access Development
- Customer Service And Satisfaction
- MSME Credit Facilities



BNI for Customers

IMPROVING THE QUALITY OF OUR EXCELLENT PRODUCTS AND SERVICES

BNI has launched more excellent products and services to increase customer satisfaction and loyalty as well as an enhanced “customer experience” which singles us out from the competition.

A high level of customer service is one of the added values that we offer to both our corporate and individual customers. BNI provides integrated services in such a way that it can deliver a total financial solution for customers. We provide excellent services and value-added solutions to all of our customers, and act as the primary partner of choice. With regards to products and services, BNI's policy is to:

1. Provide comprehensive, integrated, reliable and trustworthy financial products/services;
2. Provide "one stop solution" services both for business and individual customers;
3. Provide best-in-class quality products and services;
4. Improve the customer experience in processes that our customers deem to be critical;
5. Proactively make adjustments and improvements in line with the development of customer needs and their demand for BNI's products/services;
6. Facilitate customer transactions.

We also apply "beyond services," i.e. excellent services:

1. Services that exceed the customer expectations
2. Services that are above the industry average standard
3. Services that provide a new customer experience

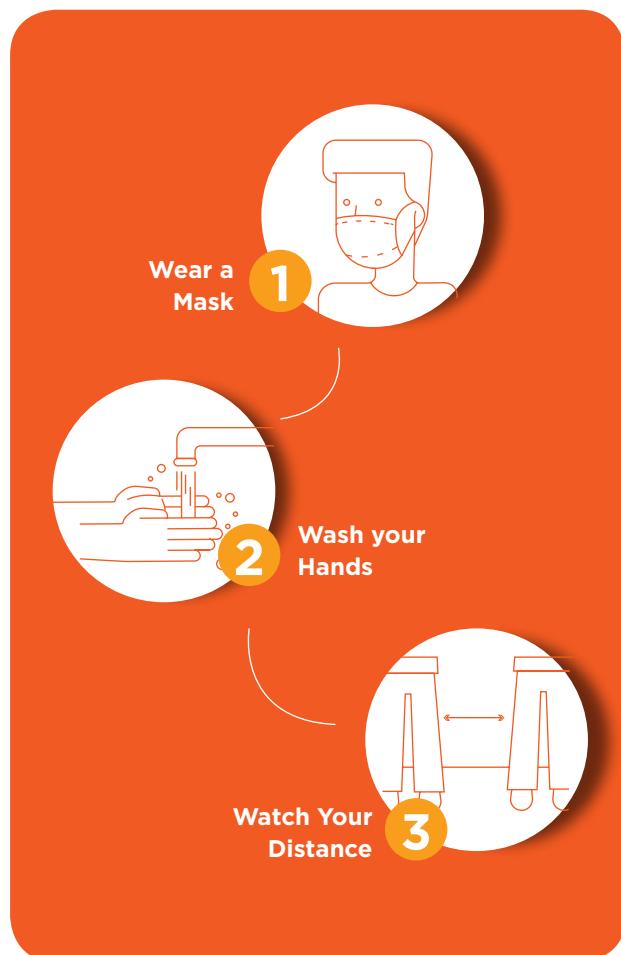
BNI applies a policy of fair and comparable products and services, whereby BNI products and services are made available in all public spheres, from meeting the needs of corporate customers down to providing People's Business Credit (KUR) and micro credit. We serve those living in big cities as well as those who live in the outermost, underdeveloped, and neglected (3T) areas. Indonesia Services also provides services for people with disabilities as one of our inclusive services. [FS 15] [OJK F.17]

SERVICES TO CUSTOMERS DURING THE COVID-19 PANDEMIC

COVID-19 Service Standards

New-normal adaptation is now a necessity for BNI, and has become both a new lifestyle and a new way to continue contributing to society by prioritizing health and productivity. All of our employees are urged to endeavour to prevent the spread of the COVID-19 virus through the 3W's.

The COVID-19 pandemic has forced everyone, including those working in the banking sector, to adapt quickly to its effects in various ways. In the midst of the pandemic, BNI continues to be



committed to providing the best service possible, with various features, programs, promos and ease of transactions offers from through a wide selection of available electronic channels, such as Mobile Banking, ATM, CRM, SONIC (CS Digital) and others.

Branch Operational Services During COVID-19

BNI management continues to oversee the activities of all front-end and back-end officers through a series of implemented health protocols including:

1. Health Protocol at each Branch Office / Outlet
 - Masks, gloves, hand sanitizers, thermo guns must be used by all front-liners during service operating hours
 - Spraying disinfectants in banking halls and all work areas
 - Installation of droplet protection acrylic boards in each branch/outlet office to maintain customer comfort in communicating and making transactions with officers
 - Tissue and hand sanitizer to facilitate customers transacting at ATMs
 - Marketing or advisory to customers by each marketing officer is recommended to be carried out online (according to customer conditions). The clerk makes appointments (meeting schedule and location) by observing the provisions of the local large-scale social restrictions if the customer wishes to meet face to face.
2. Implementation of Social / Physical Distancing: BNI implements capacity limitation standards and queue management as one of the customer queue management strategies based on the COVID-19 protocol, as a reference or basis for branches/ outlets to manage customer queues coming to outlets so that they are run well, in an orderly fashion, and according to the COVID-19 protocol.
3. Optimization of Security Officers: As one of the touch points for customers, every security officer at our Branch offices and outlets in all BNI regional offices must inform customers that BNI provides security and convenience for transactions at branch offices/outlets through strict application of the COVID-19 protocol.
4. Optimization of BNI Digital Assistant (BDA): Officers For customers to continue making transactions in the midst of busy branch queues, every BDA officer at the branch/outlet office is required to educate customers to activate and use BNI e-channel as an alternative medium for transactions for the convenience of customer transactions without having to come to a branch/ outlet.
5. Awareness and Education of COVID-19 Branch Operational Services: The awareness and education process is carried out by displaying educational content throughout the branch/outlet offices

through several communication channels and media such as posters, banners, and screen monitors in the banking hall.

PRODUCTS AND SERVICES

Our products and services are provided to support and facilitate community involvement and business activities that promote the national economy. In addition, BNI has launched products and services to support public welfare in partnership with the government.

All products and services launched by BNI have gone through a comprehensive evaluation of their safety and financial "fairness" for customers. The various stages to pass prior to the launch of a product are:

1. The Compliance Division performs compliance analysis.
2. The Risk Management Division performs risk mitigation analysis.
3. The Technology Division conducts technological analysis of products.
4. Post Implementation Review (PIR) is conducted to evaluate the products prior to their implementation.
Should the PIR results have shortcomings, the PIR will be repeated.
5. Qualified products and services that have met the requirements will be registered with Bank Indonesia and the Financial Services Authority before being launched to the public.

Product Policy and Responsibilities and Equivalent Services [FS 15][OJK F.17][OJK F.27]

The Product Committee in BNI is responsible for managing product-related policies to ensure profitability for the company, as well as benefits for customers. The Product Committee is in charge of business development through BNI products, services and activities. The committee will conduct a comprehensive test and decide which new product or service is eligible. In addition, with input from various parties, the Product Committee will monitor products and services, to determine the continuity of products. Therefore, any products and services that BNI launches are security guaranteed, evaluated continuously, and ensured to uphold fair and equal principles for the public. Throughout this reporting year, no products have been recalled. [OJK F.29]

All BNI products and features (100%) that are released have been evaluated to be secure for customer use and their risk profiles will have been previously informed to the customers, so no products have been withdrawn.

On the other hand, BNI always performs improvement s for its products. In designing financial products and services, BNI carries out product improvement stages through risk mitigation and compliance analysis by the Compliance Division, Risk Management Division

and Technology Division, both in operational and technology aspects, and the implementation of Post implementation Review (PIR). Should the PIR results have shortcomings, the PIR will be repeated. Products and services that are qualified from the operational, technology and risk aspects based on the PIR, will be registered with Bank Indonesia and the Financial Services Authority (OJK) for further approval before being launched to the public.

[GRI 102-2]



DIGITAL BANKING

The COVID-19 pandemic has transformed digital banking from an additional service into a fundamental one. The increase in the number of internet users—196.7 million in 2020 according to the Association of Indonesian Internet Service Providers—has also helped drive the growth of digital banking. For that reason, BNI has reinforced its digital services as part of the bank's business strategy in improving efficiency, supporting productivity, and providing easy, comfortable, and fast service for its customers. The

push in digital services has in turn provided added value in terms of environmental aspects, due to the following: [OJKF.28]

1. Paperless culture.
2. Cutback on waste (customers no longer require receipts).
3. Reduction in carbon footprint (customers not obliged to go the branch).
4. Less energy use (no outlets or branches required to carry out transactions).

Digital banking products and services [GRI 102-2]

Product/Service	Description
BNI Direct	Facilitating non-individual customers with BNI electronic channel service to carry out financial transactions from their BNI accounts and to obtain transactional information recorded in corporate accounts more quickly, easily, and safely. In the reporting year, BNIDirect transactions reached 67,873,898.
BNI FSCM (BNI Financial Supply Chain Management)	Services to aid corporations in optimising working capital and cash flow arrangements in collaboration with business partners (corporate partners/suppliers/distributors), as well as providing business solutions in a chain from upstream to downstream set to the needs of corporate customers. The number of BNI FSCM principles in the reporting year reached 46 corporations with the number of transactions reaching 81,647.
BNI Digital Branch	Banking services through digital machines or devices that can serve all customer transaction needs in a self-service manner.
BNI opening Digital Account (PRAYER)	Convenient, easy, accessible savings opening via BNI Mobile Banking without customers having to go to any BNI branch.
BNI SONIC (Self Service Opening Account)	Using biometric authentication, this self-service banking enables customers to open an account without having to go to a BNI branch with average service time of 3 minutes, much faster than the 15-minute face-to-face assistance at CS desk. Through BNI Sonic, BNI received a Muri Record in the category "The First Bank to Open the Fastest Account Through the Opening Account Machine".
e-Form BNI Griya	Online housing loan (KPR) application facility with ease—aimed at millennials—which can be carried out anywhere, anytime. The BNI Griya E-Form is also accessible through certain online property media partnering with BNI.
EDC Android	Opening a savings account and obtaining financial services—without having to go to a BNI branch—is made easy through an Electronic Data Capture (EDC Android) by using biometrics (fingerprint).
BNI Mobile Banking	Banking transaction channels at your fingertips with various features that make it easier for users, such as opening an account, applying for loans & credit cards, Biometric Login, User-ID Auto Filling and independent activation that allows customers to carry out banking activities without having to come to a branch.
BNI TapCash Go	An application service with an informative display with a guide to top up and updating the TapCash card balance.
EDC Care Mobile Apps	An application with monitoring tools to report if there are problems with the BNI EDC by scanning the QR Code on the BNI EDC. This app can be used by merchants, cashiers, customers, and the general public.
CINTA	An Artificial Intelligence (AI) application and machine learning. CINTA answers customer queries through a personal chat platform.
Agen46	Agent 46 includes LKD (Digital Financial Services), Laku Pandai (Officeless Financial Services for Inclusive Finance) and e-Payment, which can reach remote areas.
EDC Offline	Biometric systems can provide services without requiring a specific infrastructure or network.
Smart City	One of the urban development concepts based on digital or information and communication (ICT) technology as well as reliable infrastructure and support for various types of BNI networks and channels.
BNI Call Virtual Assistant	The Digital Banking Contact Center application based on Artificial Intelligence (AI), equipped with Voice Command (voice commands) and Natural Language Processing (NLP) features that will make it easier for customers and non-customers to get information on products, services, transactions and monitoring complaints online. This virtual assistance application facility can be accessed using smartphone devices based on Android or iOS. The BNI Call Virtual Assistant application is increasingly developing, including the integration of this application with BNI Mobile Banking. In 2020, the BNI Contact Center continued to improve the BNI Call Virtual Assistant application by adding transaction features, and besides that customers can also monitor the settlement of complaints digitally through this application.
BNI Digital Services	Digital facilities that are integrated with all current digital ecosystems, such as API services, startup & fintech, State-owned enterprise, ministries, universities, retails, etc.
BNI e-Collection	Providing virtual accounts in a collection management facility in which digital businesses are facilitated in carrying out their business. In the reporting year, there were 44,143,247 transactions made with a total value of Rp112.3 Trillion.
BNI Credit Card Mobile	An app-based BNI credit card services to help customers get their transaction information via smartphones. Another, there are features such as installment conversion, bill payment lists and information related to BNI Credit Card promotions and products.
Credit Card Contactless	The BNI Credit Card in collaboration with the Principles, where the cardholder simply taps the BNI Credit Card on the EDC machine having the contactless symbol.

Product/Service	Description
BNI Trade Online	Web-based trade transaction services for customers using the BNIDirect - Trade application system.
SWIFT GPI	As for remittance transactions, all BNI customers can have the SWIFT - GPI (Society for Worldwide Interbank Financial Telecommunication - Global Payment Innovation) facility, which is a digital innovation on SWIFT aiming at providing new experiences to customers in transferring money across countries in foreign currency (forex) faster. It has traceable and transparent features.
Management of complaints through Social Media	Information services and complaint handling through social media platforms such as Facebook, Twitter and Instagram are served directly by BNI Contact Center officers so as to speed up the resolution of customer complaints.
Online Request Management (ORM)	Application for recording customer and merchant complaints that are integrated with all touch points in BNI, making it easier to monitor and maintain SLA for complaint resolution to improve customer experience.
BNIDirect Mobile	User Interface for accessing BNI cash management services. Browser initiated transactions will be monitored and viewed in BNIDirect Mobile and vice versa.
BNI One Gate Payment (BNI OGP API)	Services for the company (or other non-individual customers) in integrating company applications with banking transaction services through Open Application Programming Interface (API) based solution.
Digital Opening Account	The Digital Opening Account service, which is equipped with facial recognition technology, makes it easier to open a BNI savings account anytime and anywhere, just via a smartphone.
Credit Card E-Form	A means or channel for applying for a credit card using the mobile web that can be accessed anytime, anywhere using smartphone media by entering the link ap-plykartukredit.bni.id using the Google Chrome or Safari browser. This e-form provides advantages in the form of: 1. Data security of prospective cardholders stored in the system. 2. Credit card applications can be made fully digitally via a smartphone without the need to meet with sales or come to a branch.
BNI Orange Magz	An application to make it easier for customers to get information about BNI products and/or services by simply using the QR Code found at each Branch Office/Outlet without having to use pamphlets, brochures, and other printed media.
BNI Service Rating	The outcome of the media for customers to be able to provide feedback or an assessment of the quality of BNI services in each outlet. Customers can assess the quality of service from officers and non-officers through a QR Code that can be accessed directly by the customer via their cellphone.
Garansi Bank Online	A web-based and mobile solution from Bank Guarantee having the e-Application feature (submitting online bank guarantee issuance with tiered approval), e-Tracking (monitoring the status of bank guarantee issuance online), e-Reporting (guarantee report, bank issued and received), e-Checking (checking the validity of bank guarantee documents that have been issued (as an applicant) and/or accepted), and e-Ceiling Monitoring (monitoring bank guarantee ceilings, namely the maximum ceiling, usage and remaining ceiling).

OCCUPATIONAL SAFETY [GRI 418-1]

As stakeholders who are most important for BNI's progress, customers are our main priority. We are committed to providing excellence customer service and protecting customer interests under OJK Regulation No. 1/POJK.07/2013 on Consumer Protection in the Financial Services sector. BNI has initiated an Information Security Unit that is specifically tasked with maintaining information security and improving cyber security. This unit, which adopts international standards, has also served to deal with cybercrime related incidents. We have also implemented layered security as presented below:

With the direction of business development moving towards digital banking, BNI has innovated in the form of active cybersecurity to ensure the business continuity is safe from cybercrime threats, so that customer trust and comfort can always be maintained. BNI conducts proactive 24/7 monitoring to prevent cybercrime, and educates its employees and customers to increase awareness about the threat of cybercrime.

BNI has the obligation under the Banking laws—Act No. 7 of 1992 and amendments to Act No. 10 of 1998—to maintain the confidentiality of customer data. Violations related to confidentiality of customer data will be processed by the Internal Audit Unit (SAI) which is directly monitored by the President Director.



Due to a high level of commitment, no complaints have been made based on a breach of customer privacy or loss of customer data. [GRI 418-1]

ACCESS DEVELOPMENT

Increased Number of Branches and Services

Ease of access makes BNI the bank of choice for the community. BNI branch offices, representatives, and ATMs are ubiquitous in big cities and rural areas. Every year, the quantity increases. During the reporting year, however, there were branch offices that were closed permanently or temporarily due to the pandemic. By the end of 2020, the network of BNI offices was spread across 34 (thirty four) Provinces and covered 455 (four hundred and fifty five) Cities/Regencies (89%) throughout Indonesia, consisting of 17 (seventeen) Regional Offices, 201 (two hundred and one) Branch Offices, 1,094 (one thousand and ninety four) Sub-Branch Offices, 594 (five hundred and ninety-four) Cash Offices, including 14 (fourteen) Digital Branch (D-Branch) services, 33 (thirty three), Medium Credit Centers, 25 (twenty five) Credit Centers, Small, 41 (forty one) Small Credit Units, 12 (twelve), Consumer Loan Processing Centers, 126 (one hundred twenty six) BNI Sonic facilities, 115 (one hundred fifteen) Payment Points, and 198 (one hundred and ninety eight) O-Branch (Mobile Cash Service) fleets. As for Agen46, by the end of 2020, it

had spread across 34 (thirty-four) Provinces covering 499 Cities/Regencies (97%) throughout Indonesia with a total of 170,158 Agen46.

In addition, we have many representatives Overseas, namely 6 Branch Offices (Singapore, Hong Kong, Tokyo, New York, London, Seoul). BNI also has 170,158 Agen46 partners providing banking services to the public. Through Agen46, we bring services closer to the community; thus, there are no more obstacles to making financial transactions.

Financial Inclusion in remote areas [FS13]

As the bank with the widest area coverage in Indonesia, BNI provides access points in less populated areas with a sluggish economy through Agen46. Laku Pandai agents (Officeless Financial Services for Inclusive Finance), and e-Payment methods which can penetrate remote areas in Indonesia. Through Agen46, BNI provides savings, cash withdrawals, electricity payments, PDAM, and other banking services. Collectively, there are 170,158 years worth of reporting for Agen46 across the whole of Indonesia, up 8.28% compared to the previous year. Agen46 is equipped with an offline EDC (Electronic Data Capture) system so it can deliver services in remote areas, including isolated areas untapped by network infrastructure. Through biometric technology, communities are able to carry out financial transactions and obtain social assistance programs from the Indonesian government.

Description	Unit	2020		2019	2018
		% Increase	Achievements		
Number of Agen46	Agents	8.28	170,158	157,114	111,836
Transaction	Million	26.0	157	124.88	79.3
Nominal Value	Rp Trillion	19.0	190	160	95
Third Party (DPU) Operational Funding	Rp Trillion	38.10	1.99	1.44	1.09
BNI Accounts Pandai	Million Accounts	87.79	18.35	9.72	9.18
DPK BNI Pandai	Rp Billions	302.83	3.105.75	770.98	636.3

Access Initiative for People with Disabilities [FS 14]

BNI provides banking access for people with disabilities whose number, according to the Ministry of Social Affairs, amounted to 30.38 people in 2018. It will certainly increase in 2020. Therefore, we provide ATMs for people with disabilities, and these currently number 3,243 units in 6 cities throughout Indonesia. This special ATM is equipped with voice services to help people with visual and physical disabilities. The number of transactions by ATM users with disabilities in the reporting year was around 17,431,100. This ATM features voice and keypad services in braille letters. It is expected that this feature can increase the participation of persons with disabilities in economic activities, thereby increasing their welfare.

CUSTOMER SERVICE AND SATISFACTION

Customer trust is often determined by the level of support that is provided when customers have questions or solutions to their business problems. For this reason, BNI makes available various facilities to provide excellent service and value-added solutions to all customers.

Product and Service Information [FS 15]

BNI adheres to the principle of transparency in delivering information about its products and services. We value customer trust, and for that reason we strive to provide clarity regarding the names of our products, types, benefits, requirements, costs attached, calculation of interest or profit-sharing, and the duration of certain products/services. We also include product risk profiles for our customers to provide a complete picture of those products. The information is presented in clear and complete Indonesian language, both in written and verbal form as per customer requests. Any information about BNI products and services can be obtained at BNI offices, Agen46, and www.bni.co.id.

Our policy on providing information about products and services is disseminated to every related employee through the staff training program. BNI is committed to the circulation of information and the implementation of a transparent services policy, thus we have appointed a BNI Corporate University to serve as our ambassador. We also provide public BNI policy, Annual Reports, and Sustainability Reports through the company's website at www.bni.co.id.

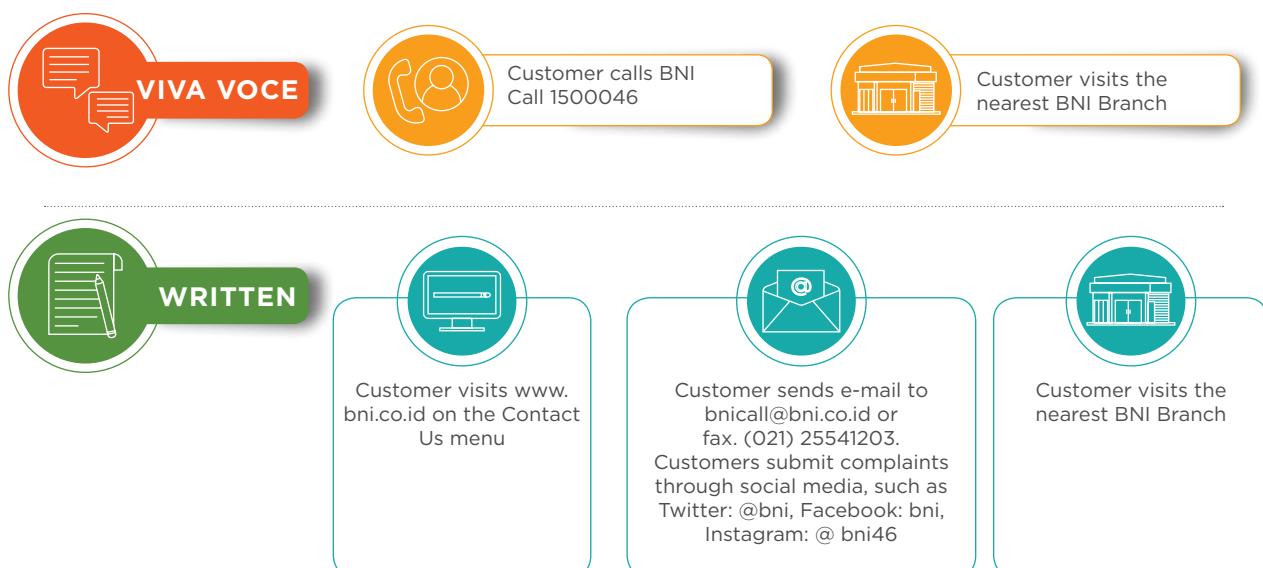
Customer complaints [OJKF.24]

BNI has configured the 24/7 helpline BNI Call 1500046 as a "one stop solution" for customers in order for them to get information, carry out transactions, and gain solutions for every issue effortlessly. The service has been certified ISO 9001:2015 for a high standard of service quality. Overseas customers can contact us at BNI Call (+62-21-30500046). In addition, we provide digital services through Social Media, Email, and BNI Call Virtual Assistant for fast and inexpensive services.

Customers are also given the option of contacting us by mail or by sending a fax. All service channels for customer communication media are managed by the BNI Contact Center so that customers will have the same experience at all BNI touch points.

In an effort to minimize customer complaints regarding violations of customer privacy and data leakages, we always educate customers to always maintain the confidentiality of data including when updating customer data.

BNI Customer Complaint Submission Media



To improve our level of customer service, we use an Online Request Management (ORM) application that is integrated with all touch points to simplify monitoring and maintaining SLA for complaint resolution as an effort to improve the customer experience. In the reporting year, with the improvement in business processes, there was a decrease in the number of complaints by 14.45% compared to the previous year (from 803,489 complaints in 2019 to 687,375 complaints in 2020), with a complaint resolution rate of 98.69% that were resolved properly.

The resolution of oral complaints is carried out within a maximum period of 5 (five) working days while the resolution of written complaints is within a maximum of 20 (twenty) working days. Should supporting documents be required for complaints submitted orally, BNI will follow up with a written complaint submission completed with supporting documents. In this complaint service, BNI follows the provisions stipulated by OJK Number 18/ POJK.07/2018 concerning Consumer Complaint Services in the Financial Services Sector, and SEOJK no.17/ SEOJK.07/2018 Concerning Guidelines for Implementing Consumer Complaint Services in the Financial Services Sector.

We evaluate all complaints, both financial and non-financial, that we have received and monitor Service Level Agreement (SLA) for solving complaints. Customer complaints are processed in a synergistic fashion by various divisions so as to get the right and best solution. We are provided solution reports as feedback so that our service can be subject to a variety of improvements.

BNI Call also facilitates the public or customers to be informed of BNI products while keeping at the forefront of BNI marketing products and services.

Customer Satisfaction Survey [OJK F.30]

In line with the bank's commitment, as stated in its vision, which is to become a financial institution that sustainably excels in services and performance, BNI since 2011 has always included customer participation through a Customer Satisfaction Survey (CSS) to evaluate the quality of its services based on the 7P principle (Product, Price, Place, Promotion, Process, People, Physical Environment).

For BNI, the voices of its surveyed customers offer important insights for the company to keep improving and innovating so as to get the best financial solutions for its customers. The conclusion of the 2019-2020 CSS showed an increase of 0.04 points compared to a previous survey which resulted in the BNI Service Level Index in 2020 being 4.09 on a scale of 1-5.

For three consecutive years (2018, 2019, and 2020), BNI was awarded the Best Government Bank in Service Excellence by InfoBank and Market Research Indonesia, and as such is a testament to BNI's commitment to customers, all stakeholders and, indubitably, all Indonesians.

MSME CREDIT FACILITIES

BNI has presented new solutions in digital credit processing, one of which is the presence of the e-Lo BCM app which is able to accelerate a credit process up to Rp3 billion and SmartCA for credit up to Rp15 billion for MSME participants. By the digital technology, the credit process can be faster yet accurate.

Moreover, considering that the MSME are most affected by the spread of COVID-19, BNI has channeled credit to MSME totaling Rp6.965 billion for BCM products. Credit distribution to MSMEs is prioritized for labor-intensive sectors so as to provide a multiplier effect on the national economy.





- Development Strategy and Policy for BNI Hi-Movers
- Human Capital Management
- Profiles of BNI Hi-Movers
- New Recruits and Turnover
- Aspect of Employee Rights
- Remuneration and Allowances
- Expanding Diversity and Equality
- Development of BNI Hi-Movers
- Employee Capacity Building Program
- Deep46
- Competence Improvement in Sustainable Finance
- Comfortable Working Environment



Reinforcing BNI Hi-Movers

BNI endeavours to set up and to esteem each and every one of the employees as they are epoch-making assets whose contribution not only to maintain the progress of the Company, but also to preserve a well-maintained sustainability

In realizing its vision in implementing digital transformation, BNI is constantly shifting gears as well as expanding and improving its credibility as a digital bank. In addition to the implementation of digitalization, the development and management of Human Capital (HC) has been mutually beneficial in establishing a strong distribution network and robust business processes. It is evident that the aforementioned aspects have been capable of supporting BNI's business growth consistently over the years by expanding market access and operational efficiency.

DEVELOPMENT STRATEGY AND POLICY FOR BNI HI-MOVERS

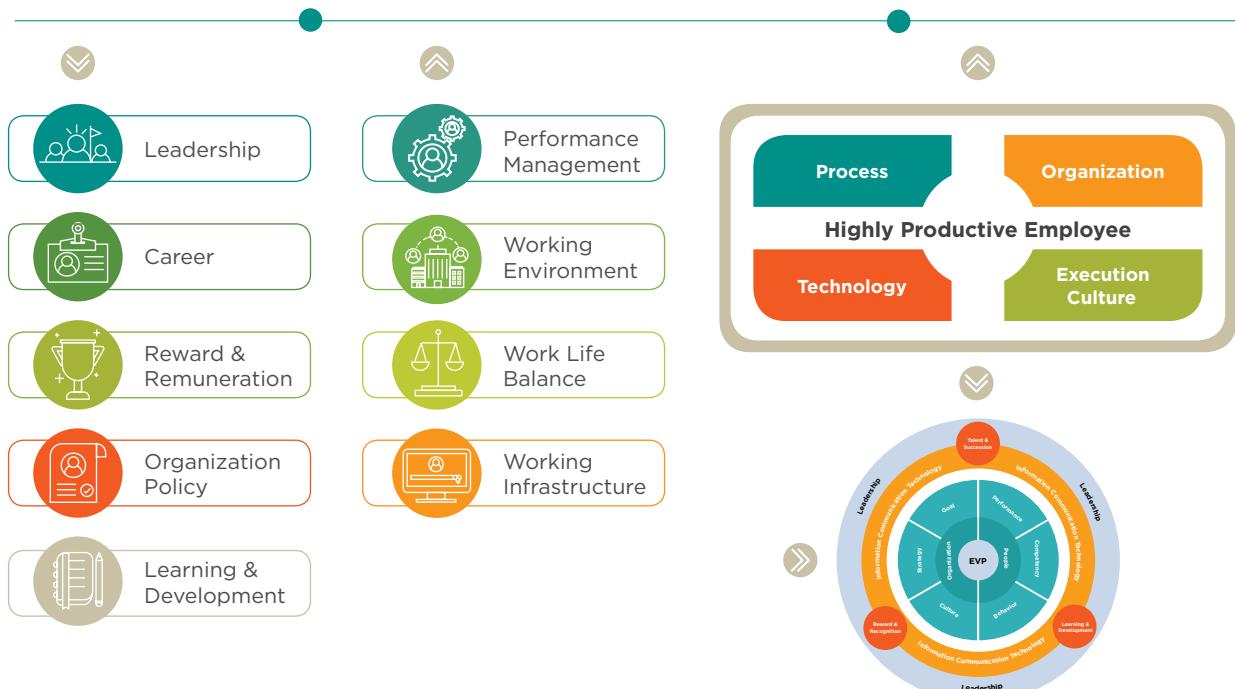
[GRI 102-8] [OJK F.21]

Human existence and innovation is a driving force and one of the benchmarks of the company's progress, stability and productivity. Humans accommodate

transformation, revitalization, contemplation, and realization of systematically designed and mature ideas. Based on this perspective, BNI is highly committed to continuously diversifying its operating activities through collaboration or equal work opportunities with highly competitive and determined individuals and through taking up challenges and facing obstacles.

Engagement Drivers, which include leadership, career path, reward and remuneration, organizational policy, employee training and development, performance management, work environment, work life balance, and work infrastructure have become BNI's benchmarks of highly qualified people. Meanwhile, employees are entitled to express their opinions and communicate their judgment regarding working situations, and their productivity is determined by business processes, organizations, technologies, and the culture of task delivery.

Vision of BNI Becoming prime financial institution that excel in services and sustainable performance



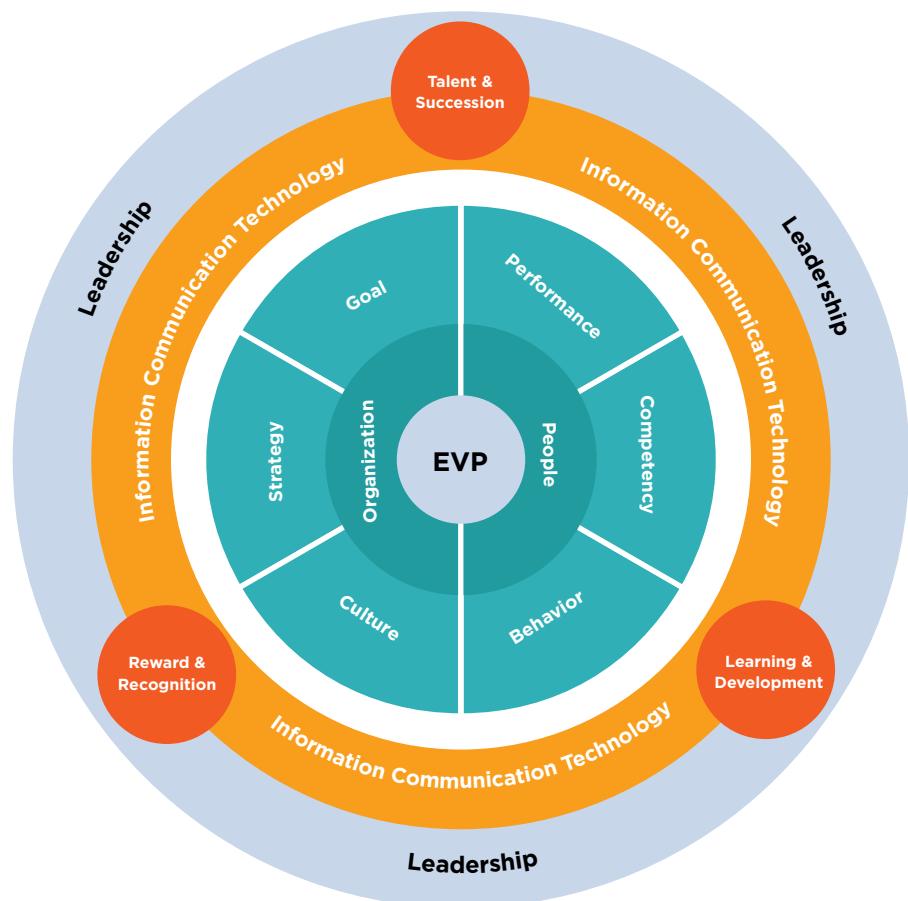
HUMAN CAPITAL ARCHITECTURE

Human Capital policy architecture is based on our BNI Human Capital Architecture (HC Architecture) which boils down to the following Employee Value Proposition (EVP): "jointly realize BNI as the best place to contribute, learn and grow". BNI favors the word "jointly" to emphasize the idea that the employees and the bank are two interconnected and inseparable configurations in manifesting BNI's vision.

Organizations must have a goal to achieve, a strategy to work it out, as well as behavioral guidelines whose base lies in the organizational culture. The company expects its people to expose their performance in supporting the achievement of the organizational

goals, strategically aligned competencies, and staff behavior complying with organizational culture.

In order to support such initiatives, the determining factors are talent, leadership and succession, a learning and development system, as well as reward and recognition. As an organization with employees all over Indonesia, BNI also needs the support of information technology as the main infrastructure to reach out to all of its employees in BNI operating areas. Moreover, the most important implementation of Human Capital policies is that leaders at any level of the organization play an active role in enforcing policies in the most favorable way.



PROFILES OF BNI HI-MOVERS [GRI 102-8]

In 2020, BNI hired 27,202 of employees from all over Indonesia or a decrease by 0.03 % over the preceding year. In general, workers' profiles compiled by the Human Capital Division are as follows:

Employee Composition Based on Employment Contracts (Permanent and Temporary) by Gender

Employment contract	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	12,241	12,860	25,101	12,127	12,758	24,885	12,485	13,401	25,886
Contract	693	1,021	1,714	651	887	1,538	446	443	889
Trainee	171	216	387	364	424	788	213	236	449
Total	13,105	14,097	27,202		27,211			27,224	

Employee Composition Based on Employment Contracts (Permanent and Temporary) by Region

Operating Region	2020			2019			2018		
	Permanent	Contract	Trainee	Permanent	Contract	Trainee	Permanent	Contract	Trainee
Head Office	4,124	283	387	3,884	210	788	3,897	138	279
Representative Office	20,977	1,481	-	21,001	1,328	-	21,989	751	170
Total	25,101	1,714	387	24,885	1,538	788	25,886	889	449

Employee's composition based on employment contract, based on gender. All employees are Full-Time employees.

process was aimed at securing the continual regeneration and intermingling of employees. To recruit university fresh graduates, BNI also provided an Officer Development Program, or ODP, so as to prepare the trainees for higher roles with greater responsibility at BNI. During the next phase of the program, the qualified trainees were verified for their appointed positions.

NEW RECRUITS AND TURNOVER

[GRI 401-1]

Policy on New Employee Selection and Appointment

With the aim of supporting the achievement of corporate targets, BNI kicked off the selection and appointment process of New Recruits. BNI also participated in Joint Recruitment with The Ministry of State-Owned Enterprises to get the best recruits in Indonesia. BNI enthusiastically invited and embraced people with disabilities to participate in the recruitment process. Providing working opportunities for people with disabilities is a manifestation of BNI's commitment to giving job prospects for everyone around the country.

In order to guarantee the availability of new talents who meet the requirements regarding BNI's business activities, BNI kept additional hiring for certain positions open in 2020. The employee recruitment

BNI in 2020 focused on creating openings for business origination positions such as sales, credit force, and service-related. In addition to officer level positions, BNI also hired recruits for assistant level, mostly for filling the positions at the Branch and Central Offices.

Bringing into reality its social concern and social responsibility, BNI also invented the BINA project. The 3-year program was intended to provide knowledge, skills, and ability for the college grads to compete in the job market. The program sought to ensure the participants have formal training before being transferred to their job. This allowed participants to transition knowledge from theory into practice. Apart from that, interns were continually mentored by site supervisors.



Recruitment by Gender

Description	2020	%	2019	%	2018	%
Male	506	43,14%	763	43%	717	51%
Female	667	56,86%	1,016	57%	701	19%
Total	1,173	100%	1,779	100%	1,418	100%

Recruitment by Age Group

Description	2020		2019		2018	
	Number	%	Number	%	Number	%
< 30 years old	1,128	96,16%	1,746	98%	1,348	95%
30-50 years old	43	3,67%	31	2%	70	5%
> 50 years old	2	0,17%	2	0,1%	0	0%
Total	1,173	100%	1,779	100%	1,418	100%

Employee Recruitment by Region

BNI conducts recruitment as needed, both by the head office and the regional offices. BNI fosters good working relationships, creating a healthy, safe, and convenient work atmosphere so that the employee turnover rate is turning low. On the other hand, the employee turnover rate in 2020 was 1.96%, down from 4.57% in 2019. BNI will close the recording of employee turnover based on region and age. The recording will begin in the next report.

EMPLOYEE RIGHTS

Being part of the global community, BNI protects every basic right of its employees. Human rights are the fundamental right and freedom belonging to every human being in the world. These rights are based on the principles of equality, justice and honor. BNI supports the implementation of human rights in many aspects in the Company.

Collective Bargaining Agreement

BNI holds employment policies attached in a Collective Labor Agreement (PKB) that it has formulated with the Labor Union. All BNI employees (100%) are already included in the PKB. The latest PKB was effective in 2020 and is updated once every two years. The PKB establishes the rights and obligations of employees, including the development of competency and career, welfare of employees, performance assessments, and the employment relationship. [GRI 102-41]

Child Employees and Forced Labor [OJK F19]

BNI observes the minimum age limit of workers to guarantee the absence of child labor in BNI. The Company also imposes a policy prohibiting any kind of forced labor, that is, all work or service which is forced upon any person by using threats or penalties or coercion due to the person's involuntary willingness.

Employee Welfare

Every employee in BNI is registered to the national health insurance (administered by BPJS Kesehatan) and worker's compensation and pension program (administered by BPJS Ketenagakerjaan).

REMUNERATION AND ALLOWANCES

BNI realizes that remuneration is crucial in determining the quality of life of the BNI Hi-Movers. Thus, the company is committed to implementing competitive remuneration in every department, including entry level. Rewards like salaries, benefits, incentives and other benefits are given as a token of appreciation. BNI is also committed to providing remuneration above the minimum regional pay complying with applicable regulations. [OJK F.20]

EXPANDING DIVERSITY AND EQUALITY

[OJK F.18] [GRI 405-2] [GRI-406-1]

BNI fosters and supports the principles of diversity, equality and non-discrimination. The company accepts all people regardless of their gender, race, religion, tribe and class, and eschews discrimination in all levels

and employee structures both during the recruitment process and in the remuneration and employment systems. The ratio of basic salary and remuneration of women to men for each employee category is 1:1. BNI's commitment to diversity and equality has had a positive impact with no incidents of discrimination in the reporting year.

Employee composition per Employee Category by Gender

Position	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
≥ Vice President	223 79%	59 21%	282 100%	206 81%	49 19%	255 100%	196 82%	42 18%	238 100%
AVP	813 70%	356 30%	1,169 100%	784 70%	337 30%	1,121 100%	755 70%	322 30%	1,077 100%
MGR	1,929 60%	1,289 40%	3,218 100%	1,838 60%	1,239 40%	3,077 100%	1,803 60%	1,190 40%	2,993 100%
AMGR	5,122 48%	5,354 52%	10,476 100%	5,010 50%	5,097 50%	10,107 100%	4,743 49%	4,842 51%	9,585 100%
ASST	4,971 41%	7,039 59%	12,010 100%	5,218 42%	7,347 58%	12,565 100%	5,451 41%	7,684 59%	13,135 100%
PGD	47 100%	0 0%	47 100%	86 100%	0 0%	86 100%	196 100%	0 0%	196 100%
Total	13,105	14,097	27,202	13,142	14,069	27,211	13,144	14,080	27,224

DEVELOPMENT OF BNI HI-MOVERS

[OJK F.22]

At BNI, we are committed to improving the quality of our human resources and providing the best opportunity for the BNI Hi-Movers to achieve their best potential in that the Company's sustainability and advancement is achieved through planned, focused and systematic employee development.

BNI believes that education and training are some of the most important strategic policies we have for improving the quality of its workers which will in turn be valuable for the company's progress. Thus, BNI regularly holds professional training, certification, and motivation improvement programs. It is expected that the competency improvement program will improve employee satisfaction and loyalty to the Company. Opportunities are given to all BNI Hi-Movers for pursuing their education, promotion, career development as well as obtaining other rights under the Collective Labor Agreement (PKB) in compliance with applicable laws and regulations.

BNI HR management includes employment, training and education. BNI refers to the policy and standards of human resources guidelines as a ground rule in HR management. For the record, this report acquires employee data only from BNI. Human Capital Division (HCT) supervises BNI HR management and the results of human resource evaluation are regularly submitted to the Board of Directors and Board of Commissioners.

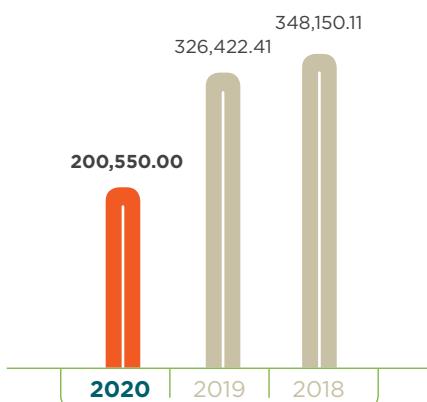
Moreover, BNI established Human Capital Architecture in 2016 to regulate the engagement of employees and companies through an Employee Value Proposition (EVP). This process is manifested in a comprehensive Human Resources management framework, starting from employee recruitment to remuneration. Through FGD and surveys that are tailored to the needs of the HCT Division, the policies on HC Architecture are evaluated. Technically, the EVP is a strategy for collectively manifesting BNI as a place of contribution, study, and growth in a sustainable process.

BNI upgrades the skills of its employees through digital learning and in-class learning approaches. By using the BNI Smarter platform, employee participation in e-learning can be monitored. It is targeted that 100% of employees join our e-learning and Daily Exercise Employee Program (DEEP46) training. Each BNI Corporate University (BCV) or Branch is responsible for supervising employee training participation and it is recorded in the Human Capital Management System (HCMS). BNI reported that the realized target of 29,588 participants of total employees (including 2,571 terminated employees) had taken part in face-to-face and e-learning training,

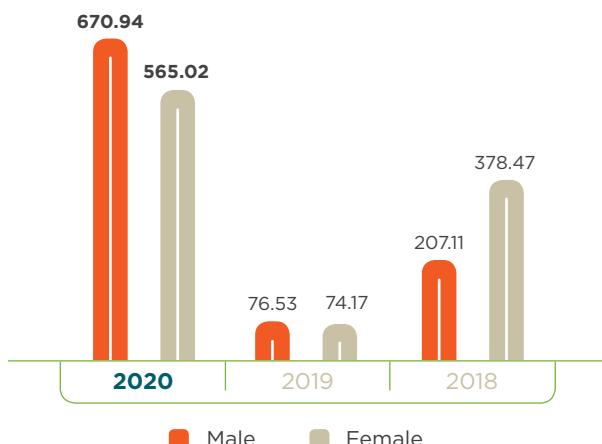
29,275 participants had gained access to DEEP46 program. The upgraded quality of BNI employees may contribute to long term business development of the company.

In the course of 2020, BNI had allocated 2,5% of Human capital budget for training. To improve the capacity and capability of employees, BNI realized Rp200.55 billion worth of training and capacity building costs. The centralized learning was conducted by BNI Corporate University while the decentralized one was carried out by each relevant unit and staff using their BNI Learning Wallet budget.

Education and Training Cost Realization
(in million rupiah)



Average Training Hours by Gender
[GRI 404-1]



Average Training hours by category of staff

Position Rank	Number of Staff Trained by Gender		Number of Staff Training Hours by Gender		Average Staff Training Hours by Gender	
	Male	Femle	Male	Femle	Male	Femle
SVP, SEVP	54	13	6,846	854	126.78	65.69
EVP	4	3	504	364	126.00	121.33
VP	165	43	13,314	2,884	80.69	67.07
AVP	813	356	76,447	35,420	94.03	99.49
MGR	1,928	1,289	115,717	78,302	60.02	60.75
AMGR	5,089	5,324	541,590	543,221	106.42	102.03
ASST	4,920	6,969	234,479	339,024	47.66	48.65
BE	47	-	1,379	-	29.34	-
Total	13,020	13,997	990,276	1,000,069	670.94	565.02
		27,017		1,990,345		73.67

Notes:

BE : Basic Employee
ASST : Assistant
AMGR : Assistant Manager
MGR : Manager

AVP : Assistant Vice President
EVP : Vice President
SVP, SEVP : Senior Vice President, Executive Vice President

EMPLOYEE CAPACITY BUILDING

PROGRAM [GRI 404-2] [OJK F.22]

BNI is facilitating numerous training programs as an expansionary measure in developing employee competencies and skills. Not only does the training contribute to the progress of the company, but also to the workers in case one day they make a transition prior to their retirement or resignation from BNI. The trainings include:

a. Leadership, Productivity and Accelerating Development

Leadership, Productivity, and Accelerating Development is a leadership program organized for employees focusing on preparing future BNI leaders with the capability of making precise and straightforward decisions. This program is also aimed at improving competencies in interpersonal relations, leadership and business. The development method is put into use in a systematic and directional way.

b. Leadership succession

To prepare uninterrupted leadership succession, BNI promotes integrated leadership succession planning by employing the concept of 70:20:10 ratio, which is translated into 70% of Experiential Learning by being actively involved in related unit activity, 20% of Social Learning by having more discussion and sharing with mentors or peers, and 10% of Formal Learning through textbook learning or formal training.

Talent development system is initiated by observing assessment results, performance reviews and talent mobility plan. Mentoring programs, cross mentoring, and coaching are the process of peer development to improve hard skills and soft skills, especially for each employee's leadership capabilities.

c. Career Acceleration: Skip and Speed Track

BNI also designs development program for workers to improve leadership skills and provides managerial competence for the next career level. The career acceleration program is divided into 2 (two) programs, that is, Skip Track, a process of accelerating mobility staff to a certain targeted level and grade by skipping 1 (one) supposed

positions/levels and Speed Track, a process of accelerating mobility level of staff to the appointed level and grade with faster mobility duration than the normal one.

d. Overseas Office internships

BNI facilitates support programs for highly qualified officials and qualifications. The programs include a three-month-internship in the international branch abroad to develop the potential of BNI employees as our future leaders with global exposure and ability in optimizing global opportunity in many BNI business lines, such as CASA, credit and other banking services leading to increasing profit contributions.

e. Global Postgraduate Program

In 2020, BNI made a commitment to adapt to increasingly competitive business development. Having credibility as a company with capable workers is one of the steps to support BNI in staying competitive both locally and globally. BNI opens opportunity for employees to study overseas at prominent universities for qualified officials.

f. Expand Data Analytics Capabilities

The dynamics of business activities are encouraging BNI to be aware of changes. The utilization of the latest technology is a strategic measure in building competitive advantage. BNI continuously gains benefits from their skills in data analytics developed in a number of systematically devised development programs.

g. The Pre-Retirement Program

BNI provides special training for employees who are about to enter retirement, namely those over 50 years of age. The "Road to Golden Age Series" program aims to share knowledge and build mental readiness in facing retirement; thus, the retirees can remain productive and revel in their retirement. Some of the topics discussed include:

- Self-empowerment strategies and tips for overcoming post power syndrome;
- Healthy lifestyles;
- Financial planning for retirement;
- Opening a business during retirement, and others.

Education Academy-based Learning

Academy	2020			2019			2018		
	Course	Class	Participants	Course	Class	Participants	Course	Class	Participants
The Leadership and Corporate Core function Academy									
Leadership	32	148	16,177	35	68	29,244	37	84	28,179
Governance, Risk and Compliance	18	38	189,360	20	57	164,118	21	43	162,227
New Entry	3	27	748	6	26	634	4	25	571
Corporate Core Function	32	96	58,060	72	119	32,504	76	151	40,317
Strategic Initiative	31	48	164,241	-	-	-	-	-	-
Total	116	357	428,586	133	270	226,500	138	303	231,294
The Academy of Business									
Banking Operation	24	104	76,068	17	61	7,008	20	35	17,732
Credit and Business	67	183	61,766	77	319	20,545	83	278	22,107
Marketing, Sales and Service	44	125	69,184	63	271	100,852	64	228	10,940
Transactional Banking	9	23	793,862	5	35	3,785	6	16	3,849
Treasury and Global Banking	10	62	29,554	10	32	5,967	6	8	1,657
Professional Certification	19	97	3,131	19	202	5,729	17	122	3,346
Total	173	594	1,033,565	191	920	143,886	196	687	59,631
Grand Total	289	951	1,462,151	324	1,190	370,386	334	990	290,925

* Employees can participate in more than one type of trainings

DEEP46

By building a learning culture through the Daily Exercise Program 46 (DEE46), employees' competency acquisition according to job description improved. The program was conducted by giving employees daily queries to be completed online between 12 AM to 7 PM. In 2020, the number of participants of DEEP46 reached 612,664 data entry, an increase by 349.65% of the number of participants in 2019, which was 175,723 employees.

Course Type	Number of Participants 2020	Course Type	Number of Participants 2020
Branch Office Operational Risk	7,362	Commercial	2,107
Credit Administration	4,258	Data Talk	54,742
Anticipate COVID-19	27,166	DPLK	27,099
BNI Call Virtual Assistant application	26,962	DPLK-Financial Institution Pension Fund	27,004
BNI Eksekusi	9,525	Emerald RM	1,284
BNIdirect Mobile	2,079	Financial Planning	27,047
BPP Consumer Credit	5,484		
Cash Management (BNIdirect)	2,579		

Course Type	Number of Participants 2020
Bank Guarantee	29,502
Human Capital	233
Internasional & Treasury	631
Consumer Credit	1,902
CS Service	4,518
Leader Service	2,447
Teller Service	1,631
Legal, Governance, Risk & Compliance	28,328
Operational	291
OTR Mobile Banking Reward 2020	26,887
Collective Labour Agreement 2020	27,344
Branch Managers	2,432
Program B Secure	10,417
BNI International Banking Literacy Program	27,166
ASA Improvement Program	27,160
PSAK 73	613
Sales	6,546
ecurity Awareness	27,462
Small Credit	6,257
Small Standar	2,907
Smart City	27,186
Dissemination on chip debit card	13,039
Sustainable Finance	28,415
Savings	24,971
WFH & Operational Restrictions	27,169
WFH and COVID-19 Precautions	27,167
Auditor	751
Go Wealth Resocialisation	985
Grand Total	612,664

COMPETENCE IMPROVEMENT IN SUSTAINABLE FINANCE

[GRI 404-2] [FS4] [OJK E.2]

In line with the enactment of POJK 51/POJK.03/2017 Concerning the Implementation of Sustainable Finance for Issuer and Public. BNI made sustainable financing a focus of the employee learning program. However, the probability of a possible constraint in providing education is inevitable. Thus, an adjustment to the performance mechanisms requires improvement. Hence, BNI facilitates employees to access a sustainable Company Financial Services Institutions Sustainable finance training including discussion of Social and Environmental Risk Analysis, one of six mandatory modules, and shared knowledge program online via the BNI Smarter platform which can deliver effective and efficient training.

BNI continues to improve our comprehensive and consistent development program with education and training programs like in-house and public training, certification, knowledge sharing and courses. Designed corresponding to the company's business development, the program results in competent and professional workers according to their field and position.

The opportunity for competencies improvement related to sustainable financial matters is given to the Board of Directors, Commissioners as well as the staff in charge of Sustainable Financial implementation. Due to the improvement of sustainable governance within BNI business activities, the sustainable financial training is provided to employees in various Divisions in charge of the actualization of sustainable financial management. Throughout 2020, there were 28,415 employees including a series of senior leaders at the VP level and Managers who have been taking part in ongoing financial training.

2020			
Trainings	Facilitator	Shape	Participants
Renewable Energy - Mini Hydro	USAID ICED II	Training	Business Unit (Corporate and Medium), Risk
Law & GCG implementation of Anti-bribery commitment in Banking World	POLICE	Webinar Online	Entire staff
The implementation of Smartfarming supported the Ecosystem of the Agriculture Sector Digital System	COORDINATING MINISTRY FOR THE ECONOMY	Webinar Online	Entire staff
GCG socialization Models and aspects of Integrated Governance Strategy with Kids Company	IICD	Webinar Online	Entire staff
Manage Trash from Home	The movements of Indonesia in the company of state enterprises (SOEs)	Webinar Online	Entire staff
Awareness Sustainable Finance	LPPI	Online Training	Policy Governance Division

The COVID-19 pandemic changed many aspects of human life, especially the economy. To survive the current crisis, companies need to maximize communication and continuously adapt. One way is to conduct training for employees as a measure to improve company performance.

BNI Corporate University responsible for developing BNI employees alters the training model from conventional into online using BNI Corporate University YouTube channel.

Succession and Promotion Planning

BNI supports potential employees to keep developing and pursuing a career in line with company growth. For that reason, BNI is designing a promotion program for all employees meeting their criteria, after conducting an objective assessment in the first place. Succession planning and promotions are tailored to the company's needs, competency assessments and work experience.

COMFORTABLE WORKING ENVIRONMENT [OJK F.21]

A number of strategies were implemented by BNI as an endeavour to protect employees and customers during the COVID-19 pandemic, including preventive actions in the work environment and support for employees who carry out Work From Office, such as providing healthy, clean, and nutritious lunches as well as supplemented with vitamin supplements. In addition, employees get transportation assistance, such as taxi vouchers or operational cars. Other important support is provided to employees with critical functions and/ or employees who directly interact with customers to get regular antigen swab tests which aim to always provide a sense of security in working for BNI employees and customers.

For employees who are exposed to COVID-19, management always provides support so that employees can recover quickly from COVID-19. The support provided includes vitamin support and medication for employees who are confirmed positive, providing independent isolation places, and financial support if employees need special care.



- Environmental Policy
- The Positive and Negative Impacts of BNI's Activities on the Environment
- Energy
- Water
- Waster
- Green Building
- Let's Save with Waste
- Eco-Friendly Initiatives Reducing Plastic Waste
- Degraded Land Rehabilitation
- Conservation of Javan Rhinoceros
- BNI Encourages end-to-end Marine Ecosystem and Fisheries
- Prepare 10,000 Seedlings in Bandung and Cijeruk



BNI for the Environment

IMPROVING THE QUALITY OF SUSTAINABLE ENVIRONMENT
BNI underpins efforts in environmental conservation, not only through funding policies, but also daily operational activities.



*The photograph was taken way before COVID-19

Climate change, due to the release of massive greenhouse gas emissions into the atmosphere, is a global phenomenon. Human activities, including most business activities since the Industrial Revolution, have also contributed to the release of greenhouse gas emissions. As a business entity, BNI is well aware of its important role in managing the impacts of the company's activities. For BNI, nature and the environment must be equally preserved for human sustainability. This is in line with the concept of Sustainable Development which is defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. For this reason, BNI is formulating and implementing its own environmental policies to mitigate against negative impacts—and enhance positive impacts—on the environment.

ENVIRONMENTAL POLICY

BNI has issued an environmental policy incorporating two aspects, which serve for both internal and external purposes. The internal aspect is intended to manage impacts related to the Company's internal activities. On the other hand, the external aspect is concerned with impact management through customer- and community-related businesses.

As regards the internal aspect, BNI focuses on ecofriendly operations by managing the use of materials, energy and water; as well as handling waste output and emissions. BNI is also striving to boost employee awareness and knowledge regarding environmental issues by launching a campaign for employees (green attitude), promoting energy saving at work, as well as providing training on environmental and social risks in credit-worthiness analysis. Moreover, BNI provides banking products and services that encourage a green lifestyle such as KPR Hijau, BNI-WWF credit cards, Orangutan Adoption and Tree Planting features, and makes available paperless banking services (e-billing, formless transfer). The Corporate Communication and Secretary Division also assimilates eco-friendly measures as regulated in the Corporate Directive on Eco-Friendly Lifestyle by reaching out to all of its units about the issue.

Meanwhile, on the external aspect, BNI focuses on green credit financing which highlights environmental preservation. Green credit financing includes financing for green projects and renewable energy projects such as geothermal, biomass, biogas, hydro power plants and waste management. Meanwhile, environmental preservation includes the rehabilitation of degraded land and the conservation of flora and fauna.

Internally, BNI manages impacts related to the Company's internal activities.
Externally, BNI focuses on environmentally friendly credit financing and environmental preservation.

Our commitment to environmental legislation yielded good results in 2020 at which point no incidents of non-compliance with environmental laws and regulations were recorded. [OJK F.16]

In 2020, we carried out various activities related to the environment with total funds of Rp3,3 billion. [OJK F.4]

These funds were used for:

3.3 Billion Rupiah

These funds are used for

- ✓ Education and information dissemination on plastic waste reduction
- ✓ Rhino conservation
- ✓ Organic forest development in Cijeruk Village Bogor

THE POSITIVE AND NEGATIVE IMPACTS OF BNI'S ACTIVITIES ON THE ENVIRONMENT [OJK F.28]

As a state-owned bank, BNI has embraced Sustainable Finance in accordance with the Financial Services Authority Regulation (POJK) Number 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies (POJK Sustainable Finance). The goal of Sustainable Finance practice is to stimulate economic growth by boosting portfolios and improving risk management capabilities, especially on social and environmental aspects. We ensure that each of our financing packages complies with the applicable laws and regulations concerning the environmental and social fields so as to prevent the bank from being affected negatively by our debtors' operations. Meanwhile, from BNI's side, our operations do not have direct adverse environmental impact. Our activities pertaining overtly to the environment are limited to the daily use of electricity and water, and we always go all out to save on utilities.

ENERGY

Bank operations rely heavily on the use of electronic devices. Therefore, energy management and energy efficiency, dealing especially with electricity use, are of great concern to BNI. BNI enforces its policies and programs on Environmental Management by referring to Law No. 32/2009 concerning Environmental Protection and Management, as well as Government Regulation No. 47/2012 on Social and Environmental Responsibility.

In 2020, BNI implemented energy efficiency initiatives to minimize environmental impacts, while at the same time supported the mitigation of the impacts of climate change. Energy efficiency programs have been initiated in all BNI regional offices and outlets based on the Stipulation on Efficiency Implementation at BNI Outlets No. JAL/2.2/1799, as well as Lighting and Air Conditioning Efficiency No. JAL/3/3564. These energy efficiency initiatives include saving electricity, water, and paper at the BNI Headquarters. This is collectively implemented by all divisions stationed at the BNI Headquarters and is coordinated by the Procurement and Fixed Asset (PFA) Division and the Network Management Division (JAL). The PFA Division submits reports on the energy efficiency performance to the Finance Director for evaluation.

Energy Consumption within, and outside of, the company

Position Level		2020	2019	2018
Energy consumption in the company: electricity* The use of electrical energy in all BNI buildings and buildings in Indonesia. [GRI 302-1] [OJK F.6]	Building operations	41,806,992 kWh	37,674,580 kWh	26,785,745 kWh
Energy consumption outside of the institution: fuel*. Use of operational car fuel at the Head Office [GRI 302-2] [OJK F.6]	Transportation	114,855 liter	222,858 liter	188,227 liter

* Electricity consumption is determined by calculating the total bill divided by the kilo-watt-hour rates of Rp1,115 (for category B-3) and Rp1,645 (for special services category). The calculated results are then converted into GJ using the following formula of 1 kWh = 0.0036 GJ and 1 m³ = 0.038 GJ.

* To figure out fuel consumption, direct fuel purchases must be calculated.

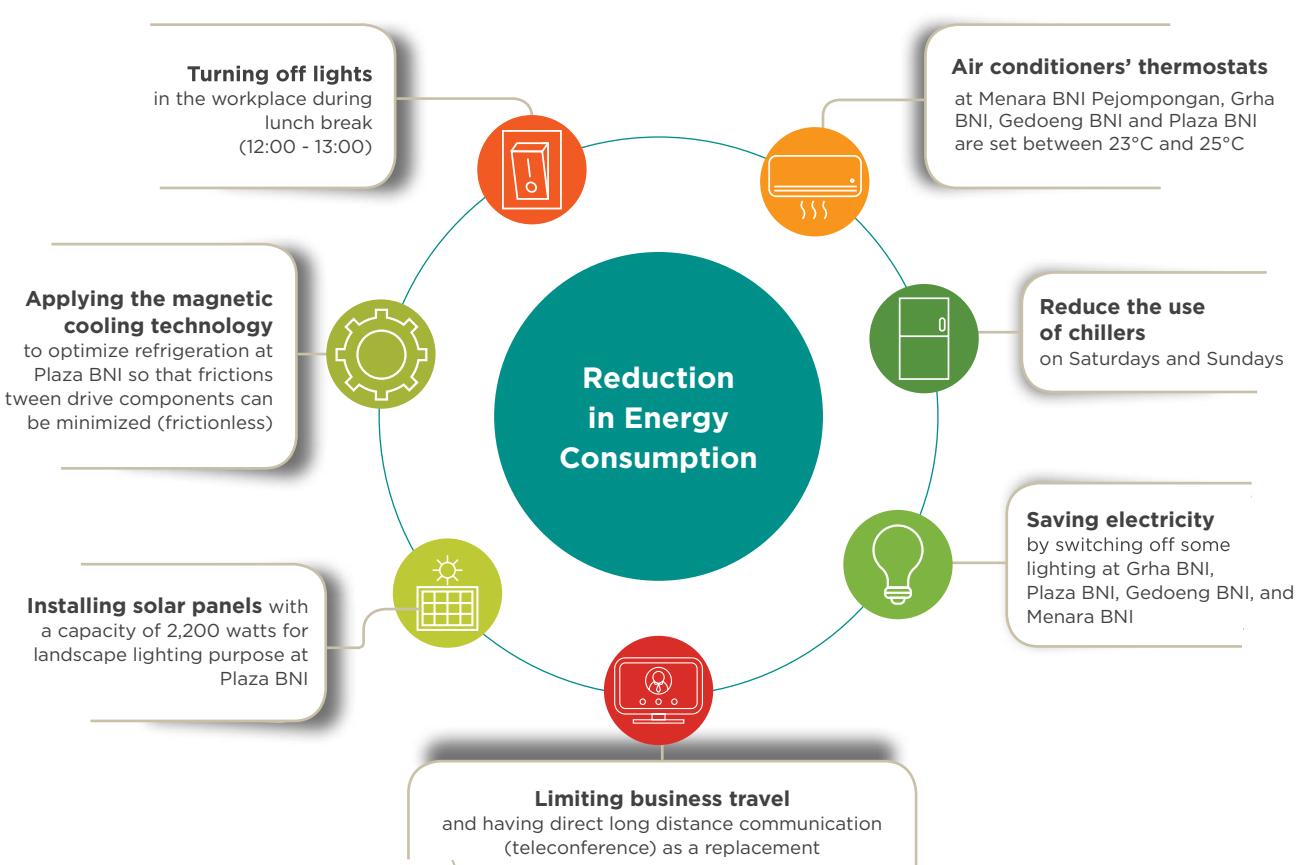
* Assuming total costs divided by TDL

In 2020, BNI used 41,806,992 kWh of electrical energy, an increase /decrease of 9.88% from 37,674,580 kWh in the previous year. The electrical power is supplied by state electricity company PT PLN (Persero). Dieselfueled generators are installed to keep IT infrastructures operating during random power outages in order that the objective of (near) zero downtime is achieved. The addition of energy consumption in 2020 increased 4,132,421 kWh from 2019, less than the increase in energy consumption in the previous year.

Energy demand outside of the company was on fuel for transportation purposes. In 2020, BNI used 114,855 liters of fuel which was a decrease of 48.5% compared to the previous year's fuel consumption, which was 222,858.8 liters. This is due to the impact of the pandemic and a reduction in operational vehicle leases.

Reduction in Energy Consumption [OJK F.7]

We constantly seek out ways to save energy by initiating various energy efficiency programs including:

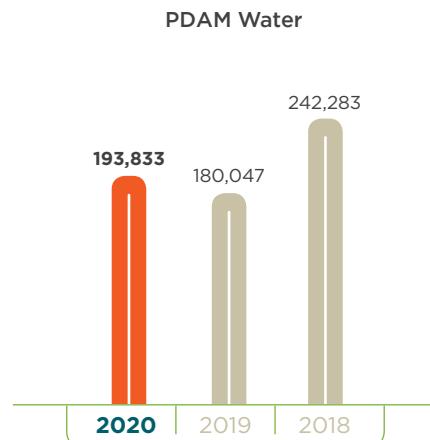


WATER [OJK F.8]

BNI uses water for building operations purposes and domestic needs. BNI obtains clean water supply from the Local Government-Owned Water Utility Company (PDAM) which amounts to 193,833 liters, or an increase of 8% from 180,047 m³ in the previous year. The increase in water was caused by the MEP (mechanical, electrical, and plumbing) revitalisation project of the Grha BNI building system.

We strive to save water by applying water management technology that we have installed at Plaza BNI. We can reuse 37 m³ of water/day, or 13,381m³ per year, of which most usage is for watering plants and flushing toilets. This amounts to 40% of our total yearly water consumption.

Total Water Use in One Year in Building Operations (m³)



* Water consumption is calculated based on the assumed total of the water utility bill. The water utility consumption is determined by dividing the total bill by the service rate per m³ water of Rp12,550.00. Green attitude is an awareness raising program that is being put into effect in all work units so as to save on electricity and water utilities, and includes moderate use of water and having maintenance staff informed of any leakages.

WASTE [OJK F.13] [OJK F.14]

BNI does not produce either B3 waste (hazardous and toxic materials) or effluents in its operations. Most of the waste BNI generates is in the form of paper, which is later recycled or upcycled. As for domestic waste, either the building management or licensed third parties will take care of it. We are also initiating eco-friendly initiatives at work by reducing the use of paper in all work units such as actively making use of emails to share information and send internal meeting invitations.

To reduce waste and improve environmental conservation efforts, we cut down the use of paper by applying a paperless office administration system, or by adopting the electronic system nicknamed E-Office

BNI to perform administrative work. With this system, employees have access to their own attendance and leave details, and make other reports. In addition, the management uses the same system to present SOPs, prepare billings, and other correspondence. Estimated use of this E-Office:

- Electronic SOP/BNI e-PP: saving paper by 40,450 sheets a year, valued at Rp400 million;
- Digital Correspondences/BNI e-Office: saving paper by 2,138,751 sheets a year, valued at Rp213.8 million;
- BNI e-Billing: saving paper by 13,386,237 sheets a year, valued at Rp91.95 billion;
- e-Billing Envelope: saving paper by 151,376 sheets in a year, valued at Rp1,039.87 million

A Number of Documents Passing on through Applications

Document Type	2020	2019	2018
Memo	89,123	108,389	81,625
Internal Notes	9,470	12,288	9,833
External Mail	54,096	62,977	43,874
Total Documents	152,689	183,654	135,332
Disposition Sheet	487,479	626,141	553,456
Total Disposition	487,479	626,141	553,456

GREEN BUILDING

BNI is demonstrating its commitment to sustainability by implementing eco-friendly principles in the buildings it manages. Since 2016, BNI has implemented ecofriendly building management at Menara BNI Pejompongan, to which the concept of green is applied, and has acquired green building certification for other BNI buildings. Up until 2020, several BNI offices applying the principles of green building have been certified by Green Building Council Indonesia (GBCI). The Menara BNI Pejompongan now has Gold certification. Meanwhile, the Plaza BNI building is in the process of Platinum certification by GBCI. Eight BNI employees achieved green building certification from GBCI in 2019, but none received any in 2020. Due to the COVID-19 Pandemic, BNI has stopped sending its employees for green building certification.

LET'S SAVE WITH WASTE

Let's Save with Waste is an initiative from BNI that combines environmental concerns and community financial inclusion. Students at schools and communities at homes are encouraged to sort out trash, deposit it in waste banks, and exchange it for savings. For this initiative, BNI appeals to Agen46 agents and joins forces with a number of waste banks, schools, and local governments. It is expected that through the activity, initiated in 2017, we can raise public awareness of our environmental problems while persuading communities to start saving.



Converting waste into account deposits

1. Waste sorting by students and households
2. Waste is deposited at the waste bank on a periodic basis. Citizens and students are required to carry their ATM cards when depositing the waste
3. Weighing of waste
4. After the waste is recorded in the logbook, it is converted to rupiah based on its price and weight. This recording is done online using the Agen46 agent's EDC machine. The converted waste is immediately recorded in the student or citizen's savings book.
5. Agen46 agents coordinate the preparation of Savings Book Report to ascertain the details of waste deposit transactions

Let's Save with Waste has a positive impact on every party involved, including BNI. BNI appreciates every stakeholder who has contributed to the Let's Save with Waste movement: students, citizens, civil servants, school and community waste banks, and other parties.

Description	Impact	Available Appreciation Program
BNI	<ol style="list-style-type: none"> 1. Financial literacy 2. Addition of Agent 46 agents 3. Addition of BNI customers 4. Good collaboration with stakeholders 	-
Waste Bank	<ol style="list-style-type: none"> 1. Better accountability and service for Waste Bank customers 2. Transaction fees from banks 3. Online transaction recording and service 	Appreciation in the form of operational equipment for the waste bank
Community (Customers)	<ol style="list-style-type: none"> 1. Having proof of account ownership through bank book and ATM card 2. Deposits from waste are directly credited to their account online 3. Online banking transaction services from Agen46 agents 4. Online banking transaction services through all BNI outlets and ATMs 5. BNI Loyalty program 	<ol style="list-style-type: none"> 1. Appreciation for individual customers in the form of savings 2. Appreciation for Schools, campuses, and offices in the form of cleaning equipment

The Let's Save with Waste program was initiated in DKI Jakarta and has now been expanded to the Thousand Islands region. We continue to develop this program with clear targets as follows:

Customer Target 2019-2021

Schools	Students	Institutions	Waste Banks
15% Schools at national level, or as many as 46,148 schools	20% Students at national level, or as many as 9.06 million students	20% of employees central and local agencies, or as many as 857,383 civil servants at National level	50% of waste banks at National level, or as many as 3,500 units (citizens)

Due to the COVID-19 pandemic, BNI has held an online meeting with the Cleaning Agency of DKI Jakarta Province and the Main Waste Bank to ascertain the continuity of the Waste Bank mechanism. While schools suspend in-person education, further efforts are required to keep the process of Saving with Waste going.

Through our Let's Save with Waste program, we have supported and built the infrastructure needed for waste management in addition to bringing indirect economic impacts through financial literacy and saving activities. [\[GRI 203-1\]](#)

We plan and run this program after making assessment of, and negotiating with, the local community in the first place, in order for the program to be implemented as per their needs and it is therefore well received as a result. [\[GRI 413-1\]](#)

ECO-FRIENDLY INITIATIVES REDUCING PLASTIC WASTE

Our commitment to the environment is made concrete by reducing plastic waste in office activities: not using bottled drinking water (AMDK), plastic straws, plastic shopping bags, and other such items. This ecofriendly initiative of less plastic use in all work units is realized by, among other things, bringing personal tumblers during meetings and making refilling stations available for drinking water in the meeting rooms. It was first introduced in 2019 and will be continued.

DEGRADED LAND REHABILITATION

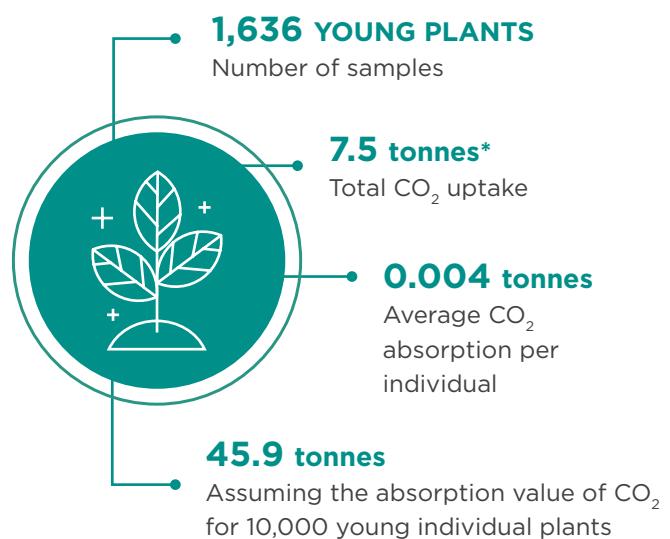
Realizing the importance of tree planting for improving the quality of the environment, BNI has collaborated with the community in Megamendung Village, Bogor Regency, to rehabilitate degraded land

and develop an organic forest ecosystem in the area. BNI assisted with the planting of trees covering 10 hectares from a total area of 27 hectares of organic forest land.

African wood, white teak, nutmeg, eucalyptus, resin, and mahogany were planted.

The positive impacts of this activity on society:

1. Driving the economy of people around Megamendung Village through products derived from the forest and organic agriculture;
2. Improve the health outcomes of the local community. Preserve organic nursery activities;
3. Besides being the site for natural conservation, organic forest it is also;
4. An asset for the general public or educational institution to be visited and studied.



* This data is based on calculations from organic forest

CONSERVATION OF JAVAN RHINOCEROS [OJK F.10]

The Javan rhinoceros is part of Indonesia's biodiversity which is now threatened with extinction. Based on the IUCN Red List, the Javan Rhinoceros is currently critically endangered. In this regard, more sustained and expanded efforts are needed to ensure biodiversity protection and the recovery of these species from the brink of extinction. BNI along with seven SOEs, WWF, and the Ujung Kulon National Park have agreed to work together to preserve the Javan Rhinoceros in the Ujung Kulon National Park (TNUK), Banten. Various efforts are being made as follows:

1. Species protection by controlling the Langkap plant (*Arenga obtusifolia*) which causes food scarcity for rhinos.
2. Community Development Program in 5 (five) villages that support the Ujung Kulon National Park , the inhabitants of which are introduced to sustainable farming and educated about the environment
3. Rhino DNA mapping to determine healthy and well-performing rhinos.
4. Donation of vehicles for patrols.

BNI has donated Rp500 million worth of funds to support the conservation program. This effort proved rewarding because the said assistance has helped preserve and save the Javan Rhinoceroses, which now total 74 only.

BNI ENCOURAGES END-TO-END MARINE ECOSYSTEM AND FISHERIES

BNI is committed to keep developing end-to-end Marine Ecosystem and Fisheries. To bring about this commitment, BNI has joined forces with the Coordinating Ministry for Maritime Affairs and Investment and Indonesian Fisheries Corporation (Perum Perindo).

In this initiative, BNI has the role of providing sustainable financial literacy for community stakeholders which includes opening personal bank accounts for fishermen, and financing either MSMEs or cooperatives within the Marine Ecosystem and Fisheries sector, as well as mentoring fishermen and

fish sellers and all MSMEs in the Marine Ecosystem and Fisheries sector.

In the upstream part, BNI provides capital assistance for such corporations as Perum Perindo, and its fishermen partners, in order for them to meet fish demand from consumers. As for digitalization, it facilitates fishermen to catch fish, satisfy their fishing needs, and makes available buyers who are ready to purchase their catch.

On the downstream side, BNI is also committed to providing capital assistance and mentoring for Agen46 agents of BNI Lakupandai (Officeless Financial Services in the Framework of Inclusive Finance) and for MSMEs that are willing to sell fish online. This is an important initiative for introducing fishery products to the people while supporting the fish eating movement (Gemarikan) and Indonesian Marine Market Program.

PREPARATION OF 10,000 SEEDLINGS IN BANDUNG AND CIJERUK

The Citarum Harum Program has been specified in Presidential Regulation Number 15/2018 on the Acceleration of Pollution Control and Damage of the Citarum Watershed. The Citarum Harum Program is specifically mentioned in Presidential Regulation Number 18/2020 on the 2020-2024 National Medium-Term Development Plan (RPJMN). Therefore, BNI is taking part in supporting the Government through the preparation of 10,000 seedlings of perennial plants in Bandung and Cijeruk.

The seedlings will be planted along the Citarum watershed (DAS). This initiative is part of BNI's GoGreen Program which is realized as an expression of BNI's concern for the environment.

In the reporting year, we spent Rp459 million to finance nurseries, construction of facilities and infrastructure to support organic forest rehabilitation activities such as: watering and maintenance equipment, tagging and geotagging, and an irrigation system. [\[GRI 203-1\]](#)



- BNI CSR Policy and Program
- Financial Literacy
- Infrastructure Investment and Service Support
- Improving Fishermen's Welfare

- Rumah BUMN
- Tourism Economy
- Smart Farming 4.0
- Social Forestry CSR Support

- Operation With Local Community Involvement, Impact Assessment and Development Program
- Community Development Fund Realization



BNI for the Community

**IMPROVING THE QUALITY OF LIFE
FOR PROSPEROUS COMMUNITIES**
BNI participates in efforts to improve
life quality of communities through
Partnerships and Community
Development Programs that are
performed on a sustainable basis.



*The photograph was taken way before COVID-19

CSR POLICY AND PROGRAM

[OJK F.25]

BNI participates in economic and community development through its CSR Program. The CSR program is focused on access and infrastructure improvements, and also on financial literacy and inclusion improvements for the community, pursuant to the Company's operation in the banking sector. In carrying out its CSR programs, BNI refers to the applicable Indonesian Social and Environmental Responsibility Laws, such as Law No. 19/2003 on State-Owned Enterprises and Law No. 40/2007 on Limited Liability Companies.

The CSR program, which is also called the Partnership and Community Development Program, is managed by two divisions. The Partnership Program is managed by the BSL2 Division and the Community Development Program is managed by the KMP Division. Both divisions are responsible for the implementation and distribution of the PKBL fund, and the monitoring and evaluation as stated in the Fund Delivery Reports and PKBL implementation.

FINANCIAL LITERACY [FS16] [OJK F.25]

As a national government bank, BNI realizes its important role to actively participate in financial literacy and inclusion activities. The financial literacy activity is aimed at improving knowledge, skills, and confidence of community members to be more able to successfully manage their finances. BNI cooperates with numerous parties in this endeavour, delivering financial literacy education, such as introduction to financial services, financial products and services, benefits and risk of financial products and services, and the rights and obligations of financial service users. The positive impacts BNI intends to deliver, in addition to the improvements in the community's financial management capability, are improvements in the community's productivity, and in the long run, capability in maintaining the sustainability of economic growth as well as creating equity in revenue and justice. The negative impact to be mitigated is uncontrolled consumptive behavior due to lack of appropriate understanding related to financial literacy.

We are with BNI

One of BNI's financial literacy programs for priority communities is the KAMI Bersama BNI program. KAMI (Indonesian Migrant Families) and BNI are providing financial literacy education to Indonesian Migrant Workers (PMI) abroad. Through this financial literacy training, it is expected that PMI can manage their finance in a better way and choose BNI as their trusted financial service institution. There are two training programs delivered, namely Financial Education and Entrepreneurship Education. The training sessions are held in 6 countries, namely: South Korea, Japan, Taiwan, Hong Kong, Singapore and Malaysia with a total of 800 participants.

Meanwhile, financial inclusion activities are aimed at improving community access to various safe and quality financial services, at an affordable cost pursuant to the community's needs and capability. In Indonesia, the community groups prioritized for financial access include (but are not limited to): low-income communities, MSMEs, people with disabilities, migrant workers and local residents of underdeveloped areas. BNI cooperates with various parties and continues to strive to develop products, methods, and technology to reach wider society, especially communities that have been prioritized for financial inclusion. The positive impact of financial inclusion is the opening of community access to banking products and services that can assist in the community's economic activities, especially for those who need financial assistance such as low-income communities. For the SMEs, the opening of access to financial services will potentially increase productivity to achieve maximum results. Meanwhile, the negative impact that must be managed from financial inclusion is the presence of fintech (financial technology) that is accessible to all layers of society. Understanding that all financial products and services have risks and costs which can burden the consumer, and therefore thinking not only in terms of benefits, must also be made clear to the community so that they can avoid making harmful decisions due to a lack of comprehension about the services on offer.

INFRASTRUCTURE INVESTMENT AND SERVICE SUPPORT [GRI 203-1] [OJK F.25]

BNI supports infrastructure development and the provision of supporting facilities through its Community Development Program. The development of infrastructure and supporting facilities will enhance the community's prosperity which is created through improvements in access to transportation, education and health; and improvement of the community's economic activities.

The infrastructure support provided by BNI consists of, among other things, construction of roads, bridges, sanitation and irrigation. BNI also participates in the building or renovation of religious facilities, natural disaster mitigation facilities, and health and education facilities. In 2020, Rp9.15 billion was granted for public infrastructure and facility development on an in-kind or pro-bono basis.

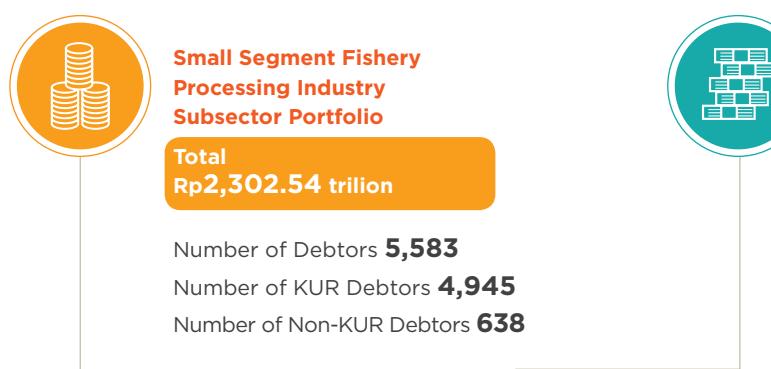
Infrastructure Support and Public Facility-Infrastructure Support

Type of Support	Nominal	Description
Infrastructure		
Roads	708	9 locations
Bridges	846	6 locations
Sanitation & Clean Water	2,342	17 locations
Irrigation	340	2 locations
Religious Facilities		
Mosque/Musholla	14,388	139 locations
Church	1,430	16 locations
Hindu Temple	804	15 locations
Buddhist Temple	88	1 locations
Health Facility		
Ambulance	11,688	43 units
Educational Facility		
Scholarship	2,719	1,000 receivers
Education Facility	18,893	163 units

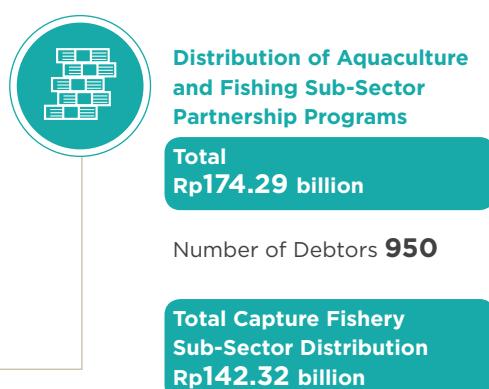
IMPROVING THE WELFARE OF FISHERMEN [GRI 203-1][GRI 201-2] [GRI 413-1] [OJK F.25]

Empowerment of coastal communities is our main focus in implementation of BNI's Partnership Program. This is carried out through provisioning of business support in the form of funding, mentoring and training to improve their businesses. In general, coastal

communities are taking part in small segments of the fishery industry, such as aquaculture and coastal fishing. Fishermen and those communities considered to have sufficient potential, and who have not received loans from any other banks, can participate in our financing program. In 2020, BNI distributed Rp317 billion in financing to these small segments in fishery processing and the fishing subsector.



With the existence of our financing program to the small segment fishery processing industry sub-sector, BNI has participated in improving the economy and welfare of coastal communities.

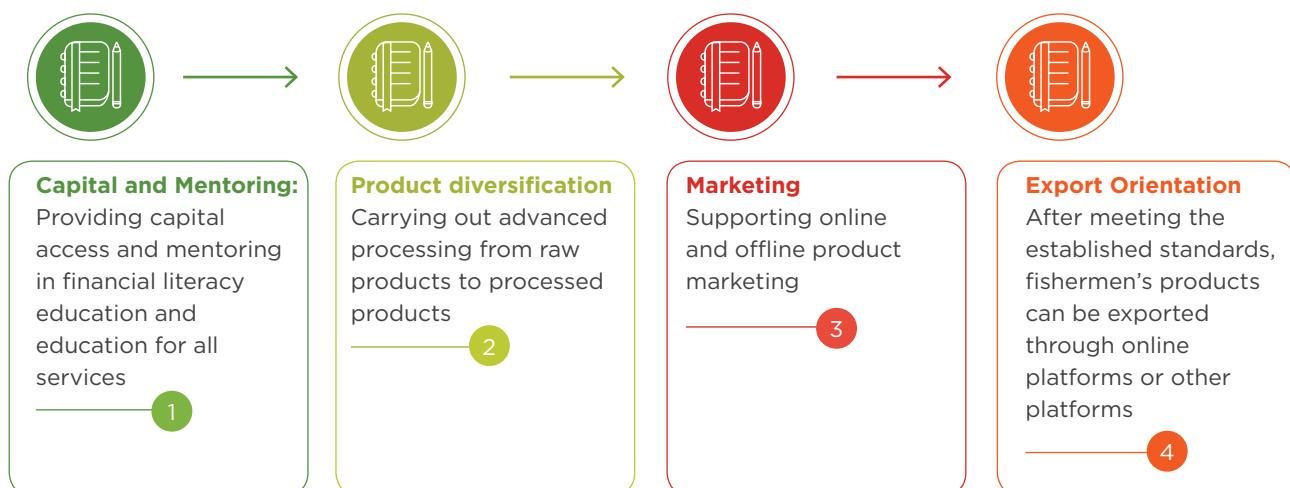


Digital Application Innovation in Small Segment Fishery Industry Value Chain [OJK F.23]

BNI is collaborating with FishOn and Aruna to create an efficient and productive small-scale fishery business value chain. This is being carried out by developing digital-based applications that can make

it easier for fishermen to find fish and provide a marketplace platform to sell their products or fishing equipment. In addition to application development, this cooperation also provides assistance to the fishermen.

Fishermen Mentoring Roadmap



Fishermen Mentoring Program Value Chain

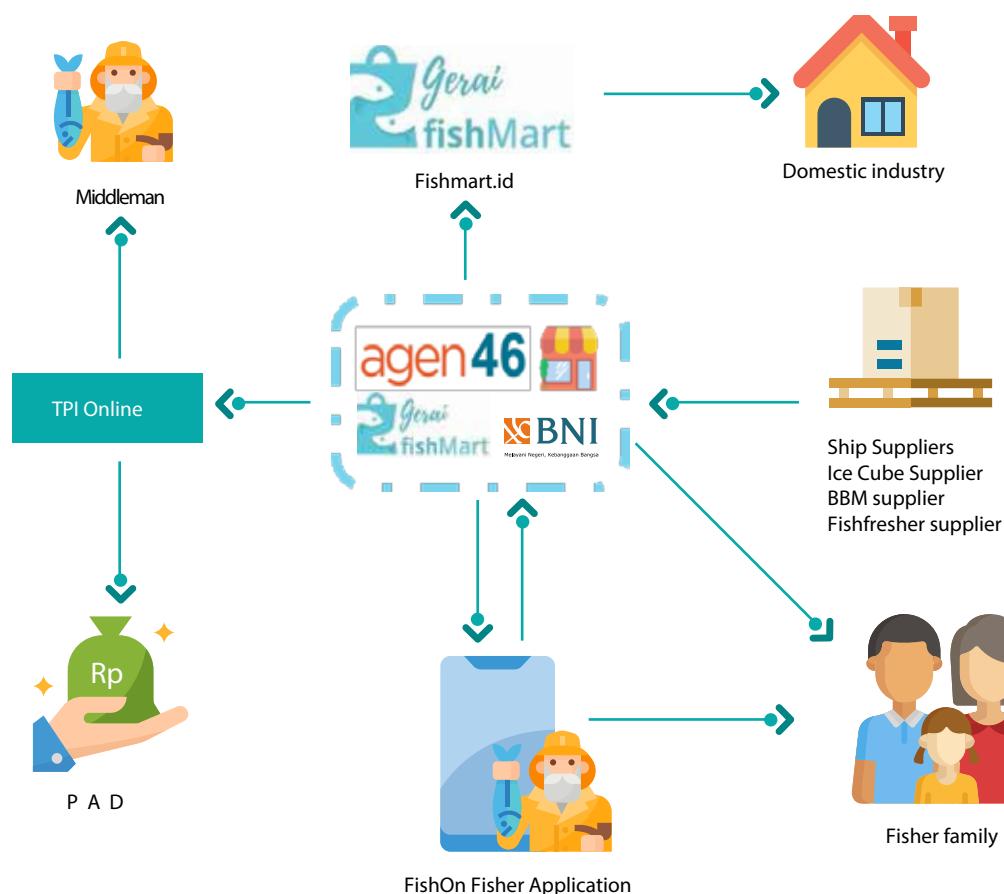
BNI, FishOn and Aruna provide mentoring to fishermen in the form of capital, and granting of financial literacy comprehension and service concepts through the FishOn and Aruna applications. BNI through Agen46 provides easy banking access to capital and other banking products and services suitable for the fishermen's needs. Moreover, BNI also provides financial literacy comprehension so that fishermen receive knowledge, competence and confidence about dealing with financial management and financial service institutions; such as with BNI as their banking partner.

FishOn conducts mentoring in the form of explanations about the service concept that is provided to fishermen. For example, the introduction of the FishOn application features such as Fish

Finder. Fish Finder is a fish search feature connected to oceanographic satellites, so that fisherman can directly find out where fish are located. This is surely useful for fishermen because their business can be more productive, effective and efficient. Moreover, there is also FishMart as FishOn minimarket that enables the transaction to be conducted online as well as other features and services. Market place also provides means for fishermen and suppliers to interact and trade concerning fishing equipment.

Aruna carries out mentoring and provides education to fishermen concerning the concept of the Indonesian Fishermen Village and an explanation on the use of the application. Aruna provides a Mini Processing Plant to process the captured fish so it can be saved for a longer time and Warehoused as temporary storage before sales.

Opening Fishing Market Opportunities Through Fishmart Outlets



Improving the Quality of Fishery Products Through the Concept of Indonesian Fishermen's Houses



The following are the main points of the fishermen mentoring



- BNI (Agen 46)**
- Provides reliable access to capital
 - Provides other banking products and services to suit the needs of fishermen



- FishOn**
- Develops the FishOn application
 - Performs mentoring and education related to the concepts, features and critical services provided: Fish Fresher, Fishmart, Fish Finder, Fishmart.id
 - Warehouse provisioning (fish storage), online marketplace (captured fish sales), and access to fishermen and a fishing supplier network.
 - Operates as BNI's collection agent



- Aruna**
- Develops application
 - Undertakes mentoring and education related to Indonesian Fishermen Village concept
 - Provides Mini Processing Plant to process fish for longer storage periods and a Warehouse for temporary fish storage
 - Provides the marketplace and fishing equipment
 - Operates as BNI's collection agent



- Supplier**
- Provides fishing equipment for fishermen (via FishOn's online marketplace)



- Buyer**
- Buys fish from fishermen. May be an individual or an organization.

The overall fishermen mentoring program provided by BNI and partners will directly impact the improvement of fishermen's sales. Digital technology innovations can cut the long value chain from fish processing up until the product reaches its customers. Fishermen can find fish efficiently, have access to suppliers who can support them with fishing equipment and access to fresh and durable fish storage, and have direct access to customers both through online and offline means.

However, there are challenges faced in the implementation process, as follows:

1. Fishermen's insufficient knowledge regarding banking (e.g. capital)
2. Information on Indonesian Fishermen's Homes (RNI) has not been adequately socialized to branch offices
3. Fishermen's data has not yet met banking standards for the provision of credit facilities

4. Inactive fishermen's transaction in RNI
5. No vendor available to provide the needs of the fishermen
6. Market for fishermen's products is not yet optimal

To overcome the problems arising in the program implementation, BNI and partners have also developed strategies for future program development, as follows:

1. To conduct financial literacy education to fishermen
2. To educate and socialize the RNI concept to branch offices
3. To standardize data for fishermen who will join and data addition according to the standards on mentoring partners/fishermen
4. To develop RNI's application
5. To perform vendor mapping
6. To find out information related to potential buyers and commodities which attract the market

RUMAH BUMN [GRI 203-1][OJK F.25]

SMEs are one of the most important contributors to national economic development. BNI supports the role of SMEs with the development of Rumah BUMN (RB) as the mentoring place for SMEs to improve their quality. The benefits obtained by RB

partners are trainings, technical guidance and more widespread marketing, including digital marketing. 159,391 SMEs have joined the website rumah-bumn.id for more widespread product marketing on a global platform.

2020 RB Performance in Numbers

Description	
Total Online SMEs	2,232
Online Products	5,109
Online Transactions	1,877
Online Transaction Value	Rp1,433.19 million
Joined in rkb.id/Go Modern	159,391

2020 UKM Mentoring in BNI's RB in Numbers

Category	Total Activities	Participants
Workshop/training	137	1,126
Visits to SME Location	119	316
Exhibitions/Events	41	266

The pressure on the economy and business in the midst of COVID-19 pandemic is quite severe. However, small and medium-sized enterprises (SMEs) partners of PT Bank Negara Indonesia (Persero) Tbk or BNI are continuing to keep up. Not only do they seek to keep up with their livelihoods, SMEs also strive to help the government and medical personnel to meet the needs of personal protective equipment (PPE), medical masks, and hand sanitizers.

Those SMEs are active in BNI's Rumah BUMN (RB). There are at least four RBs manufacturing hazmat suits or protective clothing, namely RB Bantaeng, South Sulawesi; RB Banjarbaru, South Kalimantan; RB Cilacap, Central Java; and RB Padang, West Sumatra.

Meanwhile, in nine RBs, there are more than 30 SMEs manufacturing masks. They are RBs in Bekasi, West Java; Padang, West Sumatra; Cilacap, Central Java; Tabalong, South Kalimantan; Banjarbaru, South Kalimantan; Bantaeng, South Sulawesi; Tegal, Central Java; Mamuju, West Sulawesi; and Way Kanan, Lampung.

TOURISM ECONOMY

[GRI 203-1][GRI 413-1] [OJK F.25]

The local community management-based tourism industry is one of the solutions to the equity and improvement of the community's income. Therefore, BNI provides assistance in developing the tourism economy, especially in villages with potential as tourism destinations.

In 2020, four tourism destinations received support valued at a total of Rp1,539 million, namely:

1. Balige, Toba
2. Pulau Belitung
3. Wakatobi
4. Ranupani, Bromo

The Tourism Village Support Program involves 36 Heads of Families and has built/renovated 36 houses.



Balkondes (Balai Ekonomi Desa/Village Economics Hall)

The Balai Ekonomi Desa (Balkondes) program is a tourism-based community empowerment program aimed at improving the rural economy. This program is the result of cooperation between BNI, a number of SOEs, as well as the Ministry of State-Owned Enterprises.

BNI has established the Balkondes Wanurejo which was officiated in 2017, and is located around the Borobudur Temple. Balkondes also participates in preserving community culture in the form of traditional music and dance performances. The facility consists of 20 homestay rooms with a scenic rural concept.

Balkondes Wanurejo has had a positive impact on the community through an increase in the amount of tourists.

In the midst of the COVID-19 pandemic, BNI has continued to help the people in Wanurejo Village by delivering excellent service trainings during the period. The trainings aim to give the best service to visitors, which is expected to have an impact on the economy of the people.

The trainings are carried out in the following phases:

- Self Assessment, which aims to identify the strengths and weaknesses of human resources in Balkondes in order to complete each other and make improvements.
- Excellent Service training, which is aimed to deliver comprehension to the human resources in Balkondes on the importance of providing visitors the greatest services, especially in the pandemic period.
- Comparative Study with one of Indonesia's best tourism villages, namely Desa Wisata Penting Sari in Yogyakarta. This is carried out so that the human resources in Balkondes have the experience as visitors and experience the services provided by the people of Pentingsari Village. It is expected that many positive lessons and matters can be implemented in Balkondes Wanurejo.
- Standard Operational Procedure (SOP) and Job Description. These are aimed so that Balkondes will have an Excellent service standard and everyone can understand their roles in order for the Visitors to have a good experience.



*The photograph was taken way before COVID-19

KAWAN (KAMPUNG WISATA ANAK NEGERI)

Kampung Wisata Anak Negeri (KAWAN) is a program that aims to bring additional value to the local people around tourism destinations in the form of improving community-based tourism services. The focus for improvement of tourism services is not only in the improvement of home-stay quality, but also improvements in other tourism attractions such as culinary, souvenirs and tour packages.

BNI helps to renovate home-stay places in the tourism village to improve the quality of community-based tourism services.

The COVID-19 pandemic which has occurred since March 2020, has caused the entire sector to feel its impact, particularly in the tourism sector. Various government policies have forced people to stay at home and not carry out activities outside their homes, causing the tourism service sector to suffer from a significant decline. However, the people living in the tourism area are still dependent on the industry and are required to seek for solutions immediately to tackle the problem. BNI is committed to helping the community, especially through its KAWAN Program, which provides a quick solution to recover the community's economy in tourism areas by delivering business equipment support. These have included weaving machines and brick casts in the Mandalika Tourism Region, Mataram, NTB. This program is intended to keep the economic wheels of the community running despite the pandemic.

SMART FARMING 4.0

[GRI 203-1] [GRI 413-1] [OJK F.25]

The digitization era has entered all aspects of the community, including the agricultural industry. To prepare for the Agricultural Industry 4.0, BNI is organizing the 4.0 Agricultural Commemoration Movement to be held in Garut Regency, Pasaman

Barat Regency, Sukabumi Regency, Situbondo Regency, and Dairi Regency with a total number of 2,962 farmers.

BNI grants various kinds of support in the program. In terms of banking access, BNI provides easy banking access to farmers. Related to the digitization of

agriculture, BNI provides precise agricultural support and implementation of digital technology that is easily utilized by farmers of various crops. Concerning the risk of climate change, to mitigate the decreasing productivity caused by potential floods and droughts, BNI has provided support in the form of nine RITX Soil & Weather Sensors. The digital sensors are useful to farmers to monitor land and weather conditions in real time, so that they can take preventive measures to overcome crop failures.

In the 4.0 Agriculture Commemoration Movement, BNI also collaborates with several SOEs, Ministry of Agriculture, Perhutani, Ministry of Environment and Forestry and PT Mitra Desa Bersama Intan (MDBI) which is a member of Village-Owned Enterprise (BUMDes) in Kedungmoro and Banyuresmi regions.

The cooperation aims to realize the establishment of an agricultural corporation that is expected to increase the quality of agriculture. BNI has granted Rp6.3 billion for factory construction, machine procurement, and the construction and supervision of a Rice Milling Unit (RMU) Warehouse.

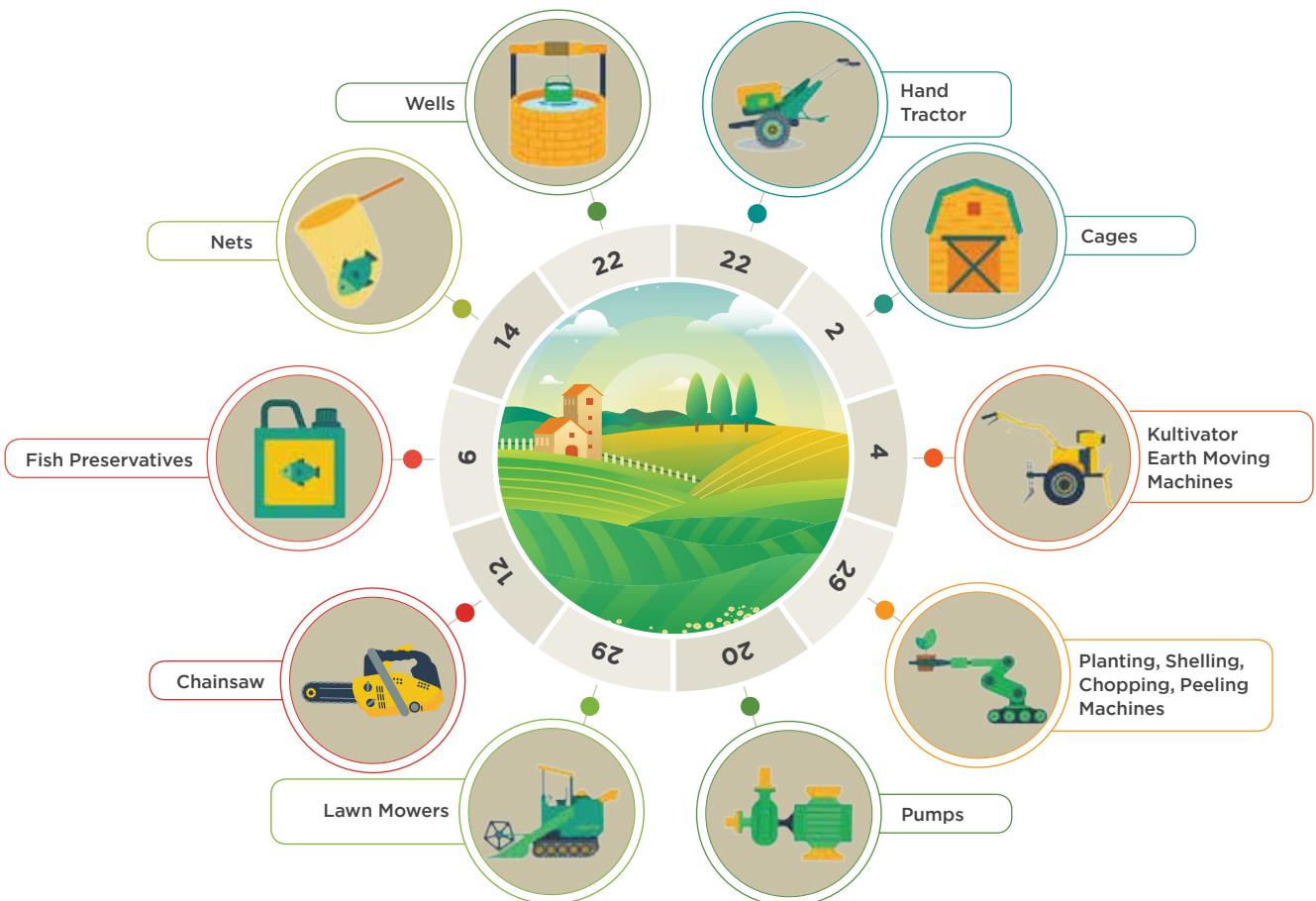
SOCIAL FORESTRY CSR SUPPORT

[GRI 203-1][GRI 413-1] [OJK F.25]

The Social Forestry Support aims to improve the welfare of forest dwellers and to conserve forests. CSR support is provided in the form of agricultural machines, irrigation or renovation of educational facilities around the forest area. In 2020, there are 21 regencies receiving the following support:

AFFECTED 35,608 FARMERS IN 21 DISTRICTS/ MUNICIPALITIES

[GRI 203-1] [GRI 203-2]



OPERATIONS WITH LOCAL COMMUNITY INVOLVEMENT, IMPACT ASSESSMENT AND THE DEVELOPMENT PROGRAM

[GRI 413-1] [OJK F.23]

The bank operations relevant to local community involvement, positive and negative impact assessment and the development program are the Partnership and Community Development Programs (PKBL).

The Partnership Program is a program aimed at the micro business segment and provides access to capital loans and business assistance as a partner. Meanwhile, the Community Development Program focuses on 7 types of support as regulated in the Law of Social and Environmental Responsibility, namely: natural disaster aid, education, health, public facility and infrastructure development, places of religious worship, environmental conservation and reducing the poverty rate.

The whole process of initiation, preparation of strategic plans and program plans, monitoring and evaluation processes of the programs, are all conducted by involving various stakeholders, including the local communities. This is carried out to optimize the achievement of the program objectives. The goals to be achieved through PKBL certainly improve the community's welfare. All development activities to improve community welfare must be carried out in synergy. Therefore, BNI has partners in implementing the program, including the Regional Government, executing partners and many more.

In the implementation of PKBL activities, BNI conducts a social mapping process to find out the current condition in the community. From the social mapping results, a CSR program is planned to improve the positive impacts and mitigate the negative impacts stated in the work target. Furthermore, the program implementation is carried out based on the established program plan. To assess the suitability of the program implementation and plan, a monitoring process is carried out. Furthermore, an evaluation is carried out to assess the suitability of the program implementation and its target achievement. During this evaluation process, an assessment is conducted to seek out the social and environmental impacts caused by the program implementation. Such impact assessment is stated in the company's Sustainability Report and Annual Report and issued on a yearly basis. Full disclosure regarding program achievements is described in separate sections of this chapter and in the Environment Chapter.

COMMUNITY DEVELOPMENT FUND REALIZATION

BNI's Community Development Program or community empowerment program refers to the Law related to Social and Environmental Responsibility and focuses on 7 areas, namely: natural disasters, education, health, development of public facilities and infrastructure, places of religious worship, environmental conservation and reduction of the poverty rate. In 2020, 1% of BNI's revenue was allocated to the Community Development Program fund and the total funding for Community Development Program was Rp174.60 billion.

Total Realization (in billion Rupiah)

Community Development Program Sector	2020	2019	2018
Education and training	32.38	47.56	41.32
Religious worship facilities	20.22	28.95	24.55
Reduction of poverty rate	22.78	24.40	13.30
Public facility and infrastructure development	13.07	16.30	18.77
Health improvement	13.21	15.73	10.37
Environmental conservation	3.55	5.87	2.34
Natural disasters	69.39	4.42	4.54
Total	174.60	143.23	115.19

Provision of Free Internet for Students

The alarming corona pandemic has forced the teaching and learning processes to be conducted online. The currently never-ending pandemic has also impacted continuous online learning. Students who are located in areas with sufficient internet access will not face problems. However, in areas with "blank spots" for internet access, this certainly will become a huge problem.

"Blank spot" areas are those not covered by transmitter infrastructure from providers or internet providers. Providers feel that from the business point of view, certain areas are not suitable for transmitter infrastructure, therefore internet access is only possible by using satellite. This obviously is not easy, because in addition to its expensive equipment, internet requirements especially for students to cope with their online education cannot be postponed. Therefore, the BNI Berbagi Program grants free satellite internet provisioning support for 2 (two) years to the communities living in "Blank Spot" areas. BNI and the Pusat Inovasi dan Kemandirian Indonesia Raya (PIKIR) Foundation are working together to provide internet access in Nagari Malalak Barat, Agam Regency, West Sumatra.

Prior to the installation of free internet, the people had to go to other areas having internet access or to higher ground just to get the internet. With this support, hopefully the community, especially students in Nagari Malalak Barat, can enjoy free internet for 2 years. It is expected that this step will improve the quality of education in Nagari Malalak Barat. BNI's support is worth Rp185,000,000.00 (one hundred eighty five million rupiah) in the form of devices, installation, internet service for 2 (two) years and utilization mentoring.

Furthermore, BNI is committed to delivering support in other "Blank Spot" areas which currently need internet access, especially for students to cope with their online learning during the pandemic.

Clean Energy for the Community

BNI also encourages the village economy through BUMDes development. BUMDes mentoring aims to achieve a more developed and independent village economy. One of the BUMDes Malang under BNI management is the BUMDes Kertojarjo in Sanankerto Village, Turen Sub-District, Malang Regency, East Java.

Sanankerto Village has the potential to become a tourism village with a natural conservation ecotourism concept, by utilizing bamboo forests and a retention basin as the basis of tourism management named Boon Pring Ecotourism. The BUMDes Kertojarjo manages the Boon Pring Ecotourism with the goal of improving the Original Local Government Revenue (PAD) and the community's welfare. The Boon Pring Ecotourism focus is the Andeman Reservoir which is surrounded by bamboo forest in a 36.8 Hectare area. Boon Pring has several functions, namely to maintain natural conservation (water conservation, bamboo), community's livelihood (aquaculture, fishing) and tourism objects (agrotourism). There are 65 types of bamboo plants in this place.

To protect the biodiversity in the Ecotourism region, BNI has assisted in the construction of PLTMH (Mini-Hydro Power Plant). The PLTMH will supply electricity in the Boon Pring Ecotourism region. The PLTMH has been utilized to power 66 hawker kiosk units and 25 lighting/street lamps in Andeman Boonpring tourism destination.

The development of this natural spring water resource is expected to become the center of community-based rural economic development to improve welfare, employment development, tourism-supporting productive communities and sustainable social/environmental development.

BNI encourages MSMEs to continue to improve their business capacities and capabilities by means of Go Modern, Go Digital and Go Online as concrete steps to prepare themselves to face The New Normal in various aspects of life, including doing business.



Reading Park in 3T Region

Education is the main key to the nation's development. In order to realize a proper education through interest in reading, BNI has built the Reading Parks in 3T (outermost, front-line and disadvantaged) regions from Aceh to Papua.

Considering the low literacy rate in Indonesia, BNI's Reading Park Program has been initiated with the purpose of increasing interest in reading among school students, especially in 3T regions since 2018 to 2020. It is expected that the establishment of the School Reading Park (TBS) will provide an increase in Indonesian literacy. The expenditure for the construction in 2020 was Rp1,022 million.

Provisioning of Clean Water and Sanitation Facilities

Basic human needs that are fundamental to daily living are adequate availability of clean water and sanitation. However, in reality, those needs are still difficult to obtain in some areas. Therefore, the role of multi-party partnership becomes important to meet those needs.

BNI is supporting the provisioning of clean water and sanitation facilities in some areas prone to drought, such as in Maluku and NTT with total support reaching Rp962 billion. It is expected that access to sanitation and drinking water will improve the welfare and health of the community.

BNI Encourages MSME Partners to Go Online

To overcome the lack of sales in the midst of the COVID-19 pandemic, digital-based marketing can be carried out. BNI encourages MSMEs to continue improving their business capacity and capability through Go Modern, Go Digital and Go Online which are concrete steps in preparing for the New Normal in many aspects of life, including in businesses.

As a real form of support for the National Movement #BanggaBuatanIndonesia, which has been launched by the President of the Republic of Indonesia, BNI presents an e-Catalog to assist in promoting MSME products to all Indonesian regions.



Through the e-Catalog, BNI wants to give a facility to the public to shop online from home. By purchasing the products of BNI's MSME partners, the public will indirectly help the MSMEs to increase sales and participate in mobilizing the national economy.

Moreover, micro, small and medium enterprises (MSMEs) are asked to sell their products online in the marketplace Blanja.com through the BNI Kreasi Nusantara Craft Online Program. BNI Kreasi Nusantara Craft Online is a coordinated effort to help MSMEs to survive the COVID-19 pandemic. BNI has invited 100 MSMEs to utilize the opportunity to sell in Blanja.com easily.

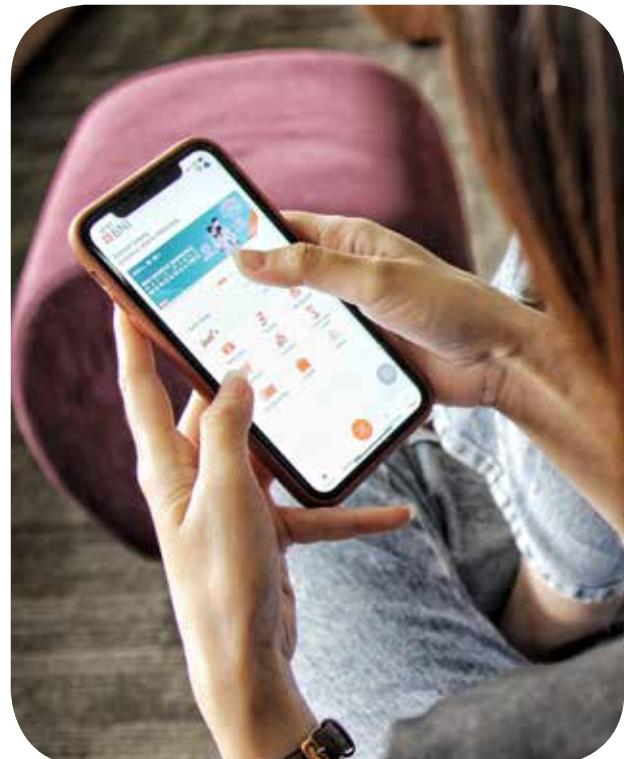
BNI Kreasi Nusantara Craft Online is a breakthrough to help local product manufacturers to open new markets online, and at the same time open opportunities for workers who have lost their jobs to remain active economically. On the other hand, BNI invites the public to show care towards MSMEs and to buy their products easily because it is performed

online, which is relevant to the government's current directive to carry out activities at home and execute physical distancing.

Renovating schools in the Conflict area of Seram Island

Living in a conflict-prone region is not easy; the impact of conflict suffered by the community is also varied, from physical harm to non-physical harm. Physical harm includes damage to Education facilities, Health facilities, public facilities and many more. The damage to Education facilities causes learning activities to come to a halt. This has occurred in Seram Island, where there is damage to education facilities, namely the destruction of the classrooms in SMP N 11 Kairatu and SD N Tomalehu, located in Seram Island.

BNI has helped by reconstructing the classrooms in SMP N 11 Kairatu and SD N Tomalehu providing a total support package of Rp1,787,952,700.00 as part of the BNI Berbagi Pendidikan Program. The support is expected to end the disruption to community learning activities in Seram Island.





- GCG Policy
- Achievement and Evaluation of GCG
- Governance Structure
- Integrity Preservation
- Stakeholders



Boosting the Quality of Sustainability Governance

Making progress on a distinguished sustainability performance is commensurate with the implementation of good corporate governance in each and every plan and aspect of the business.

BNI regards its pivotal function in society and the country, to be acting first and foremost as one of the pillars of the nation's economy. Thus, we put forward our very best endeavours to manifest good corporate governance (GCG) on the basis of the principles of sustainability and ensure the long-term sustainability of the Company. Enabling GCG has had many positive impacts in terms of achieving bank goals, monitoring risks, escalating performance, and developing a good work culture within the bank.

GCG POLICY

Not only has the basic implementation of GCG become one of the determining domains in the success of the Company, but it is also done to meet regulatory requirements and to build strong fundamentals as the firm foundation for all of the Company's business activities. As a manifestation of GCG implementation, BNI has had its Good Corporate Governance Guidelines listed under number KEP/001/DK dan KP/001/DIR and validated on January 3, 2001, and these guidelines enact five objectives. In addition, there are four focal matters stated in the Good Corporate Governance Implementation Objectives that have been the sine qua non of the bank's business activity, namely:

1. Increasing BNI's corporate value by applying GCG principles consisting of transparency, accountability, responsibility, independence, as well as fairness and equality in conducting its business; thus, BNI embraces a strong competitive spirit, both at the national and regional level.
2. Encouraging each and every organ of BNI to at all times emphasise the culture of GCG in all decision making based on prevailing values and norms as well as operating with a high level of compliance with the prevailing laws and regulations.
3. Improving BNI's performance through the Company's efficiency programs derived from the implementation of GCG culture in every organ of BNI.
4. Increasing investors' trust and deeming BNI to be the primary choice for investment.

The implementation of good corporate governance in public companies is based on the following conditions:

1. Financial Services Authority Regulation Number 21/POJK.04/2015 Regarding the Implementation of Guidelines for Public Company Governance;

2. Financial Services Authority Circular Letter Number 32/SEOJK.04/2015 Regarding Governance Guidelines for Public Companies.

In a regular manner, BNI assesses the worth of the implementation of GCG through several procedures. This practice involves reviewing guidelines or policies; preparing new guidelines or policies; increasing the principle of compliance through the compliance index; preparing reports; and enhancing the means of receiving external complaints. The receiving of complaints or statements of dissatisfaction regarding GCG are a good means of acquiring inputs and this serves as one method of evaluation for BNI to improve the quality of our GCG implementation.

Into the bargain, we administer a variety of international guidelines having relevance to GCG implementation, such as the principles of Corporate Governance developed by the Organization for Economic Cooperation and Development (OECD), the ASEAN Corporate Governance Scorecard, and the Principles for Enhancing Corporate Governance issued by the Basel Committee on Banking Supervision.

The Governance Guidelines for Public Companies include 5 (five) aspects, namely:

1. Public Company relationship with shareholders in vouching for the rights of shareholders;
2. Functions and roles of the Board of Commissioners;
3. Functions and roles of the Board of Directors;
4. Stakeholders' participation;
5. Information disclosure.

BNI is committed to upholding compliance with all applicable laws and regulations in the field of corporate governance. To that end, the Company continues to update various guidelines, operating procedures, and apply manuals within the Company in accordance with existing laws and regulations, which are then followed by targeted dissemination and application. In all planning and decision making, BNI further attempts to integrate the principles and practices of sustainability, taking into account three imperative aspects, namely people, planet, and profit. The implementation of GCG in BNI governance is based on the following five principles: transparency, accountability, responsibility, independence, equality and fairness.



ACHIEVEMENT AND EVALUATION ON GCG

The implementation of GCG in BNI is regularly evaluated to ensure that its implementation is well applied. The results of the evaluation of the implementation of GCG in semester I and semester II of 2020 received Rank 2 with the definition of the rating "Indicating that the Bank's Management has implemented GCG which is generally good". This is reflected in the adequate fulfilment of the principles of Governance. In the event that there are weaknesses in the application of Governance principles, these drawbacks are generally insignificant and can be resolved by normal actions by the Bank's Management. Currently, the Bank is continuing to make corrective actions to follow up on Regulators' findings, with a "Stable" trend.

Furthermore, BNI follows the Corporate Governance Perception Index (CGPI) organized by The Indonesian Institute for Corporate Governance (IICG) which aims to evaluate the implementation of GCG at BNI. The results of the CGPI assessment in the last five years have continued to show improvement and the last score we received in 2019 was 90.74 with the predicate "Most Trusted" (Most Trusted Company).

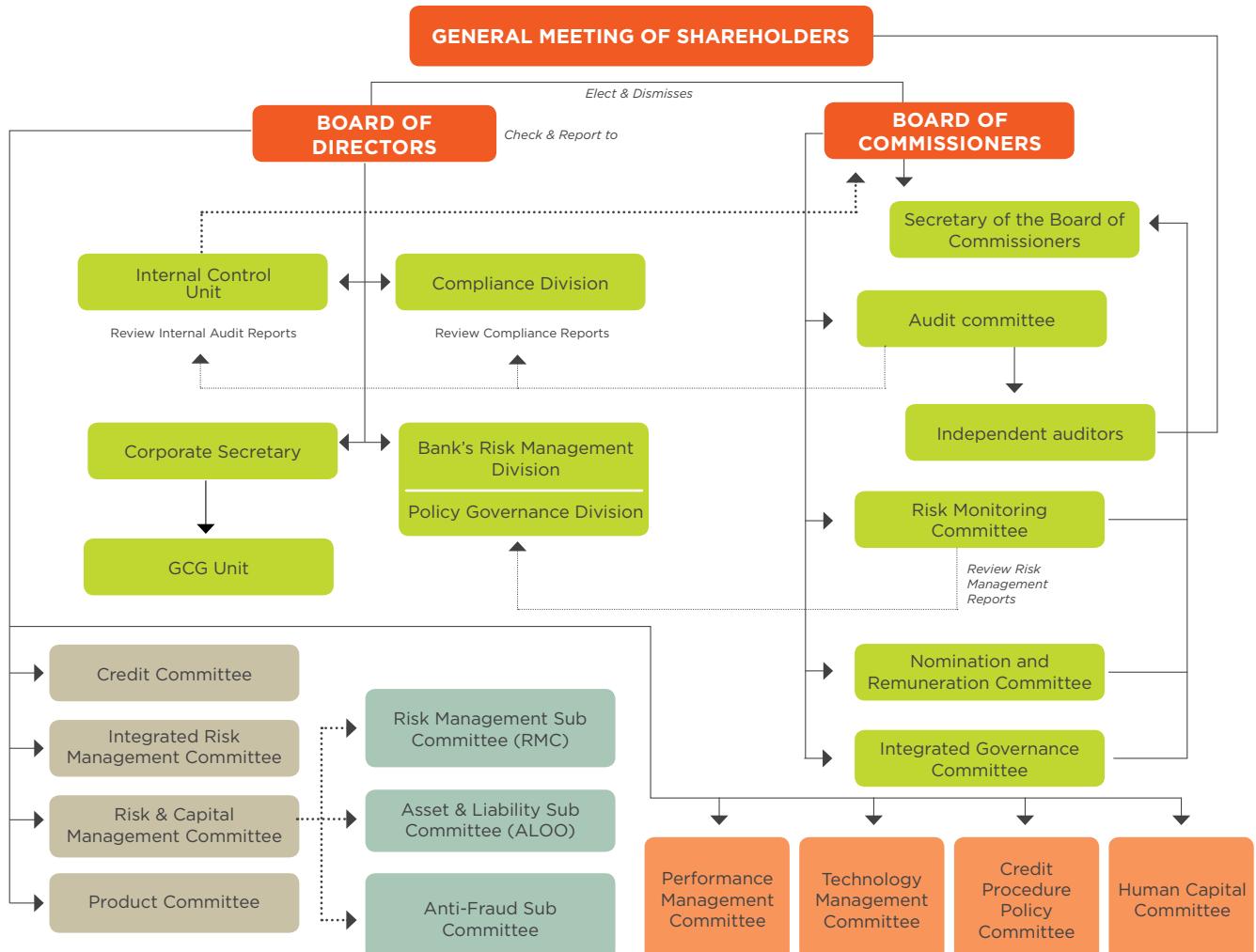


On top of that, BNI participates in the ASEAN Corporate Governance Scorecard assessment—an initiative of the ASEAN Capital Markets Forum—which aims at improving the governance standards of public companies in ASEAN. The assessment criteria exerted are based on those of the Organization for Economic Cooperation and Development (OECD) as follows:

The assessment result for the reporting year was 97.02 and stated that BNI was in the "Very Good" category or at level 4 (90.00 - 100.00); thus, BNI was far above the average score in the Big Cap category (100 companies with the largest market capitalization on the stock exchange) which was determined to be 72.02.



GOVERNANCE STRUCTURE [GRI 102-18]



In accordance with Law No. 40 of 2007 concerning Limited Liability Companies, BNI's Company Organs consist of three parts:

1. The General Meeting of Shareholders (GMS) which is the highest authority in a Limited Liability Company and the holder of all authorities that are not submitted to the Board of Commissioners and Directors within the limits determined by the Law and/or Articles of Association.
2. The Board of Commissioners, which is a board that has the duty to conduct supervision in general and/or specifically in accordance with the Articles of Association, and provide advice to the Directors.
3. The Board of Directors which is the Company's Organ that carries out management actions to achieve the Company's vision and mission in

the best interests of the Company. The Board of Directors is also responsible for representing the Company both inside and outside the court in accordance with the provisions of the Company's Articles of Association.

BNI has determined the implementation of sustainable finance and the division of functions related to sustainable finance through the President Director's Decree on the Implementation of Sustainable Finance No. KMP/4/2602. To date, BNI is in the stage of refining its organisational functions and corporate governance to support the ideal sustainable finance implementation plan. At this refinement stage, the Strategic Planning Division has specifically prepared a Sustainable Finance Action Plan.



The implementation of sustainable finance is also performed by the subsidiaries, namely Bank BNI Syariah, BNI Life and BNI Multifinance. Our three subsidiaries have implemented sustainable finance since January 1, 2020, in compliance with POJK 51 of 2017.

General Meeting of Shareholders

The General Meeting of Shareholders (GMS) is the highest authority in a Limited Liability Company and the holder of all authorities that are not left to the Board of Commissioners and Directors within the limits determined by the Law and/or Articles of Association. In its concrete form, the GMS is a forum where shareholders have the authority to acquire information about the Company, both from the Board of Directors and the Board of Commissioners. In accordance with Law Number 40 of 2007 concerning Limited Liability Companies, the holding of a GMS consists of an Annual GMS which is held once a year and an Extraordinary GMS, which can be held at any time at the request of one of the Company's Organs. In 2020, BNI accommodated 2 (two) GMS consisting of the Annual GMS on February 20, 2020 and the Extraordinary GMS on September 2, 2020.

Board of Commissioners

The duties of the Board of Commissioners are to conduct general and/or specific supervision in accordance with the Articles of Association and to give advice to the Board of Directors. In conducting its duties, the Board of Commissioners determines aspects of sustainability in the economic, social, and environmental fields. In this reporting period, the number of standing members of the Board of Commissioners is 10 people. The Board of Commissioners is led by a President Commissioner and is aided by a Secretary of the Board of Commissioners and four Committees. The Committees are:

1. Audit Committee;
2. Risk Monitoring Committee;
3. Nomination and Remuneration Committee;
4. Integrated Governance Committee.

An elucidation of the functions and duties of each committee can be found in the 2020 BNI Annual Report. BNI disallows any kinship, financial relationship, or concurrent positions or sub rosa members of the Board of Commissioners and members of the Board of Directors.

Board of Directors

The BNI's Board of Directors consists of 12 (twelve) Directors led by a Managing Director. The duty of the President Director is to coordinate the activities of the Board of Directors. The Board of Directors has full authority and responsibility for the management of the Company and represents BNI both inside and outside the court in accordance with the provisions of the Articles of Association. The Board of Directors has collegial duties and responsibilities, albeit they can act and make decisions according to their division of duties and authorities, including in economic, environmental, and social aspects. It is reserved for the Board of Directors to hold concurrent positions which are conveyed under the prevailing laws and regulations.

Highest Governance Agency Capacity Improvement

[GRI 102-27] [OJK E.2] [SUSBA 1.4.2.3]

The concern of the Board of Commissioners and the Board of Directors regarding the development of the Company and the implementation of sustainable finance is uttered by participating in numerous seminars on economic, environmental, and social topics as follows:



LEADERSHIP

- Transformation and Leadership Skills for The New Normal
- GML Circle of Friends for BOD - Radical Change, Innovation and Agility in Disruption Era
- Level 5 Management Certification



SOCIAL TOPICS

- Managing talent in the Digital Age: Strategy and Implementation
- Dissemination of the Job Creation Law and its Impact on Business and Banking



ECONOMY AND BANKING

- Risk Management Refreshment Program: Beware of Second Wave Bad Credit
- Maintaining Financial System Stability in the Era of Disseminating Policies & Regulations. Law No. 2/2020, PP 33/2020, PLPS No. 3/2020
- The Banking Industry Amid Digital Disruption and the Era of the COVID-19 Pandemic
- Visualizing the New Normal in Bank Lending
- Risk Management & Compliance Refreshment: Opportunities and Challenges of Restoring the Banking's Main Business Portfolio during the Indonesian Economic Recovery Period to Get Out of the Impact of COVID-19
- Economic Prospects for 2021 and Economic Policies in Response to the Impact of the COVID-19 Pandemic
- The Banking Industry Amid Digital Disruption and the Era of the COVID-19 Pandemic
- Economic Prospects in 2021 and Capital Market Policies in Responding to the Impact of the Pandemic and Facing Political Conditions in Indonesia
- Bank Indonesia Policy Response Webinar in Handling the COVID-19 Pandemic
- Bank Strategy to Support Economic Recovery and Innovation to Survive in the New Normal Era - The Institute of Certified management Accountants
- Lessons from CIMB Niaga Digitalization and Tips for Survival in The Fintech Era
- ISO 20022 Executive Roundtable via Virtual
- Risk Awareness of Credit Lending
- BOD Induction Program - Executive Director Overview - Industry Analysis
- BOD Induction Program - Integrated Risk Management and TKB



TOPIC OF SUSTAINABILITY

Sustainable Investment - Deloitte



GOVERNANCE

- Commissioner Level 2 Risk Management Certification
- Level 5 Risk Management Certification
- Integrated Governance in the Digital Era
- Ethics, Integrity and Governance in the Financial Industry
- BOD Induction Program - Good Corporate Governance Practices
- BOD Induction Program - Prudential Banking and APU PPT
- Webinar in the implementation of GCG in the New Normal Era by IICG
- Performance FGD and Government Fund Placement



INTEGRITY PRESERVATION

Policy on Anti-Corruption, Bribery, and Fraud

Corruption, bribery, gratification, and fraud have a negative impact on the Company as they damage healthy business practices. Employee involvement in gratification control is manifested through the signing of the Employee Integrity Pact at the beginning of the year as well as through paperless reporting of gratuities (since December 2018) by employees through the Compliance Information Management System (CIMS) portal at the address www.cims.bni.co.id. Moreover, the Compliance Division has provided viva vice and written consultations on Divisions/Units/Departments' inquiries regarding Gratuities. Detailed dissemination related to other gratuities can also be found in the 2020 BNI Annual Report.

BNI has enshrined gratification control by signing the "Commitment to Control Gratification" by the President Director which was witnessed by the Chairman of the Corruption Eradication Commission on October 17, 2016, and was attended by the Board of Commissioners, the Board of Directors, executive managements, as well as customers, debtors and notaries. We have also set up a Gratification Control Unit (UPG) under the Compliance Division.

At the start of each year, all BNI employees sign the Employee Integrity Pact, one of which contains the following statement: "Do not give, engage, and/or receive rewards in any form neither to nor from fund

customers or debtors, vendors, partners, work partners and/or other parties, neither external nor internal."

In line with BNI's attempts to support SEOs Core Values, namely AKHLAK, especially the value of Amanah, BNI Management is also fully committed to supporting the implementation of the Anti-Bribery Management System (SMAP/Anti-Bribery) at BNI and has managed to acquire an SNI ISO 37001: 2016 on August 11, 2020, concerning the Anti-Bribery Management System (SMAP)/Anti-Bribery Management System (ABMS).

The Compliance Division in collaboration with the Risk Management & Anti-Fraud Committee is committed to alleviating the number of fraud incidents by making corrective actions. These two functions further actively communicate with related Divisions/Units to ensure that corrective actions have been implemented. Any violations related to gratification control and implementation of anti-fraud strategies will be submitted in the Compliance Report to the Compliance Director on a quarterly basis and submitted to the FSA every semester.

Through the Compliance Division, BNI is in its very best endeavours to actualise the principle of no fraud for our banks by implementing an anti-fraud strategy and implementing a Whistleblowing System (WBS). The antifraud strategy is implemented through four pillars as stipulated in POJK No. 39/POJK.03/2019 on December 19, 2019, regarding the Implementation of

Anti-Fraud Strategies for Commercial Banks, namely: prevention, detection, investigation, reporting, and sanctions. BNI sets forth corruption as part of fraud. In the era of the COVID-19 Pandemic, BNI communicated anti-corruption policies and procedures through BNI Digital Online training media, namely BNI Smarter and Youtube BNI Corporate University. This online training has an impact on the broad and massive webinar participants, for it can also be attended by employees and customers. Throughout 2020, anti-corruption and fraud training was conducted through broadcasts on Youtube. Therefore, we cannot provide data on the number of elective participants, participants' categories, and their location.. [GRI 205-2]

Anti-corruption policies and procedures for the implementation of Good Corporate Governance also communicate to (i) Debtors, as stated in the Credit Offering Letter/ SKK (ii) Suppliers, listed in the Integrity Pact.

Business Partners which have been Communicated with Regarding Anti-Corruption Policies and Procedures by Region

Business partners which have been communicated with regarding anti-corruption policies and procedures by region. [GRI 205-2]

Incident Related to Corruption [GRI 205-3]

BNI labels fraud as corruption. The following is the total number of proven fraud incidents:

Internal Fraud within 1 Year	Total Cases Undertaken by					
	Members of the Board of Directors and Members of the Board of Commissioners		Permanent Employee		Temporary Employees and Outsourced Labour	
	Preceding Year (2019)	Current Year (2020)	Preceding Year (2019)	Current Year (2020)	Preceding Year (2019)	Current Year (2020)
Total fraud	-	-	5 frauds	6 frauds	1 fraud	2 frauds
Has been completed	-	-	5 frauds	5 frauds	1 fraud	2 frauds
In the process of internal BNI settlement	-	-		1 frauds	-	-
No resolution has been attempted yet	-	-	-	-	-	-
Has been followed up through a legal process	-	-	-	-	-	1 frauds

Note: A case of irregularities/fraud with a loss of more than Rp100 millionn

In the reporting year no employee has been terminated or convicted of corruption. However, there are internal frauds with the amount as can be scrutinised in the table below.

The number of fraud cases in 2020 increased compared to the preceding year.

BNI seeks to diminish the potential for corruption/fraud incidents in a number of ways:

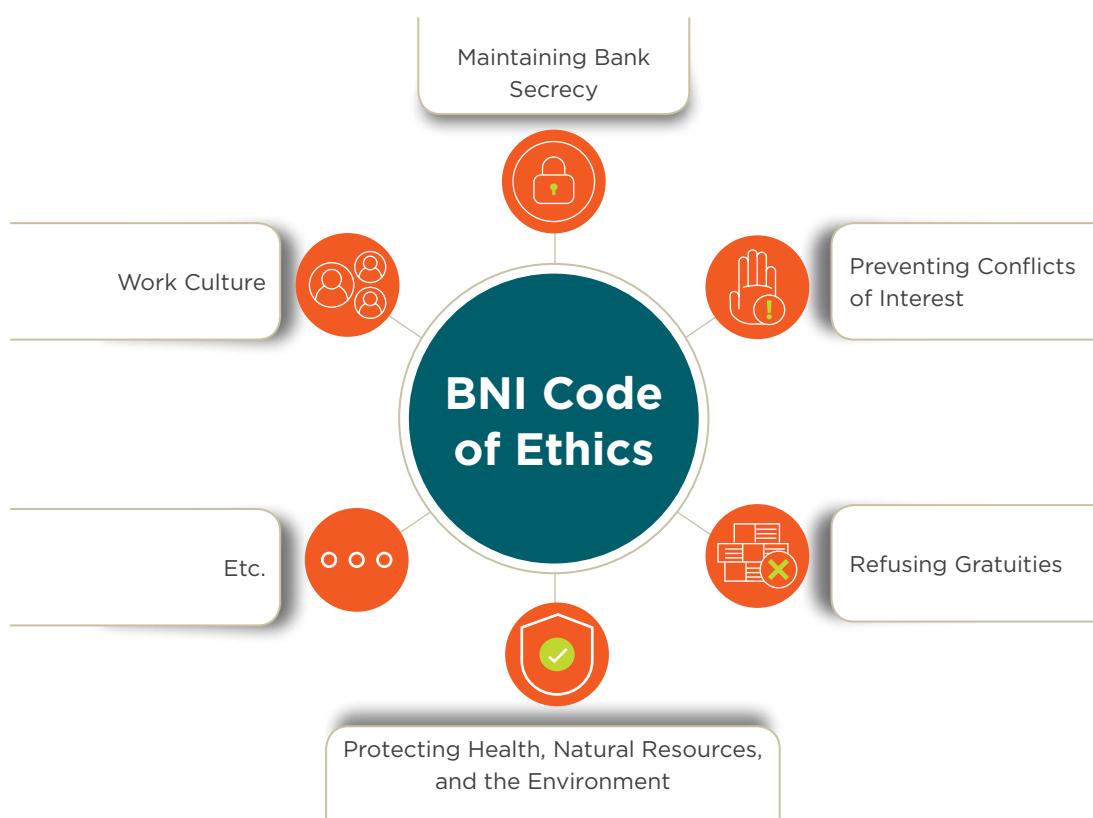
1. Awareness - by increasing employee awareness through spiritual training, exposing learning events through fraud cases, and requiring every employee to conduct Anti-Fraud Awareness e-learning.
2. Preventive - by augmenting a prevention system in customer transactions, such as opening an account with a photo, adding a passbook numerator, inputting a debit card PIN, installing online/live CCTV in high risk locations, and others.
3. Actions - by implementing the organisational structure of credit administration, enhancing the competence of credit administration officers, affirming the four eyes principle for credit card applications, increasing the use of mobile banking by customers, and other actions.



Code of Conducts [GRI 102-16]

BNI enacts a Code of Conduct as the basis for good behaviour and attitude of every employee. This Code of Conduct provides basic principles in accordance with the vision, mission, values, and regulations applicable in BNI. The existence of a code of conduct

further helps develop good relationships amongst BNI employees, as well as relationships with other stakeholders. This Code of Conduct applies to all people serving BNI, from the Board of Commissioners, the Board of Directors, to all employees. Several items are incorporated in the BNI Code of Conducts, namely:



Dissemination of the Code of Conduct has been undertaken through various sharing sessions, internal media, seminars, coaching, and distribution of the BNI Code of Conduct pocket book. The application of the Code of Conduct is an imperative part of good corporate governance as well as the application of sustainability principles within BNI.

STAKEHOLDERS [OJK E.4]

Stakeholders receive our primary attention for they have a great influence over the Company's operations and they are also affected by the Company's actions and operations. Strategically, stakeholders participate in developing the Company and affect

BNI's performance. Therefore, we always try to build a harmonious relationship with our stakeholders. The following table elucidates the relationships and interactions we have with our stakeholders:

Stakeholders [GRI 102-40]	Basis of Determination [GRI 102-42]	Involvement/ Communication Method [GRI 102-43]	Meeting Frequency [GRI 102-43]	Topics [GRI 102-44]
Customers	Economic relations	<ul style="list-style-type: none"> • Call Center Services • Customer satisfaction survey • Website & Frontline Information • Agen46 Gathering 	<ul style="list-style-type: none"> • Every time • Twice in a year • Every time • At least once a year 	<ul style="list-style-type: none"> • Banking transaction security • Small and Medium Business Loans • Banking facilities and easy access • Clear and transparent information on banking products and services
Investors/Shareholders	Economic, ownership, and legal relations	<ul style="list-style-type: none"> • Performance Reporting • Accommodating a GMS 	Every quarter	<ul style="list-style-type: none"> • Financial and nonfinancial performance • Investments in environmentally friendly companies
Employee	<p>Legal & Stakeholders who help achieve the Company's goals.</p> <p>Legal relations</p>	<ul style="list-style-type: none"> • Internal Media (Portal), telephone and email hotlines • Employee Satisfaction Survey 	<ul style="list-style-type: none"> • At all times • Once in a year 	<ul style="list-style-type: none"> • Employees' rights • Equality of opportunity • Career development • A valuable and enjoyable work experience
Work Union	Legal relations	Discussion of Collective Bargaining Agreements	Twice in a year	Employee rights, remuneration and benefits
Government and FSA	Legal & Financial Services Institution interest	<ul style="list-style-type: none"> • Report on compliance implementation and notification to the Bank Indonesia Basel II Accord-Basel Committee • Reporting on compliance with sharia aspects to the National Sharia Board • Establishment of Agen46 • Provision of disabled ATMs • Preparation of RAKB and Sustainability Report 	At least once in a year	<ul style="list-style-type: none"> • Compliance with laws and regulations • Environmental & social risk analysis in lending • Anti-Bribery and Corruption (ABC), Anti-Money Laundering (AML) and Anti-Terrorism • Green banking • Inclusive banking • Sustainable finance



Stakeholders [GRI 102-40]	Basis of Determination [GRI 102-42]	Involvement/ Communication Method [GRI 102-43]	Meeting Frequency [GRI 102-43]	Topics [GRI 102-44]
Supplier	Economic Relations and Legal Matters	Seminar and policy outreach	When needed	Mutually beneficial relationships with suppliers of fair and transparent procurement of goods and services
Business Organisation	Legal relations and industrial interests	National and regional meetings and activities International Conference	Once every four years	<ul style="list-style-type: none"> • Investment financial performance for environmentally friendly companies • Non-financial performance • Operational activities for the direction of business development
Community Organisation/NGO	Social relations and social license Support the implementation of social responsibility Proximity to the company	Strategic cooperation in BNI's social care Community development partnership program reporting.	At least once in a year	<ul style="list-style-type: none"> • Environmental impacts and performance • CSR programs that are implemented and planned • Opportunities to collaborate on CSR programs • Information on company activities • Understanding of Sustainable Finance
Media	Social relations, and social license	Press conference Media Gathering	When needed Once every three months	<ul style="list-style-type: none"> • Financial and nonfinancial performance. • Environmental impacts and performance • CSR programs that are implemented and planned. • Opportunities to collaborate on CSR programs.

Anti-Corruption and Fraud

Whistleblowing System [GRI 102-17]

BNI implements policy settings and advances the quality of supervision through a whistleblowing system. Each and every of BNI's stakeholder is able to report acts of corruption or activities that have the potential/lead to corruption and violations of the code of conducts.

BNI vouches for the protection and confidentiality of the reporter's identity; thus, that the system goes,

effectively. Through "WBS to CEO", we implement an early detection mechanism so that every individual of BNI and other stakeholders can report allegations and violations that can trigger financial loss or create damage towards BNI's image. In order for the report to be processed independently, BNI appointed a third party, namely Deloitte, to manage the WBS report. Thus, there is no need for fear of the reporter, even if the person being reported is his/her chief. Through WBS, we attempt to make BNI come up with integrity, a clean, and convenient work environment.

The Board of Commissioners is assisted by the Audit Committee to take the supervisory role; hence, the WBS is well-organised. The Audit Committee further evaluates and follows up on reports received. This WBS system is directly under the concern of the President Director who is aided by the Compliance Director. On the other hand, WBS daily activities are conducted by the Managers of WBS who are assisted by BNI WBS Officers who have proven their integrity.

Violation reporting can be done through various means:

Phone: 021-57853377

Email: bni-transparan@tipoffs.com.sg

Letter: BNI Transparan PO BOX 2646/JKP 10026

Website: <http://bni-transparan.tipoffs.com.sg>

SMS: Number (081-1970-1946)

The types of violations that can be reported are:

1. Fraud, namely dishonest acts, fraud, extortion, destruction of documents, use of fake documents and others.
2. Violation of regulations/laws, good violation of applicable internal and external legal provisions.
3. Conflicts of interest, where any conflict between personal and/or group and/or family interests and economic interests of BNI.
4. Bribery/gratuity, namely receiving something in any form and regardless of the amount/value from other parties related to their position/authority/responsibility at BNI.
5. Unethical behaviour, namely actions that cannot be justified ethically, for example violations of the BNI Code of Conduct.

In the reporting year, there were 106 WBS reports through various means, all of which we processed and followed up according to applicable regulations. Of these, 20 have been proven, 29 are not proven, and 19 are still in the process of proving or solution and the remainder does not meet the scope of the WBS.

Money Laundering and Terrorism Financing Prevention

As a financial institution, BNI is vulnerable to the possibility of being manipulated as a medium for money laundering and terrorism financing. Financial institutions can be an entry point for money that is the result of a crime or funding terrorism. For this reason, BNI implements Anti Money Laundering (APU) and Terrorism Funding Prevention (PPT) Procedures which are under the Compliance Director. The application of this program involves:

1. Active supervision by the Board of Directors and the Board of Commissioners.
2. Adequacy and effectiveness of policies and procedures.
3. Internal Control.
4. Information management system.
5. Human resources and training.

Monitoring of the AML and CFT programs is executed through various systems such as, the New AML System which consists of a Customer Transaction Monitoring System and a Walk in Customer (WIC), a Watchlist Application and Filtering for Data Screening of Suspected Terrorists and Terrorist Organizations (DTTOT), List of Funding Proliferation of weapons of mass destruction, other Sanction Lists (OFAC, UN List) and PEP Screening Detection and Customer Due Diligence (CDD) Risk Scoring, as well as the Suspect Account to Verify (SAV) system. In addition, BNI also has a system Walk in Customer (WIC) application.

We supervise both domestic and overseas branch offices to ensure the implementation of AML and CFT. In addition, we held a one-on-one meeting discussion with subsidiaries and conducted a survey on the level of compliance with WIC and PEP regulations in all branch offices.





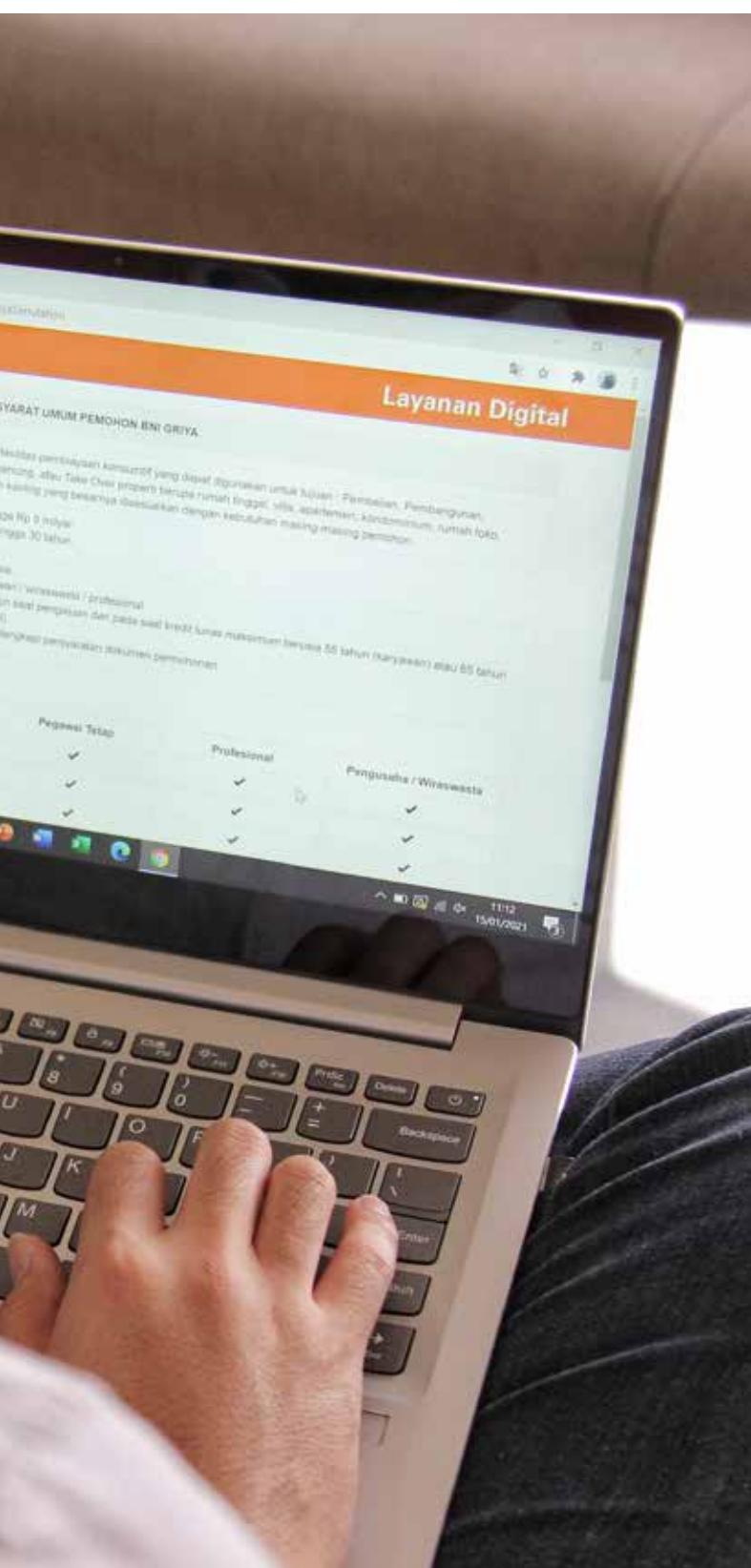
- Defining Content Reports and Topic Boundaries
- Material Topic List
- Statement of Members of the Board of Directors and Members of the Board of Commissioners

Regarding Responsibility for the 2020 Sustainability Report
• Independent Assurance Statement
• Linking The SDGs and GRI Standards & POJK 51/2017

- GRI Standards Index-Core Option
- Index POJK No.51/OJK.03/2017
- Index Sustainable Banking Assessment (SUSBA)
- Feedback Sheet



About the Report



Delivering sustainability reports is our effort to communicate the various achievements and challenges that we have faced in contributing to the SDGs. The Sustainability Report has been a medium to acquire stakeholders' trust.

For the purposes of timely and accurate reporting, BNI always publishes an annual sustainability report. This report is BNI's eleventh sustainability report, presenting information for the period 1 January – 31 December 2020. Our tenth report, published in March 2020, was our 2019 Sustainability Report. The current report contains some restatement of data from our 2019 report because the economic data for that year was only presented up until September or November. This was because the GMS was held early. Thus, the economic data presented in the 2020 report includes some data from December 2019. Some significant changes exist in the list of material topics and topic boundaries from the previous report. [\[GRI 102-48\]](#) [\[GRI 102-49\]](#) [\[GRI 102-50\]](#) [\[GRI 102-51\]](#) [\[GRI 102-52\]](#)

During the reporting year, we did not receive any feedback on the sustainability report of the previous year. While we do have feedback on the previous year's report. [\[OJK G.4\]](#)

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: for the 'Core option' and for the Financial Services Sector, in addition to the Regulation of Financial Services

Authority (POJK) No. 51/POJK.03/2017. [GRI 102-54] In order to facilitate ease of reading, the disclosure number is provided for the related part, and the GRI Index is available on page 133. [\[GRI 102-55\]](#)

This sustainability report has been verified by the independent party SR Asia, chosen for their expertise and reputation, and we can report and ensure that there are no conflicts of interest and no business relationship with BNI. Elections are delegated by the Board of Directors to the SR drafting team, under the leadership of the Corporate Secretary. The verification results are listed on page 126. [\[GRI 102-56\]](#) [\[OJK G.1\]](#)

In this report, we provide information on activities regarding economic, social, environmental and governance aspects of BNI without engaging subsidiaries. [\[GRI 102-45\]](#)

DEFINING CONTENT REPORTS AND TOPIC BOUNDARIES [\[GRI 102-46\]](#)

While compiling this report, BNI has taken into account the required process to identify topics that are relevant to stakeholders, namely:



1. IDENTIFICATION

identifying important topics (material) in the context of sustainability. Also, we identify the areas where the aspect (boundary) is concerned, in both internal and/or external management of BNI.



2. PRIORITIZATION

Making a priority of the topics or sustainability issues identified in the previous step, to establish the degree of material issues that are reported.



3. VALIDATION

Validation, i.e., validating the material topics, based on the completeness principle and stakeholder engagement. Through this process, we can also identify the topicspecific disclosure, including financial services disclosures.



4. REVIEW

By considering feedback and evaluation results on the previous year's reports in order to refine this report.



To ensure the quality of information in this sustainability report, we follow the principles set by the GRI Standards:

- 1. Stakeholder Engagement.** We engage the necessary stakeholders in making decisions about the content of this report, due to their influence upon BNI business.
- 2. Sustainability Context.** This report was compiled to convey the performance of the organization by referring to the sustainable development goals, and how the organization contributed to these, in terms of economic, social and environmental aspects.

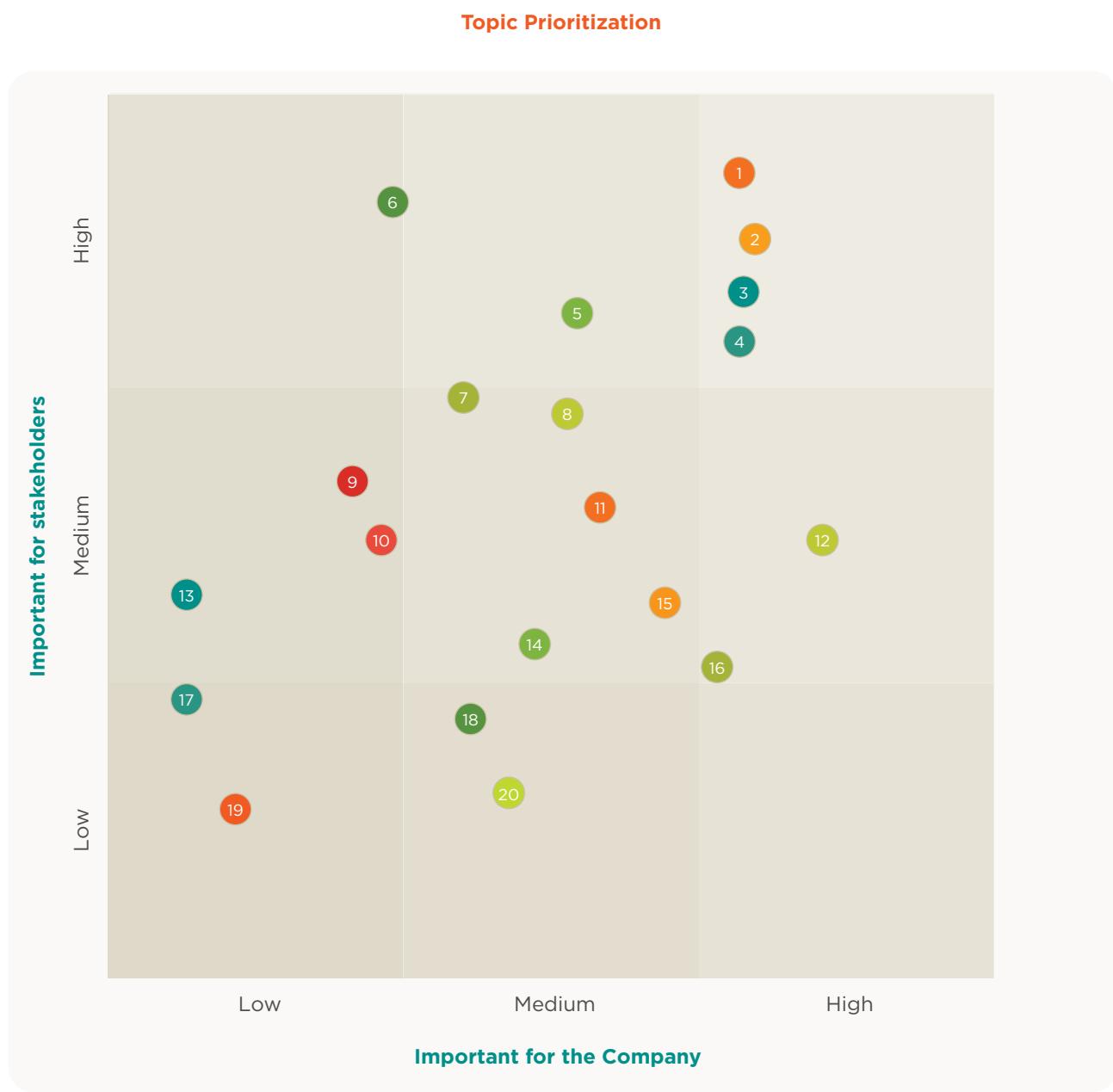
- 3. Materiality.** Selection of topics reflects BNI's business impact on the economic, environmental and social fields, and on stakeholder decisions.
- 4. Completeness.** We want to make sure the report gives an adequate and accurate picture to help stakeholders assess the organization.

MATERIAL TOPIC LIST [GRI 102-47]

Following these GRI standard guideline-compliant processes, we specify the material topics, their boundary and disclosure as follows:

Material Topic [GRI 102-47]	Basis of Materiality. Impact on [GRI 103-1]	Disclosure Number	Boundary	
			Within BNI	Outside BNI
Economic performance and impact	The economic impact of BNI is not only for the welfare of customers, but also for the economy and welfare of the nation as a whole	201-1, 201-2, 203-1, 203-2, 205-2, 205-3.	✓	✓
Energy	Energy savings have a beneficial impact on cost savings within the company, and provide more energy reserves for the community	302-1, 302-2	✓	✓
Comfort in working	A comfortable working atmosphere will improve employee welfare and boost their performance	401-1, 404-1, 404-2, 405-1 405-2, 406-1	✓	
Local communities	Influence on the welfare of the community as a stakeholder	413-1	✓	✓
Information Security	This issue is imperative for both customers and regulators. Information security affects consumer confidence in BNI	418-1	✓	✓

The following is a snapshot of the materiality level of the topics contained in this report. These material levels are deduced from a materiality level survey attended by BNI internal and stakeholder groups.





About the Report



Statement of Members of the Board of Directors and Members of the Board of Commissioners regarding Responsibility for the 2020 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk [OJK G.2]

We, the undersigned, hereby declare that all information within the 2020 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk has been published completely and we are responsible for the accuracy of the contents of the Company's Sustainability Report.

The statement is made with attention and action.

Jakarta, February 2021

Board of Commissioners



Agus Dermawan Wintarto Martowardojo
President Commissioner/Independent Commissioner


Pradjoto

Vice President Commissioner/
Independent Commissioner


Sigit Widjawan

Independent Commissioner


Asmawi Syam

Independent Commissioner


Septian Hario Seto

Independent Commissioner


Iman Sugema

Independent Commissioner


Joni Swastanto

Commissioner


Askolani

Commissioner


Ratih Nurdiani

Commissioner


Susyanto

Commissioner



We, the undersigned, hereby declare that all information within the 2020 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk has been published completely and we are responsible for the accuracy of the contents of the Company's Sustainability Report.

The statement is made with attention and action.

Jakarta, February 2021

Board of Directors

Royke Tumilaar

President Director

Adi Sulistyowati

Vice President Director

Novita Widya Anggraini

Managing Director- Finance (CFO)

David Pirzada

Managing Director - Risk Management

Muhammad Iqbal

Managing Director - Micro, Small, Medium Enterprises

Henry Panjaitan

Managing Director - Treasury and International

Corina Leyla Karnalies

Managing Director - Consumer Business

Sis Apik Wijayanto

Managing Director - Institutional Relation

Y.B. Hariantono

Managing Director - IT and Operation

Bob Tyasika Ananta

Managing Director - Human Capital and Compliance

Silvano Rumantir

Managing Director - Corporate Banking

Ronny Venir

Managing Director - Services and Network

Independent Assurance Statement

The 2020 Sustainability Report of PT Bank Negara Indonesia (Persero) Tbk

Number : 003/000-174/II/2021/SR-Asia/Indonesia
Type/Level : 1/Moderate

Dear stakeholders,

Social Responsibility Asia (“SR Asia”) has been engaged to assess the 2020 Sustainability Report (“the Report”) of PT Bank BNI (Persero) Tbk (“the Bank” or the “Reporting Organization”). The Report presents the sustainability performance data and information of the Bank for the reporting period of January 1 to December 31, 2020. The Bank is a state-owned commercial bank and is also listed on the Indonesia Stock Exchange.

Intended User and Purpose

This is an Independent Assurance Statement (“the Statement”) issued by SR Asia that presents our opinion, findings, and recommendations based on assurance work. In delivering an assurance service, SR Asia applies particular assurance mechanisms, procedures, and scope of work on the Report. Except for the areas covered in the scope of the assignment, NO one shall interpret or use the Statement as a basis for evaluating the Bank’s overall performance or sustainability.

Responsibilities

Engagement between SR Asia and the Bank, and its scope of assurance, has been defined in the Non-Disclosure Agreement and the Engagement Agreement documents. As agreed by the Management¹, SR Asia is responsible for conducting an assessment, NOT an audit, on the Report content and coming up with opinions and recommendations as well as the Statement. The Management is solely responsible for the presentation of data, figures, and information in the Report content. Disclosure of the results of assurance by SR Asia is only to the Management. SR Asia does NOT accept any responsibility for any other purpose or to any other person or organization; thus, any dependence that a third party has placed on the Report is entirely at its own risk.

Independence, Impartiality, and Competency

SR Asia implements a particular assurance protocol based on a professional code of conduct that ensures independency and impartiality in delivering an assurance service. NO member of the Assurance Team has any relationships with the Bank that could be perceived to affect the ability to provide an independent and impartial statement. SR Asia also confirms that the Assurance Team consists of experts in the ISO 26000, the principles and standards of AA1000 AccountAbility, the GRI Sustainability Reporting Guidelines, and the country reporting regulation with experience in writing and reviewing reports in different industry sectors.

Description and Source of Disclosures

Initially, the Assurance Team reviewed the Report draft submitted by the Bank. SR Asia evaluated the disclosures of data and information in the Report content and discussed the findings with the Management. Data and information

¹ Management of the Bank



in the Report content were also traced back to the evidence documents. SR Asia performed the analysis referring to the AA1000 Assurance Standard v3 and the SR Asia Protocol on Assurance Analysis, and also using the SR Asia Great Assurance Tool digital platform. When necessary, the Assurance Team assessed online public data and information significantly related to the Report content.

Type and Level of Assurance Service

1. **Type 1 assurance** on the Report content with respect to the AA1000 Assurance Standard v3 and AA1000APS (2018) AccountAbility Principles.
2. A moderate level of assurance procedure on the Report content and evidence, where **the risks of information and conclusions of the Report being error is reduced, but not reduced to very low, but not zero.**

Scope and Limitation of Assurance Service

1. SR Asia does NOT include financial data, information, and figures in the Report content in the scope of assurance work. SR Asia assumes that the Bank, or independent parties, or other parties associated to the Bank, have verified and/or audited any data and information related to financial statements.
2. Data and information in the Report content for the reporting period of January 1 to December 31, 2020 especially related to the material aspects that have been identified by the Bank: **economic performance; energy; work comfort; local community; and information security.**
3. Review on publicly disclosed information, system, and process of the Reporting Organization has in place to ensure adherence to the principles.
4. Adherence to the following reporting principles, guidelines, and standards:
 - a) Consolidated set of GRI Sustainability Reporting Standards 2020 ("GRI Standard") and GRI G4 Financial Services Sector Disclosure ("GRI-G4 FS") issued by the Global Reporting Initiative;
 - b) Sustainable Banking Assessment (SUSBA) issued by World Wildlife Funds (WWF);
 - c) Regulation of Indonesia Financial Service Authority No.51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Service Institution, Listed, and Public Company ("POJK 51").

Exclusion

1. Stakeholders' engagement, which may be involved in developing the Report.
2. Data and information outside the reporting period and/or in the public domain not covered in the reporting period
3. Financial data and information from the Bank's documents other than those mentioned in the Report.
4. Aspects of the Report other than those mentioned under the defining materiality section and discussion on defining Report content.
5. Statements and claims presenting the Bank's opinion, belief, expectation, advertisement, and future planning.

Methodology

1. SR Asia formed an Assurance Team consisting of experts in sustainability report development and assurance
2. Carry out pre-engagement phase to ensure the independence and impartiality of the Assurance Team
3. Kick-off meeting followed by an initial analysis on the Report document submitted by the Bank
4. Assess data and information in the Report content against the standards, principles, and indicators of AA1000AS v3, AA1000APS (2018), GRI Standard, GRI-G4 FS, SUSBA, and POJK 51
5. Discuss offline and online the results of the analysis with the Management and data contributors from the relevant functions
6. Assess indicators data, including tracing back data to the sources
7. Apply SR Asia Protocol on Assurance Analysis and use SR Asia Great Assurance Tool digital platform

Adherence to AA1000AP (2018) and GRI Standards

Inclusivity – The Report content indicates an inclusive presentation on key stakeholders and stakeholder engagement practices. The Bank manages its relationships with stakeholders collectively by engaging different organizational functions based on various methods and approaches. The Bank is recommended to enhance the identification of stakeholders' concerns and strengthen the measurement of engagement effectiveness, outcomes, and impacts in the next reporting.

Materiality – The results of assurance indicate that the material topics on the Report content to some extent can describe moderately the sustainability context of the Bank. Nevertheless, the Bank has not yet conducted materiality testing with particular criteria and thresholds in defining material topics. The Bank is also expected to cover more significant issues related to the banking sector, such as sustainable finance, financial inclusion, and financial literacy as material topics.

Responsiveness – In the Report content, the Bank has indicated adequate responsiveness to sustainability issues and stakeholders' concerns, including during the pandemic COVID-19 situation. The Bank has also provided sufficient resources and capacity building for developing and managing responses. However, the Bank has not yet performed an assessment on the relationship between the maturity, impact, and prioritization of a topic and the appropriateness of the responses through a strategic stakeholder engagement management.

Impact – To some extent, the Bank has recognized, managed, measured, and evaluated the actual and potential impacts of business activities and decisions on the stakeholders. The impacts are disclosed sufficiently in the Report content in both quantitative data and qualitative information. However, the Bank is encouraged to carry out an impact assessment in the future.

In "Accordance" with Core Option – The Report content indicates its adherence to the **core option** of GRI Standards. At least, one disclosure of each material topic is presented in the Report content. However, the presentation of the disclosure of management approach (DMA) needs improvement for future reporting.

GRI Standards Principles – As per assurance work is taken, the Assurance Team has concluded that the Principles for Defining Report Content (stakeholder inclusiveness, sustainability context, materiality, and completeness) and the Principles for Defining Report Quality (balance, comparability, accuracy, timeliness, clarity, and reliability) to some extent are applied in the Report content. The Management also adequately presented evidences during the assurance process.

Recommendations

1. Enhance the disclosure of management approach (DMA) adherence to GRI Standards and strengthen the adherence of future sustainability report content with reporting standards, principles, and indicators.
2. Improve the presentation of material topics in the next report.
3. Implement comprehensive stakeholder engagement and perform materiality testing as specified in AA1000 SES (2015).
4. Strengthen the linkages in the Bank's sustainability vision, mission, policies, governance, goals, sustainability pillars, and its sustainable finance framework, as well as SDGs and ESG Integration Pillars of SUSBA.
5. Implement information technology and tools for social and environmental performance measurement integrated across functions and consider the standard methodology of data measurement and presentation as indicated by reporting standards and principles.



The assurance provider,

Jakarta, 23rd of February 2021



Birendra Raturi
International Director
Social Responsibility Asia



Dr. Semerdanta Pusaka
Country Director for Indonesia
Social Responsibility Asia



000-174

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LINKING THE SDGs AND GRI STANDARDS & POJK 51/2017

SDGs	Business Theme	Relevant GRI	Disclosure	Indicator Title	Page
1. NO POVERTY  End poverty in all its forms everywhere.	Income, salary, and benefits	Disclosure	201-1	Direct economic value generated and distributed	46
	Economic development in areas of high poverty	GRI 203: Indirect economic impacts	203-1	Infrastructure investments and services supported	86, 87, 91, 92, 96, 98, 99
			203-2	Significant indirect economic impacts	99
2. ZERO HUNGER  End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Economic Performance	GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	46
	Economic development in areas of high poverty	GRI 203: Indirect economic impacts	203-1	Infrastructure investments and services supported	86, 87, 91, 92, 96, 98, 99
			203-2	Significant indirect economic impacts	99
3. GOOD HEALTH AND WELL BEING  Ensure healthy lives and promote well-being for all at all ages.	Economic Performance	GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	46
4. QUALITY EDUCATION  Ensure inclusive and quality education for all and promote lifelong learning.	Training and Education	GRI 404: Training and Education	404-1	Average hours of training per year per employee	73
			404-2	Programs for upgrading employee skills and transition assistance programs	74, 76
	Economic Performance	GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	46
	Employment	GRI 401: Employment	401-1	New Employee Hires and Employee Turnover	70
	Training and Education	GRI 404: Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	74,76



SDGs	Business Theme	Relevant GRI	Disclosure	Indicator Title	Page
5. GENDER EQUALITY  Achieve gender equality and empower all women and girls.	Equal remuneration for women and men	GRI 405: Diversity and Equal Opportunity.	405-1	Diversity of governance bodies and employees	70
			405-2	Ratio of basic salary and remuneration of women to men	72
		GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	72
6. CLEAN WATER AND SANITATION  Ensure access to water and sanitation sustainable for all	Water		OJK F.8	Water use	83
7. AFFORDABLE AND CLEAN ENERGY  Ensure access to affordable, reliable, sustainable and modern energy for all.	Energy Efficiency	GRI 302: Energy	302-1	Energy consumption within the organization	82
			302-2	Energy consumption outside of the organization	82
8. DECENT WORK AND ECONOMIC GROWTH  Support sustainable economic development, productive employment and decent work for everyone.	Freedom of association Employment Training and Education Sustainability governance	Freedom of association	GRI 102: General Disclosure	Collective Bargaining Agreements	71
		Employment	GRI 401: Employment	New Employee Hires and Employee Turnover	70
		Training and Education	GRI 404: Training and Education	Average hours of training per year per employee	73
				Programs for upgrading employee skills and transition assistance programs	74, 76
		Sustainability governance	GRI 205: Anti-Corruption	Confirmed incidents of corruption and actions taken	112
9. INDUSTRY, INNOVATION AND INFRASTRUCTURE  Build resilient infrastructure, promote sustainable industrialization and foster innovation.	Economic development in areas of high poverty	GRI 203: Indirect economic impacts	203-1	Infrastructure investments and services supported	86, 87, 91, 92, 96, 98, 99

SDGs	Business Theme	Relevant GRI	Disclosure	Indicator Title	Page
10. REDUCED INEQUALITIES  Reduce inequality within and among countries.	Economic development in areas of high poverty	GRI 203: Indirect economic impacts	203-1	Indirect economic impacts	86, 87, 91, 92, 96, 98, 99
11. SUSTAINABLE CITIES AND COMMUNITIES  Make cities inclusive, safe, resilient and sustainable.	Infrastructure investments	GRI 203: Indirect economic impacts	203-1	Infrastructure investments and services supported	86, 87, 91, 92, 96, 98, 99
12. RESPONSIBLE CONSUMPTION AND PRODUCTION  Ensure sustainable consumption and production patterns	Energy Efficiency	GRI 302: Energy	302-1	Energy consumption within the organization	82
			302-2	Energy consumption outside of the organization	82
13. CLIMATE ACTION  Take urgent action to combat climate change and its impacts.	Energy Efficiency	GRI 302: Energy	302-1	Energy consumption within the organization	82
14. LIVE ON WATER  Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	Marine Business	GRI 203: Indirect economic impacts	203-1	Infrastructure investments and services supported	86, 87, 91, 92, 96, 98, 99



SDGs	Business Theme	Relevant GRI	Disclosure	Indicator Title	Page
15. LIFE ON LAND			OJK F.10	Biodiversity Conservation Effort	87
 15 EKOSISTIM DABATAN	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.				
16. PEACE, JUSTICE AND STRONG INSTITUTIONS	Anti-Corruption	GRI 205: Anti-Corruption	205-2	Communication and training about anti-corruption policies and procedures	112
 16 PERDAMAIAN, KEADILAN DAN KELEMBAGAAN YANG TANGGUH			205-3	Confirmed incidents of corruption and actions taken	112
Promote peaceful and inclusive communities for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels.	Ethical and Legal Behaviour	GRI 102: General Disclosure	102-16	Values, Principles, Standards, and Norms of Behavior	32, 113
	Inclusive Decision Making	GRI 102: General Disclosure	102-18	Governance structure	108
			102-40	List of Stakeholder Groups	114, 115
			102-41	Collective Bargaining Agreements	114, 115
			102-42	Identifying and Selecting Stakeholders	114, 115
			102-43	Approach to Stakeholder Engagement	114, 115
			102-44	Key Topics and Concerns Raised	114, 115
17. PARTNERSHIP FOR THE GOALS	External Initiative	GRI 102: General Disclosure	102-12	External Initiative	72
 17 KEMITRAAN UNTUK MENCAPAI TUJUAN	Non-Discrimination	GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	72
Strengthen the means of implementation and revitalize the global partnership for sustainable development.					

GRI STANDARDS INDEX-CORE OPTION

[GRI 102-55]

GRI Standard	Disclosure		Page
	No	Title	
GRI 102: General Disclosure 2016	ORGANIZATIONAL PROFILE		
	102-1	Organizational profile	28
	102-2	Activities, brands, products, and services	28,58,59
	102-3	Location of headquarters	28
	102-4	Location of operations	29
	102-5	Ownership and legal form	28
	102-6	Markets served	29
	102-7	Scale of the organization	31
	102-8	Information on employees and other workers	68, 70
	102-9	Supply chain	50
	102-10	Significant changes to the organization and its supply chain	31
	102-11	Precautionary Principle or approach	50
	102-12	External initiatives	30
	102-13	Membership of associations	30
STRATEGY			
102-14	Statement from senior decision-maker	15	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	32,113	
GOVERNANCE			
102-18	Governance structure	108	
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	114,115	
102-41	Collective bargaining agreements	71	
102-42	Identifying and selecting stakeholders	114, 115	
102-43	Approach to stakeholder engagement	114, 115	
102-44	Key topics and concerns raised	114,115	
REPORTING PRACTICES			
102-45	Entities included in the consolidated financial statements	120	
102-46	Defining report content and topic Boundaries	120	
102-47	List of material topics	121	
102-48	Restatements of information	120	
102-49	Changes in reporting	120	
102-50	Reporting period	120	
102-51	Date of most recent report	120	
102-52	Reporting cycle	120	
102-53	Contact point for questions regarding the report	141	
102-54	Claims of reporting in accordance with the GRI Standards	120	
102-55	GRI content index	120,132	
102-56	External assurance	120	



GRI Standard	Disclosure		Page	
	No	Title		
SPECIFIC TOPIC DISCLOSURE				
GRI 103: Management Approach 2016	ECONOMIC PERFORMANCE			
	103-1	Explanation of the material topic and its Boundary	121	
	103-2	The management approach and its components	46, 47	
GRI 201: Economic Performance 2016	103-3	Evaluation of the management approach	46, 47	
	201-1	Direct economic value generated and distributed	46	
	201-2	Financial implications and other risks and opportunities due to climate change	92	
GRI 103: Management Approach 2016	INDIRECT ECONOMIC IMPACTS			
	103-1	Explanation of the material topic and its Boundary	121	
	103-2	The management approach and its components	96, 98, 99	
GRI 203: Indirect Economic Impacts 2016	103-3	Evaluation of the management approach	96, 98, 99	
	203-1	Infrastructure investments and services supported	86, 87, 91, 92, 96, 98, 99	
	203-2	Significant indirect economic impacts	99	
GRI 103: Management Approach 2016	ANTI-CORRUPTION			
	103-1	Explanation of the material topic and its Boundary	121	
	103-2	The management approach and its components	111, 112	
GRI 205: Anti-Corruption 2016	103-3	Evaluation of the management approach	111, 112	
	205-2	Communication and training about anti-corruption policies and procedures	112	
	205-3	Confirmed incidents of corruption and actions taken	112	
GRI 103: Management Approach 2016	ENERGY			
	103-1	Explanation of the material topic and its Boundary	121	
	103-2	The management approach and its components	81, 82	
GRI 302: Energy 2016	103-3	Evaluation of the management approach	81, 82	
	302-1	Energy consumption within the organization	82	
	302-2	Energy consumption outside of the organization	82	
GRI 103: Management Approach 2016	EMPLOYMENT			
	103-1	Explanation of the material topic and its Boundary	121	
	103-2	The management approach and its components	70, 71	
GRI 401: Employment 2016	103-3	Evaluation of the management approach	70, 71	
	401-1	New Employee Hires and Employee Turnover	70	

GRI Standard	Disclosure		Page
	No	Title	
GRI 103: Management Approach 2016	TRAINING AND EDUCATION		
	103-1	Explanation of the material topic and its Boundary	121
	103-2	The management approach and its components	72, 73, 74, 76
	103-3	Evaluation of the management approach	72, 73, 74, 76
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	73
	404-2	Programs for upgrading employee skills and transition assistance programs	74, 76
GRI 103: Management Approach 2016	DIVERSITY AND EQUAL OPPORTUNITY		
	103-1	Explanation of the material topic and its Boundary	121
	103-2	The management approach and its components	72
	103-3	Evaluation of the management approach	72
GRI 405: Diversity and Equal Opportunity 2016	405-1	Average hours of training per year per employee	72
	405-2	Programs for upgrading employee skills and transition assistance programs	72
GRI 103: Management Approach 2016	NON-DISCRIMINATION		
	103-1	Explanation of the material topic and its Boundary	121
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FEEDBACK SHEET

[GRI 102-53] [OJK G.3]

YOUR PROFILE (please fill in your details)

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Stakeholders Category

- | | | |
|--|---|--|
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| <input type="checkbox"/> Workers Union | <input type="checkbox"/> Media | <input type="checkbox"/> Supplier |
| <input type="checkbox"/> Non-Governmental Organization/Ngo | <input type="checkbox"/> Government/OJK | <input type="checkbox"/> Business Organization |

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How would you rate the writing of this report:	Disagree	Rather Disagree	No Opinion	Agree	Absolutely Agree
This report is easy to understand					
This report is useful					
This report clearly describes the financial service institution's performance in sustainable development					
How do you assess the materiality of the topics below:	Not important	Less important	No opinion	Important	Very important
Economic performance					
Indirect economic impacts					
Sustainable financial performance					
Education and training					
Employment					
Customer privacy					
Anti-corruption					
Environmental performance					

Please provide your advice, proposal, or commentary on this report:

We value all feedback and your suggestions on how to further improve this report in the future. Please contact: [\[GRI 102-53\]](#)

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2020

Sustainability Report

**Uniting Energy for
Sustainability**



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