

ESG DEPOSIT FRAMEWORK

PT BANK BTPN, Tbk.

1. Introduction

1.1. About the Bank

PT Bank BTPN Tbk (“Bank BTPN”, or “Bank”) is a foreign exchange bank resulting from the merger of PT Bank Tabungan Pensiunan Nasional Tbk with PT Bank Sumitomo Mitsui Indonesia (SMBCI).

Bank BTPN focuses its business activities on efforts to reconcile economic and natural conservation interests, provide a process of economic transformation, and expand people's access to financial independence. This is achieved through a sustainable financial policy that expresses Bank BTPN's concern for environmental and social issues, while continuing to increase Bank BTPN's profitability for shareholders and other stakeholders.

Bank BTPN focuses on serving the mass market segment consisting of retirees, micro, small, and medium enterprises (MSMEs), productive underprivileged communities, medium income consumers, and the corporates.

1.2. Bank BTPN’s Commitments to Sustainability

Bank BTPN, as part of SMBC Group, aligns its sustainability commitments to those of SMBC Group. SMBC Group’s sustainability commitment identifies efforts to realize sustainability as the foundation of the group’s business strategies, with a particular focus on “Environment”, “Community”, and the “Next Generation” as material issues. SMBC Group defines sustainability as “creating a society in which today’s generation can enjoy economic prosperity and well-being and pass it on to future generations”.

Bank BTPN pursues these commitments by delivering sustainable finance through programs (i.e., green financing improvement for corporate segments, integrating environmental, social and governance (“ESG”) into organizational policies and procedures, conducting training in sustainable finance, etc.) to meet the Bank’s objectives as outlined in Bank BTPN Sustainable Finance Action Plan.

We aim to provide products and services that create value for society and respond to global challenges, such as climate change, and national challenges, such as financial inclusion and poverty. Building on our expert knowledge, we seek to identify, stimulate, and actively support sustainable growth.

With the issuance of Bank BTPN ESG Deposit Framework (the “Framework”), we aim to contribute to the further advancement of the sustainable finance market and raise funds that match those we lend to our clients to achieve their

goals in transforming their business in a climate and/ or social-friendly manner, as well as to profit from the manifold opportunities provided by a low-emissions economy.

1.3. SMBC Group Sustainability Policy

As part of SMBC Group, Bank BTPN also aligns its policy with SMBC Group's sustainability policy that contains three pillars based on the SMBC Group Statement on Sustainability and the Group Environmental Policy: "Promotion of Environmental Businesses", "Management of Environmental Risks", and "Reduction of Environmental Impacts".

1.4. Bank BTPN Sustainability Policy

Since establishment, Bank BTPN has upheld sustainability in its business activities, especially in regard to social activities through empowerment programs.

Bank BTPN defines sustainability as the governance of social and environmental aspects to create a more meaningful life for today's society and future generations. The implementation of sustainability will refer to Bank BTPN Sustainability Policy.

1.5. Intent of the Framework

Bank BTPN, as one of SMBC's affiliates, will use the Framework to guide the development of ESG Deposits and ensure that all transactions categorized as ESG Deposits adhere to the Framework.

The purpose of this Framework, which will be updated from time to time, is to have a single robust methodology in place for the future issuance of "use of proceeds" based sustainable financing instruments, which include, but are not limited to Loans and Bonds.

Based on the criteria under this Framework, the proceeds from ESG Deposits will be allocated to the eligible green and/ or social projects ("ESG Deposit Projects") held by Bank BTPN and will be managed and tracked through a portfolio approach. The ESG Deposit Projects which have been selected will become part of the green and/ or social loan portfolio ("ESG Deposit Project Portfolio").

1.6. Internal Review

Bank BTPN ESG Deposits will be offered to clients who are seeking to invest in an interest-bearing deposit earmarked for the funding of ESG Deposit Projects that meet the eligibility criteria.

The Bank will regularly review and update the Framework and/or the eligibility criteria as defined in the eligibility criteria section of this document, in line with

market developments, and to incorporate best practice evaluation, management, and reporting.

The Corporate Banking Japanese (CBJ) of Bank BTPN is responsible for developing and maintaining the Framework, including ensuring that the underlying themes and activities are aligned with the Indonesian government’s ESG related policies, relevant international guidance’s, market practices and expectations.

2. ESG Deposit Eligibility Guide

The Framework is aligned with the Loan Market Association’s (LMA) Green Loan Principles (GLP), LMA’s Social Loan Principles (SLP), the International Capital Market Association’s (ICMA) Green Bond Principles (GBP) and Social Bond Principles (SBP), and International Finance Corporation’s (IFC) Guidance for Financing the Blue Economy¹.

2.1. Eligible ESG Deposit Projects Portfolio

The tables below show lists of eligible ESG Deposit Projects and exclusionary criteria. A project that qualifies based on the eligibility criteria below must also align with the relevant provisions of the exclusionary criteria detailed at section 2.2.

Eligible Category	Eligible Criteria
Green	
Renewable Energy SDGs 7 & 13	<ol style="list-style-type: none"> 1. Acquisition, development, construction, operation, transmission, maintenance, and products of electricity generation projects/ assets from diverse renewable sources such as²: <ol style="list-style-type: none"> a. Solar and wind (both onshore and offshore)³. b. Geothermal (with emissions below 100gCO₂/kWh)⁴. c. Hydropower: Generation plant meets the criteria (1) and (3) or (2) and (3)⁵: <ol style="list-style-type: none"> 1. The electricity generation facility is a run-of-river plant and does not have an artificial reservoir. or 2. Power density of the electricity generation facility is above 5 W/m. and 3. Lifecycle GHG emissions from the generation of electricity by the entire facility <100 gCO₂e/kWh. d. Biomass energy from sustainable feedstock that does not compete with food production.

¹ These are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the sustainable financing market.

² Combination sources: SMBC Japan, SMBC China, ICMA, and LMA.

³ SMBC Japan.

⁴ Combination sources: SMBC Japan and ASEAN Taxonomy

⁵ Combination sources: SMBC Japan and ASEAN Taxonomy

Eligible Category	Eligible Criteria
	<ol style="list-style-type: none"> 2. Manufacturing components essential for renewable energy technology⁶. 3. Research and development (R&D) of products or technology for renewable energy generation⁷.
Green Building SDGs 9, 11, 13	<ol style="list-style-type: none"> 1. Earning or have earned at least one certification from regional, national or internationally⁸. 2. Renovating structures to attain at least a 30%⁹ enhancement in energy efficiency¹⁰.
Clean Transportation SDGs 9, 11, 13	<ol style="list-style-type: none"> 1. Transportation network upgrade to higher climate-resilient design standards⁷. 2. Development, manufacture (including spare parts), or purchase of clean passenger vehicles¹⁰, such as: <ol style="list-style-type: none"> a. Electric vehicles, including hybrid vehicles. b. Non-motorized transport. 3. Procurement, deployment, development, manufacture, purchase, or upgrades of clean public land transport and multi-modal transportation¹⁰. 4. Acquisition, development, operation, and maintenance of supporting infrastructure for clean transport¹⁰, including: <ol style="list-style-type: none"> a. Construction, extension, and/ or improvement to core sustainable transport infrastructure. b. Construction and/ or improvement to the auxiliary sustainable transport infrastructure.
Energy Efficiency SDGs 7, 9, 13	<ol style="list-style-type: none"> 1. Expenditures related to developing, manufacturing and/or R&D of products or technologies that reduces the energy consumption of an underlying asset, technology, product, or system(s)¹¹, with official comparable national energy efficiency label with 'A' score or document proving the saving of at least 20% of energy compared with the baselines. 2. Improvement of the energy efficiency of infrastructure (i.e. roads, bridges, tunnels, water supply, electric grids, internet & phone networks) which results in energy consumption of at least 10% below the average national energy consumption of an equivalent infrastructure. 3. Improved efficiency in the delivery of bulk energy services.
Pollution Prevention and Control SDGs 12 & 13	<ol style="list-style-type: none"> 1. Reducing air emissions. 2. Regulating greenhouse gases. 3. Remediating soil conditions. 4. Waste prevention, reduction, and recycling, including but not limited to municipal waste treatment following the waste hierarchy¹². 5. Rehabilitation of landfill areas. 6. Air pollution prevention facilities and monitoring systems¹².

⁶ SMBC Japan, Green Deposit Framework, (2022)

⁷ Kementrian PPN/ Bappenas, Integrated National Financing Framework (INFF), (2022)

⁸ Combination sources: SMBC Japan, SMBC China, ICMA, and LMA

⁹ Bank BRI, Sustainability Bond Framework, (2019)

¹⁰ Combination sources: SMBC Japan, HSBC, Standard Chartered, and Bank BRI

¹¹ Combination sources: HSBC and Bank Mandiri

¹² Kementrian PPN/ Bappenas, Integrated National Financing Framework (INFF), (2022)

Eligible Category	Eligible Criteria
	7. Waste-to-energy power plants ¹³ .
Sustainable Water and Waste Water Management SDGs 6, 11, 13	1. Infrastructure for water quality improvement, efficiency, and conservation, including ¹⁴ : <ol style="list-style-type: none"> a. Installation or upgrade of clean and/or drinking water infrastructure. b. Water recycling facilities. c. Wastewater treatment facilities. 2. Infrastructure for flooding mitigation and water management ¹⁵ , with the exception of operations that expand or promote expansion into areas of high carbon stocks or high biodiversity areas, ¹⁶ such as: <ol style="list-style-type: none"> a. Sustainable urban drainage systems. b. River training. 3. Water metering activities supporting-Water conservation initiatives ¹⁷ -.
Climate Change Adaptation SDGs 9, 13	1. Data driven climate monitoring solutions ¹⁸ . 2. Research leading to technology innovation with sustainability benefits ¹² . 3. Drought management ¹² .
Eco-efficient and/or Circular Economy Adapted Products, Production, Technologies and Processes SDGs 9,12,13	1. Development and introduction of environmentally sustainable products with eco-labels or environmental certifications, including resource-efficient packaging and distribution ¹⁹ . 2. Design and implementation of strategies for reusable, recyclable, and refurbished materials, components, and products. This also encompasses the development of circular tools and services to support a circular economy ²⁰ .

¹³ SMBC Japan, Green Deposit Framework, (2022)

¹⁴ Combination sources: ICMA, LMA, Bank BRI, and Bank Mandiri

¹⁵ Combination sources: ICMA, LMA, and Bank BRI

¹⁶ Multilateral Development Banks (MDBs), List of Activities Considered Universally Aligned with the Paris Agreement's Mitigation Goals or Not Aligned with the Mitigation Goals, (2023)

¹⁷ Bank BRI, Sustainability Bond Framework, (2019)

¹⁸ Standard Chartered, Green and Sustainable Product Framework, (2022)

¹⁹ Bank Mandiri, Bank Mandiri Sustainability Framework, (2021)

²⁰ Combination sources: SMBC China, ICMA, and LMA

Eligible Category	Eligible Criteria
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p> <p>SDGs 13, 15</p>	<ol style="list-style-type: none"> 1. Environmentally sustainable agriculture. 2. Environmentally sustainable animal husbandry. 3. Climate-smart farm inputs, with the exception of operations that expand and promote expansion into areas of high carbon stocks or high biodiversity areas and taking into account (international) transport. 4. Environmentally sustainable forestry, including afforestation, reforestation, forest conservation, and soil health improvement, with the exception of operations that expand or promote expansion into areas of high carbon stocks or high biodiversity areas. 5. Preservation or restoration of natural landscapes, with the exception of operations that expand or promote expansion into areas of high carbon stocks or high biodiversity areas. <p>Projects and investments aiming at:</p> <ol style="list-style-type: none"> 1. Sustainable agriculture that meet third-party certifications such as USDA Organic or EU Organic including but not limited to the following activities: <ol style="list-style-type: none"> a. Green agrochemicals such as green fertilizers, biostimulants, biopesticides, agricultural robots b. Sustainable intensification such as precision agriculture, perennial crops, gene editing, and controlled environment. c. Climate smart farm inputs aligned with UN FAO, such as biological crop protection and organic fertilizer 2. Sustainable protein and fats such as production of plant-based, fermented or cultivated proteins and feed supplements. 3. Environmentally sustainable forestry including afforestation or reforestation, and preservation or restoration of natural landscapes. Forestry (FSC/PEFC/SFI certified) and smallholders should have sustainable forest management plan in place. Reforestation and preservation of natural landscapes that meet the following criteria: <ol style="list-style-type: none"> a. Reforestation/afforestation should use tree species that are well adapted to the site conditions. b. With sustainable management plan in place, preferably with FSC/PEFC certification. 4. Protection, restoration and/or co-management of High Carbon Stock forests, peat lands and other areas identified as having High Conservation Value by competent, accredited assessors, as per the RSPO New Planting Procedure. High Carbon Stock forests are deemed to be compliant with the requirements of 'no natural landscape conversion since 2010'.
Social	
<p>Employment Generation including through the Potential Effect</p>	<ol style="list-style-type: none"> 1. Programs designed to prevent and/ or alleviate unemployment stemming from socioeconomic inequality²¹. 2. Social protection and assistance programs aiming to extend basic, and universal social welfare in Indonesia²¹.

²¹ Kementerian PPN/ Bappenas, Integrated National Financing Framework (INFF), (2022)

Eligible Category	Eligible Criteria
<p>of SME Financing and Microfinance Socioeconomic Advancement and Empowerment</p> <p>SDGs 1, 5, 8, 10</p>	<ol style="list-style-type: none"> 3. Empowerment of rural communities and governance, especially in borders and disadvantaged villages, to provide local employment opportunities by managing existing local resources²¹. 4. Financing MSMEs as defined under the Law of The Republic of Indonesia Number 20 Year 2008 regarding Micro, Small, and Medium Enterprises²². 5. Supporting financial literacy programs²³.
<p>Food Security and Sustainable Food Systems</p> <p>SDG 2</p>	<ol style="list-style-type: none"> 1. Resilient agricultural practices. 2. Projects aimings at reduction of food loss and waste²⁴. 3. Improved productivity of small-scale producers²⁴. 4. Production subsidies to small and medium farmers for basic food production²⁴. 5. Providing access to safe, nutritious, and sufficient food that meets dietary needs and requirements²⁴. 6. Goods that are Fairtrade certified²⁵.
<p>Access to Essentials Services</p> <p>SDGs 3, 4, 8</p>	<p>Health:</p> <ol style="list-style-type: none"> 1. Trainings for health human resources to improve quality health services²². 2. Communicable and non-communicable disease control through screening and case detection, prevention services, surveillance, and treatment²². 3. Improvement of access and quality services to reproductive health and family planning²². 4. Strengthening the national vaccine program²². 5. Improvement of preparedness for public health emergencies, including provision of energy²². 6. Improvement of integration and utilization of health information and e-health solutions²². 7. Financing of public healthcare centers²². <p>Education:</p> <ol style="list-style-type: none"> 1. Quality improvement of primary, secondary, and vocational education (excluding infrastructure/buildings)²⁵. 2. Low-cost or free access to universities, schools, and other tertiary education targeted for rural and/ or underserved communities and target population²⁶. <p>Other:</p> <ol style="list-style-type: none"> 1. Other governmental offices servicing select populations (and/ or in low/ low-middle income districts)²⁷.

²² Kementerian PPN/ Bappenas, Integrated National Financing Framework (INFF), (2022)

²³ Bank Mandiri, Bank Mandiri Sustainability Framework, (2021)

²⁴ Combination sources: SMBC China, ICMA, and LMA

²⁵ Standard Chartered, Green and Sustainable Product Framework, (2022)

²⁶ Bank Mandiri, Bank Mandiri Sustainability Framework, (2021)

²⁷ Loan Market Association, Social Loan Principles, (2023)

Eligible Category	Eligible Criteria
<p>Affordable Basic Infrastructure</p> <p>SDGs 6, 9, 11</p>	<ol style="list-style-type: none"> 1. Development of affordable houses or housing loans for low-income communities, each in line with the definition of low-income population under Decision of the Minister of Public Works and Public Housing of the Republic of Indonesia Number 552/KPTS/M/2016 and other relevant regulations²⁸. 2. Activities that improve access to clean water²⁹. 3. Improvement of reliability and sustainability of internet or connectivity services³⁰. 4. Construction and maintenance of public clean drinking water infrastructure and sewers system, sanitation facilities and infrastructure, communication infrastructure, and public electricity infrastructure to increase access to electricity³¹.
<p>Socioeconomic advancement and empowerment</p> <p>SDG 10</p>	<ol style="list-style-type: none"> 1. Providing equitable access to and control over assets, services, resources, and opportunities, as well as equitable participation and integration into the market and society, including reduction of income inequality³². 2. Supporting the underbanked or non-bankable communities and individuals through (i) products with interest rates below than minimum commercial local lending rate, or (ii) Kredit Usaha Rakyat (KUR) Loans as defined under Regulation of the Coordinating Minister for Economic Affairs as Chair of the Financing Policy Committee for Micro, Small and Medium Enterprises No 11/2017³³.
Blue³⁴	
<p>Ocean-friendly and water-friendly products: Investments in the value chain, including production, packaging, and distribution of environmentally-friendly products that avoid water or ocean pollution.</p> <p>SDG 14</p>	<p>Research, design, manufacture, trade, or retail of the following:</p> <ol style="list-style-type: none"> 1. Household products with a sustainable supply of raw materials that can displace existing harmful products or reduce nitrogen and phosphorus loads of the aquatic environment, including but not limited to: <ol style="list-style-type: none"> a. Biodegradable and phosphate-free detergents and shampoos b. Biodegradable and phosphate-free shampoo bars, deodorant bars (such as a soap bar), and cosmetics without plastic packaging. c. Microbead-free toothpaste in non-plastic container. 2. Essential components of the value chain of alternative low-carbon and biodegradable materials to fossil-based fibers used in medical, apparel, and other industries. 3. Biodegradable plant-based plastics and packaging or compostable plastics and packaging in locations where compostable facilities are readily available.

²⁸ Bank BRI, Sustainability Bond Framework, (2019)

²⁹ Standard Chartered, Green and Sustainable Product Framework, (2022)

³⁰ Kementerian PPN/ Bappenas, Integrated National Financing Framework (INFF), (2022)

³¹ Combination sources: SMBC China, ICMA, LMA, Bank BRI, and Bank Mandiri

³² Combination Sources: SMBC China, ICMA, and LMA

³³ Bank BRI, Sustainability Bond Framework, (2019)

³⁴ International Finance Corporation (IFC), Guidelines Blue Finance, (2022) (for all eligible criteria under blue category)

Eligible Category	Eligible Criteria
<p>Ocean-friendly chemicals and plastic-related sectors: Investments in the research, design, development, and implementation of measures to manage, reduce, recycle, and treat plastic, pollution, or chemical wastes in coastal and river basin areas.</p> <p>SDG 14</p>	<ol style="list-style-type: none"> 1. Infrastructure that prevents runoff of agrochemicals, industrial chemicals, and mercury into areas connected to rivers or coastal water basins. 2. Substantial reduction per unit of product or replacement of phosphate-based or nitrogen-based synthetic fertilizers with alternative sustainable and biodegradable fertilizers and supplements in areas connected to rivers or coastal water basins. 3. Use of recycled or reused plastics for manufacturing in a circular economy approach in areas connected to rivers or coastal water basins. 4. Plastics collection and recycling facilities, substitution of plastics packaging with sustainable and biodegradable materials, and reuse or repurpose of plastics in areas connected to rivers or coastal water basins. 5. Urban drainage systems that prevent plastics, chemicals, or pollutants runoff in areas connected to rivers or coastal water basins. 6. Flood mitigation systems that prevent plastics, chemicals, solid wastes, or pollutants runoff in areas connected to rivers or coastal water basins.
<p>Sustainable shipping and port logistics sectors: Investments in the research, design, development, and implementation of water and waste management and reduction measures in shipping vessels, shipping yards and ports.</p> <p>SDG 14</p>	<ol style="list-style-type: none"> 1. Investments in ballast water treatment and shipping vessels to comply with the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) to avoid spread of invasive alien species (e.g., ISO standard 11711). 2. Investments in membrane bioreactor type water treatment equipment and facilities for all blackwater and greywater generated from ports and shipping and cruising vessels. 3. Investments in bilge water treatment in shipping vessels. 4. Investments in shipping vessels to reduce their contribution to maritime air and noise pollution. 5. Investments in the improvement of oil (fuel) spill prevention, risks safeguard, and recovery facilities. 6. Solid waste receiver facilities at ports and terminals for the collection of garbage.
<p>Fisheries, aquaculture, and seafood value chain:</p>	<ol style="list-style-type: none"> 1. Sustainable land-based aquaculture production of high-value niche products. 2. Sustainable cultivation of bivalves for algae and nutrient removal in eutrophic coastal waters.

Eligible Category	Eligible Criteria
<p>Sustainable production and waste management and reduction measures that meet, keep, or exceed the Marine Stewardship Council certification standards or equivalent.</p> <p>SDGs 13, 14, 15</p>	<ol style="list-style-type: none"> 3. Sustainable production of algae and other marine micro- or macro-organisms to produce food, feed, pharmaceuticals, cosmetics, or other bio-based products through biotechnological applications. 4. Cold chain and storage for small- and medium-sized fishing in areas with sustainable fishing quotas. 5. Medium- to large-scale processing and product development, with an emphasis on pelagic species, such as fish loins, sashimi-grade fish, and bycatch in a jurisdiction with enforced sustainable fishing quotas. 6. Small- to medium-scale biorefineries for fish processing byproducts in jurisdictions with enforced sustainable fishing quotas. 7. Investments in fisheries to meet, keep, or exceed the Marine Stewardship Council certification standard or equivalent. 8. Investments in aquaculture to meet, keep, or exceed the Aquaculture Stewardship Council certification standard or equivalent. 9. Production, trade, or retail of seafood products with the blue Marine Stewardship Council label 1 or Aquaculture Stewardship Council label. 10. Investments for a Fishery Improvement Project registered at the International Seafood Sustainability Foundation. 11. Traceability systems to ensure the sustainability of operations, facilities, and supply chains in fishing industry. This investment should meet, keep, or exceed the Marine Stewardship Council certification for chain of custody certification for suppliers of seafood products.

2.2. Exclusionary Criteria

BTPN explicitly excludes non-committed or non-performing exposures, as well as loans to businesses or projects that are involved in the following projects or activities from being eligible for the ESG Deposit Project portfolio:

Exclusionary Criteria
1. Alcoholic beverages related projects ³⁵ .
2. Nuclear reactors and related products ³⁶ .
3. All mining and quarrying related ³⁶ .
4. Coal fired power generation ³⁷ .
5. Biofuels, biogas or biomass which utilize food crops as sources ³⁵ .
6. Hydropower projects which have not undertaken an environmental and social impact assessment that ensures no significant controversy surrounding the project ³⁸ .
7. Unsustainable lumbering projects ³⁵ .
8. Unsustainable fishery projects ³⁶ .

³⁵ SMBC China, ESG Deposit Framework, (2022)

³⁶ Combination sources: BTPN's ESG Loan Procedures and SMBC China

³⁷ Combination sources: BTPN's ESG Loan Procedures and SMBC Japan

³⁸ SMBC Japan, Green Deposit Framework, (2022)

Exclusionary Criteria

9. Fossil fuels asset ³⁹ .
10. Fossil fuel transport/ infrastructure or transportation with the main objective of transporting fossil fuels ³⁹ .
11. Tobacco ³⁷ .
12. Chemical recycling of plastic ³⁸ .
13. Non-waste biomass to energy relying on feedstock that contributes to deforestation, biodiversity loss or decrease in soil carbon pools ³⁸ .
14. Any palm-oil operations, activities, projects, production, or distribution without RSPO/ equivalent certifications ⁴⁰ .
15. Large-scale development or construction projects that have a significant impact on the habitat of endangered species, without an appropriate environmental impact assessment or environmental management plan ⁴¹ .
16. Large-scale development or construction projects that are located or may have significant negative impacts on the sites that are subject to Ramsar Wetlands, UNESCO World Heritage Sites, and IUCN (International Union for Conservation of Nature) Category I-IV Protected Areas ⁴¹ .
17. Businesses that involve deforestation on High Carbon Stock (HCS) and High Conservation Value (HCV) areas, as well as allowing illegal logging or labor abuses ⁴¹ .
18. Manufacture or trade in weapons, ammunition, and other goods used for military or paramilitary purposes ⁴² .
19. Gambling enterprises related projects ⁴³ .
20. Predatory lending enterprises related projects ³⁵ .
21. Luxury services or goods related (precious minerals wholesale or brokerage, artworks and antiques wholesale or brokerage) ³⁵ .
22. Defense and security ³⁸ .
23. Economic activities involving harmful or exploitative forms of forced labor and/ or child labor as defined by Indonesia's regulation and/ or international conventions ⁴⁴ .
24. Production or trade in any product or activity deemed illegal under Indonesia's laws or regulations or international conventions and agreements ⁴⁵ .
25. Bribery ⁴⁶ .
26. Activities that adversely affect Cultural Heritage Site ⁴⁶ .
27. Projects that are proven violating rights of local communities or operate in locations of social conflict. For large-scale projects, are required to have a permit equivalent to FPIC (Free, Prior, and Informed Consent) ⁴¹ .
28. Terrorism ⁴⁶ .

³⁹ BTPN, ESG Loan Procedures, (2023)

⁴⁰ Combination sources: Bank BRI and Bank Mandiri

⁴¹ BTPN, Sustainability Policy, (2023)

⁴² Combination sources: Bank BRI, Bank Mandiri, HSBC, and Standard Chartered

⁴³ Combination sources: SMBC China, Bank BRI, Bank Mandiri, HSBC, and Standard Chartered

⁴⁴ Combination sources: Bank BRI, Bank Mandiri, and Standard Chartered

⁴⁵ Combination sources: Bank BRI and Bank Mandiri

⁴⁶ Bank CIMB Niaga, Sustainable Finance Framework (Exclusion List)

Exclusionary Criteria

29. Smuggling⁴⁶.

30. Political Campaign Transaction⁴⁶.

31. Pornography or other businesses that are against social norms⁴¹.

3. Disclaimer

It does not constitute or solicit an offer or commitment by Bank BTPN to underwrite or extend any credit, subscribe for or place any securities, buy or sell any security or financial instrument, or to provide any other services nor (save to the extent explicitly contracted for outside of this Framework) is it intended as investment or other advice or as a recommendation that you, or any other person, participate in any transaction.

Prior to participating in any transaction you should:

- a. Make your own independent judgment if such transaction is suitable for you (without reliance upon any information contained in this Framework or provided by BTPN or any other advisers).
- b. Consult your own independent, competent, legal, financial, accounting, regulatory and/or other professional advisers.
- c. Take full responsibility for the economic risks and merits as well as the legal, financial, corporate, tax, and accounting characteristics and consequences of the proposed transaction.

This Framework is not intended to form the basis of any investment decision. There may be, among others, tax, corporate, financial accounting, legal, or regulatory consequences of the proposed transaction and Bank BTPN nor any of the advisers express any opinion on these matters; you should consult with experienced advisers on tax, accounting, legal financial, and regulatory, as well as any other relevant matters.

Bank BTPN makes no representation or warranty as to, and does not take any responsibility for, the accuracy or completeness of the information contained, or opinion expressed herein. The information contained in this Framework may be amended from time to time without prior notice.

This Framework should not be quoted, copied, forwarded, or distributed to any other party by using electronic or mechanical methods without our consent.