

**GROWING WITH SUSTAINABLE MOVEMENT**



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## DISCLAIMER AND LIMITATION OF LIABILITY

This Sustainability Report for Financial Year 2023 of PT Bank Syariah Indonesia Tbk is the second sustainability report published alongside the Bank's Annual Report. This Sustainability Report contains BSI's economic, social, environmental and governance performance related to sustainable development achieved during the 2023 financial year.

This report also contains the Bank's projections, plans, strategies, policies and objectives, which are classified as forward-looking statements that do not reflect historical data. Forward-looking statements in this Report may be expressed as target information, expectations, estimates, or business projections in this Report may be affected by developments in the process and implementation of Sustainable Finance, as well as changes in economic, social and political conditions both nationally and regionally, and changes in laws, policies and guidelines relating to the Islamic banking industry. Such forward-looking statements are subject to prospective risks and uncertainties, which may cause actual developments to differ from what has been written in this report.

This Sustainability Report contains the word "Bank" or "BSI" or "We" which is defined as PT Bank Syariah Indonesia Tbk.

## GROWING WITH SUSTAINABLE MOVEMENT

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After successfully strengthening its foundation through collaboration, PT Bank Syariah Indonesia Tbk (BSI) is now advancing, growing, and moving forward to make a significant contribution to the nation. On the path to sustainability, BSI continues to innovate and collaborate, with the goal of becoming a financial ally, social partner, and spiritual companion to its customers and community. For us, sustainability is a noble endeavor aimed at achieving shared well-being.

As Indonesia's largest Sharia bank and a Top 10 Global Islamic Bank, BSI's presence is expected to not only serve as a catalyst for the development of the Sharia Economy, contributing to the national economy, but also to drive the growth of the green economy, benefiting the environment and all stakeholders.

As such, we continue to advance through sustainable initiatives, reinforcing the pillars of Islamic banking in Indonesia, elevating human capabilities, and preserving the universe, in accordance with God's word:

وَأَحْسِنُ كَمَا أَحْسَنَ اللَّهُ إِلَيْكَ ۖ وَلَا تَبْغِ الْفُسَادَ فِي  
الْأَرْضِ ۗ إِنَّ اللَّهَ لَا يُحِبُّ الْمُفْسِدِينَ

“ ... And be good (to others) as Allah has been good to you. Do not seek to spread corruption in the land, for Allah certainly does not like the corruptors.”  
(QS. Al Qashash: 77).



# BSI's Sustainability Strategy & Commitment [SEOJK A1]

“BSI aspires to be the leading Islamic bank through its BSI Sustainability Aspirations, which aim for a world-class sustainability agenda. The aspiration has three primary objectives: to reinforce comprehensive governance and sustainability strategies, to integrate sustainability into core business activities, and to empower the ESG community in Indonesia and the broader society.”

Sustainability has been the central focus of PT Bank Syariah Indonesia Tbk (BSI). As a Sharia-compliant bank, it is our responsibility to protect the environment and promote future social well-being. This commitment is consistent with the Maqasid Sharia, which guides our daily actions and decisions and includes the preservation of religion (Hifdz Diin), life (Hifdz Nafs), intellect (Hifdz Aql), wealth (Hifdz Maal), lineage (Hifdz Nasb), and environment (Hifdz Bi'ah).

As an Islamic bank, BSI is committed to practices that are aligned with Maqasid Shariah which prioritizes preservation of the environment for future generations. To that end, the Bank conducts Shariah-compliant investments and operations, which inherently support the preservation of nature and ethical business conduct for the well-being of communities and future generations, including in the Bank's procurement practices and supply chain management.

## ESG FRAMEWORK



Bank Syariah Indonesia (BSI) took a proactive step by developing an ESG framework consisting of three pillars: sustainable banking, sustainable operations, and sustainability beyond banking. By implementing this framework, BSI is committed to not only complying with applicable regulations, but also integrating ESG principles into all of its operations.

In addition, BSI also has a Sustainability Aspiration that aims to become “Indonesia’s Leading Islamic Bank with a World Class Sustainability Agenda“. This can be achieved through three aspects which include:

1. Strengthen Overall Sustainability Governance and Strategy
  - a. Establishment of ESG Committee
  - b. Sustainability KPIs become part of individual or business usual assessment
  - c. Providing ESG training to 100% employees through the “Culture Awareness Program”
2. Integrating Sustainability into BSI’s Core Business Activities
  - a. Achieving sustainable financing ratio >30%
  - b. Carrying out ESG Scoring as part of financing application.
  - c. Products offerings in line with ESG (Green Sukuk, MSME financing)
3. Empowering Indonesian ESG community and Beyond
  - a. Engagement with >20 stakeholders and influencers in the sustainability field
  - b. Carrying out sharia philanthropic activities that support government policies

### COMMUNICATION APPROACH OF CORPORATE VALUES INCLUDING BSI SUSTAINABILITY ASPIRATIONS [GRI 2-23]

BSI has determined a long-term sustainability goal in BSI Sustainability Aspirations, so it is important to ensure that corporate values are understood and implemented by all our employees and workers. Therefore, BSI has

adopted a holistic and sustainable communication approach to communicate corporate values, including BSI Sustainability Aspirations, to all employees and staff. This approach covers:

#### 1. Internal Communication

BSI understands that it is important to build a sustainable corporate culture through effective internal communication, among others, an email blast for all employees and workers that contains the newest update concerning our sustainability initiatives and the Bank’s internal media to promote and educate the Company’s employees and staff regarding BSI’s corporate values.

#### 2. Training and Education

We realize that education and training are the keys to building strong awareness and understanding of the Bank’s corporate values. Therefore, BSI regularly provides sustainability (sustainable finance) training.

#### 3. Various Internal Communication Platform

We also provide easy-to-access and understandable resources regarding our corporate values, whether in digital media or in the Company Regulation.

### IMPLEMENTING AND CULTIVATING SUSTAINABLE FINANCE AT BSI [SEOJK F1][GRI 2-24]

The BSI Sustainability Aspirations, serving as the foundation for BSI’s sustainability, are reflected in the sustainable finance strategy in compliance with the Financial Services Authority Regulation POJK No. 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Institutions, Issuers, and Public Companies. The sustainable finance plan is then incorporated into BSI’s Sustainable Financial Action Plan (RAKB), with a primary emphasis on:

1. Product portfolio
2. Human Resources Development
3. Governance & Organization
4. Policies, Standard Operating Procedure (SOP), and Risk Management



## BSI's Sustainability Strategy & Commitment

Furthermore, the four focuses are outlined in the governance policy and architecture of policies as well as the procedures that regulate Sustainable Sharia Banking Principles, namely BSI's business sustainability principles based on the balance of economic, social, and environmental aspects and manage negative impacts from the Bank's operations and financing. BSI's Sustainable Sharia Banking Principles include all principles of managing the Bank's activities as follows:

1. Sharia Principles-principles of fairness, balance, and benefit.
2. Customers
3. Business Strategies
4. Banking Operations
5. Risk Management
6. Human Resources
7. Community Development Program

The management of Sustainable Sharia Banking Principle policies & SOPs are outlined in the following policies:

1. **Standard Procedures of Policy & Procedure Making of Sustainable Sharia Banking Principal** becomes the fundamental value in the preparation of all Bank Policies and Procedures.
2. **Standard Procedure for Corporate Planning, Corporate Work Plan & Budget (RKAP), Bank Business Plan (RBB) and Sustainable Finance Action Plan (RAKB):** Procedures that regulate obligations and procedures for the preparation of SFAP and Sustainability Report.
3. **Standard Procedure for Corporate Secretary:** Procedures that regulate the implementation of CSR
4. **Financing Policy, Standard Financing Procedures, and Portfolio Guidelines:** Regulates the determination of financing criteria to support Sustainable Financing in the Financing Policy and Standard Procedures.

### Global Islamic Bank



## Rank 3

### on Sustainalytics' ESG Rating

BSI ranks third globally for Islamic banking based on Sustainalytics' ESG Risk rating due to its consistency in implementing sustainable finance and ESG strategies.

As an institution that adopts sharia principles, ESG has been comprehensively integrated with BSI's business processes that fully support sustainable growth in all aspects - economic, environmental, and social. Sustainalytics' ESG Risk Rating report released in 2023 gave BSI a score of 26.8 in the medium risk category. This score reflects the Bank's commitment to financing micro, small, and medium enterprises (MSMEs) that have a direct impact on the community economy. Globally, BSI ranks among the top three Islamic banks based on ESG risk assessment.

## 1 of 39 ASEAN banks



### participating in the Sustainable Banking Assessment (SUSBA)

BSI demonstrates its strong commitment to sustainability by participating in the Sustainable Banking Assessment (SUSBA) as one of 39 participant banks in ASEAN. This participation not only shows BSI's commitment to establishing practices that promote financial and environmental sustainability, but it also establishes BSI as a pioneer of sustainable finance efforts in ASEAN countries.





# Summary of Sustainability Performance



## Economic Aspect [OJK B.1]



Net Profit

**Rp5.70** trillion

Net profit in 2023, up by **33.88%** from the previous year



Total Customers

**19.65** million

Customers



Total Financing

**Rp240.3** trillion



Sustainable Financing

**Rp57.7** trillion

Financing for sustainable business activities or **24%** of total financing



Distribution to SME Businesses

**Rp45.5** trillion

Fund distribution to SME businesses



Total Domestic Suppliers

**99.43** %

The BSI suppliers are domestic suppliers



## Environmental Aspect [OJK B.2]



Total electrical energy

**2,117,285**

KWh

Total Fuel Consumption



**281,983**

liter



Total Emissions

**1,800,442**

Ton CO<sub>2</sub>-eq

Total emissions generated from electricity and fuel

LED Lighting Used



**100%**

LED lighting in all BSI offices



Total Plastic Bottle Waste

**22.9** Ton

The total plastic bottle waste collected by Collection Point in the collaboration program with PlasticPay helps reduce the carbon footprint by 84.4 ton of CO<sub>2</sub>-eq

Total Tree Planting



**39,329**

Total tree planting until 2023 in various locations





## Social Aspect [OJK B.3]



Employee turnover rate

3.77 %



The Supported MSMEs

3,009 MSMEs

The supported MSMEs include 3 MSME Centers in 3 provinces comprising Aceh (1,670 MSMEs), Yogyakarta (752 MSMEs), and Surabaya (587 MSMEs)



Training Hours

1,392,792 Hours

Total training hours in 2023, with an average of 78 hours per employee per year.



Training Cost

Rp90.6 billion

Total training costs incurred by administering internal training and training held at external educational institutions.



Total Beneficiaries

333 thousand

BSI Maslahat's total beneficiaries include 333,000 individuals and 1,019 institutions



Total Distribution

Rp222 billion

BSI Company & Employee Zakat Distribution to BAZNAS RI



## Awards

### BUMN Corporate Communication and Sustainability Summit 2023 (BCOMMS)

Small Medium Enterprises Development (Silver Category)  
[Kementerian BUMN](#)

### CSR Excellence Awards 2023 Best CSR on MSME (UKM) Program

[First Indonesia](#)

### CSR Excellence Awards 2023 Best in Empowerment of Human

[First Indonesia](#)

### CSR Excellence Awards 2023 Excellence Community Program Award

[First Indonesia](#)

### CSR Excellence Awards 2023 Best Corporate - Community or Non Profit Partnership Program

[First Indonesia](#)

### CSR Excellence Awards 2023 The Best Leadership Focus on CSR Program (Mr. Gunawan Arif Hartoyo)

[First Indonesia](#)

### BAZNAS AWARD 2023 Best Bank for Zakat Payment Services

[BAZNAS RI](#)

### CSR AWARD 2023 Growing with Purpose (Special Award Category)

[B Universe](#)

### TrenAsia CSR Award 2023 Sharia Bank Category Sustainability

[trenAsia](#)

### Indonesia Best TJSL Awards 2023 Best TJSL 2023 with Outstanding Program in Developing Socioeconomic Community (Sharia Bank Category)

[Warta Ekonomi](#)

### Indonesia Award 2023 Special Recognition of Outstanding Initiative atas inisiatif Program Desa BSI (Bangun Sejahtera Indonesia)

[iNews](#)

### 13<sup>th</sup> Institutional Investor Corporate Awards 2023 Best Strategic CSR

[Alpha Southeast Asia](#)

### IDX Channel Anugerah Inovasi Indonesia (ICAII) 2023 BSI Sustainable Movement (Sustainability Category)

[IDX Channel](#)

### Katadata Corporate Sustainability Awards (KCSA) Environment

[Katadata](#)

### Sustainable Development Goals (SDG) Award 2023 Islamic Banking TK Category >18,000 (Best Category)

[AMA Indonesia](#)

### Road to CNBC Indonesia Awards 2023 Most Innovative Ziswaf Fundraising in Mobile Banking (Best Sharia Banks Category)

[CNBC](#)

### Indonesia's Best Corporate Sustainability Initiatives & Warrior 2023

Indonesia Best Corporate Sustainability Warrior 2023 (Corporate Sustainability Top Leader Warrior)  
[MIX MarComm](#)

### Indonesia's Best Corporate Sustainability Initiatives & Warrior 2023

Indonesia Best Corporate Sustainability Warrior 2023 (Corporate Sustainability Team Warrior Category)  
[MIX MarComm](#)

### ESG Disclosure Transparency Awards 2023 Management B Category

[Investor Trust](#)

### BAZNAS UPZ Award 2023 UPZ 4-star Best Reports

[BAZNAS RI](#)

### BAZNAS UPZ Award 2023 UPZ 5-star Best Distribution

[BAZNAS RI](#)

### BAZNAS UPZ Award 2023 UPZ 5-star Best Collection

[BAZNAS RI](#)

### CSR IDX Channel Award 2023 Economic Development Initiative for Sustainable Economy Program for Sustainable Indonesia

[IDX Channel](#)



# About Sustainability Report

**“In its third Sustainability Report, Bank Syariah Indonesia underscores the significance of transparency and integrity as the primary foundation for attaining sustainability. This serves as a testament to BSI’s dedication to providing stakeholders with trustworthy and credible information regarding the implemented contributions and sustainable initiatives.”**

Annually, PT Bank Syariah Indonesia Tbk (BSI) releases a Sustainability Report concurrently with the Company’s Annual Report. This report marks the third edition of BSI’s Sustainability Report, emphasizing the company’s dedication to integrity and transparency for its stakeholders. [\[GRI 2-3\]](#)

Throughout the report, the terms “BSI,” “Company,” “Bank,” or “We” refer to PT Bank Syariah Indonesia Tbk, and all financial information presented in this report is denominated in Indonesian Rupiah (IDR).



## Report Profile

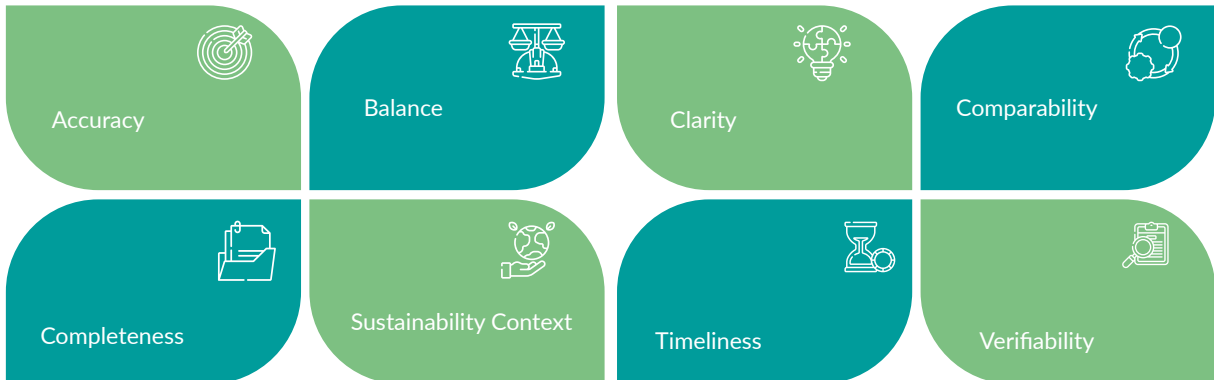
The 2023 BSI Sustainability Report is prepared in adherence to the criteria specified in Financial Services Authority Regulation Number 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies, along with the Circular Letter from the Financial Services Authority of the Republic of Indonesia Number 16/SEOJK.04/2021 detailing the Form and Content of Annual Reports for Issuers or Public Companies.

In addition, this sustainability report also uses international sustainability reporting standards, namely the Global Reporting Initiatives version 2021 (2021 GRI Standard) with reference option. To make the Report easier for reader to find information in this report and its relevance to each of the standard criteria used, we include a criteria index at the end of paragraphs/pages discussing relevant topics/issues. The complete reference index can be found on page 94.



## Reporting Principle

BSI referred to the reporting principles of the 2021 GRI Standard in the process of preparing this report with the objective of ensuring the quality and credibility of the information and data reported. The reporting principles are:



## Scope and Limitation of The Report

The Sustainability Report of Bank Syariah Indonesia (BSI) provides comprehensive information covering all activities conducted by PT Bank Syariah Indonesia Tbk, including operations at its headquarters in Jakarta and all branches across Indonesia. Every piece of information presented in this report results from activities and endeavors directly associated with BSI. [\[GRI 2-2\]](#)

In this edition of the BSI Sustainability Report, there is no restatement of data from previous reports. All information provided here is actual and has not undergone any changes from previous reporting. This underscores the consistency and accuracy in information presentation, ensuring that this report offers a precise and reliable overview of BSI's sustainability for the respective time period. [\[GRI 2-4\]](#)

This report documents information that has undergone a rigorous internal verification process in various Divisions, Departments, or Functions related to sustainability, supported by internal audits. The reliability of this data and information has been verified by an independent external assurance party, namely 90, using AA1000 Assurance Standard Type 1 Level Moderate. The assurance statement from this process can be found at the end of the Report [\[GRI 2-5\]](#).



## Material Topics [\[GRI 3-1\]](#) [\[GRI 3-2\]](#) [\[GRI 3-3\]](#)

As Indonesia's largest Islamic bank, BSI is dedicated not only to financial success but also to sustainability. The ESG approach serves as a vital tool in realizing this commitment. To create a pertinent and impactful sustainability report, BSI employs a thorough ESG materiality assessment process, taking into account the following five approaches:

**1. Peer Benchmarking:**

BSI regularly benchmark its ESG materiality priorities with those of peer Islamic and conventional financial institutions, both nationally and internationally. This practice allows BSI to align with industry trends and ensures that its sustainability report meets stakeholder expectations.

**2. Regulatory Review:**

Adhering to sustainability reporting regulations such as POJK 51/2017 and OJK Circulars concerning Climate Risk Stress Testing guidelines for Indonesian banks, BSI conducts a thorough review to ensure its report not only meets minimum requirements but is also relevant to national policy and reporting frameworks.

**3. Utilization of MSCI Materiality Map:**

BSI uses the MSCI Materiality Map as a reference to identify ESG topics relevant to the banking industry. Considering global investor and stakeholder expectations, BSI ensures that its ESG priorities are not only competitive locally but also recognized internationally.

**4. Media Monitoring:**

BSI actively monitors media coverage and public discussions related to ESG issues in the financial sector. This practice helps BSI understand public expectations and identify potential reputation risks tied to specific ESG issues. Media information also provides valuable input for determining priorities and sustainability strategies.

**5. Strategic Management Direction:**

BSI's vision, mission, and long-term strategic plans play a role in prioritizing ESG material topics. The materiality assessment evaluates the impact of ESG issues on the attainment of BSI's strategic objectives, ensuring that sustainability programs are both meaningful and enduring in the long run.

Through this comprehensive approach, BSI ensures its sustainability report accurately reflects the most relevant and material ESG issues for the bank, stakeholders, and Indonesia as a whole. Periodic revisions to the materiality assessment are conducted to keep the report adaptive and dynamic, aligning with evolving regulations, stakeholder expectations, and the global ESG landscape.

With a commitment to transparency and a comprehensive materiality assessment process, BSI aims to lead in sustainable Islamic banking, actively contributing to the attainment of Sustainable Development Goals (SDGs) in Indonesia.

Based on this process, BSI formulates the list and prioritization of material topics for the 2023 fiscal year Sustainability Report as follows.



There have been changes in the materiality priorities of BSI, reflecting a shift in the prioritization of certain topics driven by stakeholder aspirations, the risks identified, and the bank’s strategic business direction for the future.

Economic Performance & Product Portfolio were the material topics that accorded the utmost priority in 2023. This is driven by the increasing cybersecurity risk associated with digitalization. In addition, BSI considers the impact of climate change to be a significant issue, particularly since the OJK issued a circular requiring the banking industry to conduct climate stress testing.



### Reporting Period [GRI 2-3]

The reporting period in this Sustainability Report includes the performance of the economic, environmental, social and sustainable governance aspects of BSI from 1 January 2023 to 31 December 2023.



### Suggestions and Feedback [GRI 2-3]

BSI invites all stakeholders to provide input towards this Report so that we can improve its quality in the future by contacting the following information centers:



### Response from Feedback of Previous Sustainability Reports [SEOJK G2] [SEOJK G3]

The feedback received from stakeholders on the report is very important to BSI. We found that there was an appreciation for the transparency and openness in describing our achievements throughout the year. BSI did not receive any feedback on the content of the previous Sustainability Report.

Contact Report:

**Gunawan Arif Hartoyo**  
Senior Vice President  
Corporate Secretary &  
Communication Group

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- Tel. : +62 21 30405999
- Fax. : +62 21 30421888
- [corporate.secretary@bankbsi.co.id](mailto:corporate.secretary@bankbsi.co.id)
- Bank Syariah Indonesia
- @bankbsi\_id @bsihelp  
(Official Customer Care Account)
- @Bank Syariah Indonesia
- Bank Syariah Indonesia
- Call Center : BSI Call 14040



# Company Identity



## Name of Company [GRI 2-1]

PT Bank Syariah Indonesia Tbk



### Head Office Address

[SEOJK C.2][GRI 2-1]

Gedung The Tower

Jl. Gatot Subroto No.27, Karet Semanggi, Setiabudi,

Jakarta Selatan, 12930, Indonesia

Telepon: 021-30405999

Call Center: BSI Call 14040

Website: www.bankbsi.co.id

e-mail: contactus@bankbsi.co.id



### Date of Operation

1 February 2021



### Description of Brands, Products and Services

[SEOJK C.4] [GRI 2-6]

A banking sector that is based on sharia principles with products for individual customers such as savings, hajj & umrah, investment, and corporate customers (such as services, loans, treasury, and others). BSI also offers digital banking and card services.



### Line of Business

Sharia-based Commercial Bank



### Legal Basis of Establishment [GRI 2-1]

- State Gazette of the Republic of Indonesia Number 43 – 28 May 1971 – Supplement Number 242
- Gazette of the Republic of Indonesia Number 85 – 23 October 2009 – Supplement Number 26142
- Gazette of the Republic of Indonesia Number 96 – 1 December 2009 – Supplement Number 27908



### Significant Changes [GRI 2-6] [SEOJK C.6]

There were no significant changes that disrupted the Bank's business and operations.

**“BSI provides access to Sharia financial solutions in Indonesia, aiming to be a leading bank that delivers the best value for shareholders, becoming the preferred company and source of pride for the finest talents in Indonesia, thereby realizing the vision of becoming a Top 10 Global Islamic Bank.”**



#### **Business License** [GRI 2-1]

- Decree of the Bank Indonesia Governor Number 10/67/KEP.GBI/DpG/2008 of 16 October 2008
- Decree of the Bank Indonesia Governor Number 11/63/KEP.GBI/DpG/2009 of 15 December 2009



#### **Type of Company** [GRI 2-1]

Public Company (PT)



#### **Composition of Ownership**

[SEOJK C.3] [GRI 2-6]

##### **Series A Dwiwarna Shares:**

Republic of Indonesia 1 share

##### **Series B Dwiwarna Shares:**

- PT Bank Mandiri (Persero) Tbk **51.47%**
- PT Bank Negara Indonesia (Persero) Tbk **23.24%**
- PT Bank Rakyat Indonesia (Persero) Tbk **15.38%**
- Other Shareholders (including the Public) **9.91%**



#### **Ticker Code**

BRIS



#### **Stock Exchange**

The company stock was listed at Indonesia Stock Exchange on 9 May 2018



#### **Area of Operation** [SEOJK C.3]

Indonesia and Dubai, United Arab Emirates



#### **Branch Offices**

[SEOJK C.3][GRI 2-6]

Office network consists of:

- 10 Regional Office
- 153 Branches
- 959 Sub-Branch Office
- 60 KCP Mobile
- 96 Functional Offices
- 16 Priority Service Counter
- 734 Pawn Service Counter
- 2.548 Automatic Teller Machine (ATM)



#### **Market Served**

[SEOJK C.3][GRI 2-6]

- All over Indonesia, including corporate customers, state-owned enterprises, micro, small, and medium entrepreneurs, education, health, construction, agriculture, and households.
- Dubai, United Arab Emirates, both for retail customers and global investors.



Introduction



Economic Performance



Social Performance



Environmental Performance

# Company at a Glance

## 2020

The three prominent Islamic banks in Indonesia, namely PT BRI Syariah Tbk (BRIS), PT Bank Syariah Mandiri, and PT BNI Syariah, have taken a strategic step by formally signing a Conditional Merger Agreement (CMA), marking the initial phase of their merger process to become PT Bank Syariah Indonesia Tbk. on October 12, 2020.

## 2021

PT Bank Syariah Indonesia Tbk (BSI) officially commenced its operations. Through the merger of the three banks on February 1, 2021, BSI now boasts improved capital capacity and a wider reach, positioning the bank to offer more comprehensive Islamic banking services, and allowing it to compete globally. Looking ahead, BSI is expected to embody a modern and universal Indonesian Islamic banking institution, aiming to bring positive impact to the entire universe (Rahmatan Lil 'Alamiin).

## 2022

BSI was able to complete the first rights issue process through Pre-emptive Rights. This process was oversubscribed by 1.4 times and generated additional capital of around Rp5 trillion.

## 2023

BSI has officially obtained a full license to operate in Dubai, United Arab Emirates.







**BSI** BANK SYARIAH  
INDONESIA

## Vision

# TOP 10

## GLOBAL ISLAMIC BANK

## Mission



### **Provide access to Sharia Financial Solutions in Indonesia.**

Serving >20 million customers and becoming the top 5 bank based on assets (500+T) and book value of 50 T in 2025.



### **To be a large bank that provides the best value for shareholders.**

Top 5 most profitable banks in Indonesia (ROE 18%) and strong valuation (PB>2).



### **To be the Company of Choice and the Pride of Indonesia's Best Talents.**

A company with strong values that empower the community as well as being committed to employee development with a performance-based culture.

## Code of Ethics

The Code of Ethics functions as a framework for professional conduct and collaboration with both internal and external stakeholders within the Bank. It is derived from the core principles of Sharia compliance and effective governance, aiming to achieve BSI's vision and mission. It comprises normative rules that are applicable and will provide guidance in developing policies, procedures, and management practices within the Bank.

The aspects covered in the Code of Ethics include:

- Conflict of Interest
- Anti Bribery
- Confidentiality
- Abuse of Position
- Insider Behavior
- Integrity and Accuracy of Bank Data
- Integrity of Banking Systems
- Management of Employee Accounts
- Annual Disclosure
- Sanctions for Violations/Non-Compliance
- Supervision of Implementation and Updates

In the 2023 fiscal year, Management did not review BSI's Vision and Mission because they believed they were still relevant to the Bank's development.

## VISION & MISSION OF SUSTAINABLE FINANCE



### Vision

To become one of the Top 5 Banks in Indonesia based on the Implementation of Sustainable Finance within 5 years



### Mission

1. Providing access to Sustainable Finance in Indonesia through products and services that meet the needs of customers.
2. Becoming a bank that makes the best contributions to the economy, environment, and society, aiming to be one of the Top 5 Banks in Indonesia in terms of sustainable financing ratios and CSR implementation to benefit the wider community.
3. Becoming a company that empowers all employees to have awareness and commitment in applying sustainable financial principles throughout banking operations.



### Sustainability Values

Becoming Indonesia's Leading Sharia Banking with a World Class Sustainability Agenda.



### Building a Culture of Sustainability [SEOJK F.1]

Adapting work culture implementation to the business strategy in addressing the digital era is a concerted effort to bolster the Bank's aspiration of becoming a Top 10 global Islamic bank. BSI harmonizes the articulation of sustainability values with the Vision and Sustainability Values integrated into BSI Shared Values.

### Initiatives for Implementing a Culture of Sustainability

- Integrating values into employee behavior through the internalization of ETHICS & Culture Theme in collaborative learning materials with the entire Academy and related work units.
- Strengthening a performance culture and stakeholder care through leaders serving as role models (leading by example).
- Enhancing a learning culture and agility through diverse learning activities (blended learning) for continuous improvement and innovation.
- Ensuring the company's healthy growth by increasing risk awareness and efforts to prevent fraud (fraud prevention) in collaboration with relevant work units.
- Implementing a Change Agent strengthening program in the acceleration of work culture to enhance engagement and ownership towards the company.
- Developing a sense of care for the community through social movements and volunteer programs for maximum contribution and blessings.

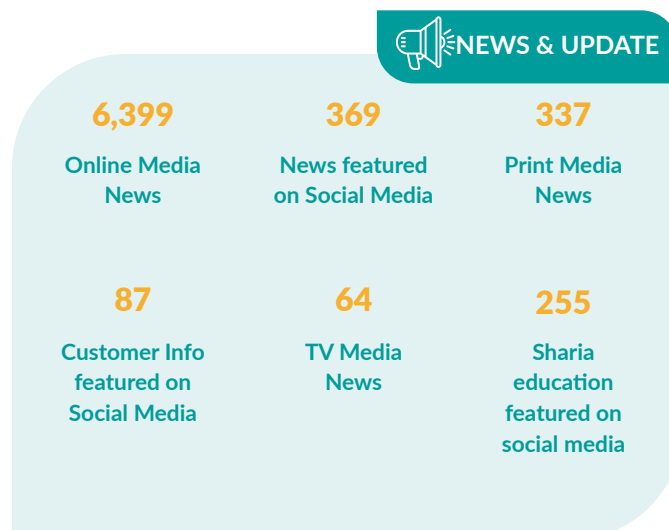


# Business Scale

[SEOJK C.3]

| Note                | Unit       | 2023    | 2022    | 2021    |
|---------------------|------------|---------|---------|---------|
| Total Assets        | Rp Billion | 353,624 | 305,727 | 265,289 |
| Mudharib Incomes    | Rp Billion | 22,251  | 19,620  | 17,808  |
| Liabilities         | Rp Billion | 87,222  | 73,655  | 61,886  |
| Equity              | Rp Billion | 38,739  | 33,505  | 25,014  |
| Number of Employees | Person     | 17,909  | 18,581  | 19,449  |
| ATM Network         | Unit       | 2,571   | 2,548   | 2,618   |

## Distribution and Number of Customer Services and Information [SEOJK C.3]



# Membership in Associations

[SEOJK C.5][GRI 2-28]

BSI actively engages in multiple associations and professional industry organizations. This active involvement serves as a means to expand perspectives and acquire insights into the evolving landscape of Sharia banking, regulatory changes, economic conditions, and customer requirements.

| Association   | Forum   |
|---|---|
| Indonesian Sharia Bank Association (Asbisindo)                                  | Indonesia Sustainable Finance Initiative (IKBI)         |
| Association of National Banks (Perbanas)  | Banking Compliance Director Communication Forum (FKDKP) |
| Indonesian Association of Islamic Economists (IAEI)                             | Financial Services Industry Communication Forum         |
| Sharia Economic Society (MES)   |   |
| Bank Association for Risk Management (BARa)                                     |   |
| Indonesian Bankers Association (IBI)  |   |
| National Sharia Council (DSN MUI)   |   |
| Indonesian Banking Dispute Resolution Alternative Institution (LAPSPI)          |   |
| Indonesian Payment System Association (ASPI)                                    |   |
| Association of Indonesian Mutual Fund Selling Agent Banks (ABAPERDI)            |   |
| Indonesian Sharia Fintech Association (AFSI)                                    |   |
| Indonesian Issuers Association (AEI)  |   |
| Financial Services Sector Alternative Dispute Resolution Institution (LAPS-SJK) |   |
| Islamic Financial Services Board (IFSB)   |   |

## Certification

BSI is committed to conducting banking operations in adherence to quality standards. BSI personnel hold certifications from independent bodies related to competencies in banking, such as risk management and general banking. Additional corporate certifications encompass ISO/IEC 27001:2013 for Information Security Management Systems and ISO 9001:2015 for Quality Management Systems.



# Supply Chain [GRI 2-26]

In executing its banking operations, BSI collaborates with supplier partners who serve as providers for various needs, including office supplies, labor, transportation facilities, planning consultants, infrastructure implementers and supervisors, as well as other supporting services. In 2023, BSI procured a number of 973, with details as follows:



Procurement of IT Goods and Services

449



Procurement of Non-IT Goods and Services

438



Procurement of Renovation/Relocation

86



Total Procurement

973

Regarding domestic suppliers, BSI acknowledges that active involvement with local suppliers positively influences supporting local economic growth. Engaging with domestic suppliers allows the bank to contribute to economic development, generate new job opportunities, and decrease reliance on imports. By the conclusion of 2023, BSI has formed partnerships with 701 domestic suppliers based in Indonesia, encompassing around 99.43% of the total number of bank suppliers. This collaboration underscores BSI's dedication to empowering the local economy and reinforcing positive connections with the community, building trust and garnering support from diverse stakeholders.

| Description <small>[GRO 204-1]</small> | Amount     | %           |
|--|------------|-------------|
| Domestic Suppliers                     | 701        | 99.43%      |
| Overseas Suppliers                     | 4          | 0.57%       |
| <b>Total</b>                           | <b>705</b> | <b>100%</b> |



99.43 %

BSI suppliers/vendors are suppliers domiciled in Indonesia

The responsibility for supplier procurement lies with the Procurement & Fixed Asset Group Work Unit and is executed in accordance with company policies. BSI underscores the significance of partner compliance with sustainability requirements as a collective effort to achieve responsible operations. The company has established guidelines and a collaborative system with suppliers, serving as a framework for the procurement process, including selection processes and the application of the following principles:

1. **Sharia Principle**, Prioritizing compliance with Sharia principles in procurement activities.
2. **Effectiveness**, Ensuring procurement aligns with established needs/plans and delivers optimal benefits to the Bank.
3. **Efficiency**, Conducting the procurement process to achieve quality according to established standards, within agreed timelines, and at the best price
4. **Competitive/Open and Competitive**, Maintaining an open procurement process for Goods and Services Providers who meet requirements, promoting healthy competition based on transparent rules and procedures.
5. **Transparency**, Ensuring openness in all provisions and information related to procurement, including technical and administrative requirements, evaluation procedures, evaluation results, and the selection of Goods and Services Providers.

6. **Fair and Reasonable**, Providing equal treatment to all potential Goods and Services Providers without favoritism
7. **Accountability**, Ensuring that the procurement process, results, and payments can be accounted for.
8. **Responsibility**, Conducting the procurement process carefully and in compliance with applicable regulations
9. **Independence**, Making procurement decisions objectively and free from pressure from any party.

### Supplier Satisfaction Survey

In order to comprehend perceptions of the procurement process and its implementation within the company, BSI conducted a supplier satisfaction survey in December 2023. A total of 12 suppliers participated in the survey, utilizing the Likert scale assessment method as an evaluative approach. The detailed assessment criteria are as follows:

| Likert Scale Value | Category           |
|--------------------|--------------------|
| < 1.00             | Unsatisfactory     |
| 1.01 - 2.00        | Less Satisfactory  |
| 2.01 - 3.00        | Quite Satisfactory |
| 3.01 - 4.00        | Satisfactory       |
| 4.01 - > 5         | Very Satisfactory  |

Based on the predefined scale criteria, the satisfaction survey score for the 2023 procurement process reached a value of 4.6. This accomplishment signifies that the satisfaction level of the Bank's collaborating partners with the procurement process falls within the "Very Satisfactory" category.

| Assessment Indicators   | Score | Criteria          |
|---|-------|-------------------|
| Supplier Selection Mechanism  | 5     | Very Satisfactory |
| Execution of Procurement Process Stages   | 4     | Satisfactory      |
| Completion Process for Payment of Work  | 4.5   | Very Satisfactory |
| Others :  | 5     | Very Satisfactory |
| 1. The Procurement & Fixed Asset Group (PFA) has acted fairly (without favoring any vendor) in the procurement of goods and services.                 |       |                   |
| 2. PFA's service in providing overall office facilities (waiting area, meeting rooms, information counters, cleanliness, prayer room, toilets, etc.). |       |                   |
| 3. Security and overall services in the PFA environment.  |       |                   |



# President Director's Speech

[SEOJK D1] [GRI 2-22]

**“For BSI, every step taken today to preserve the natural and socio-economic balance is an investment for the future.”**

## Assalamualaikum warahmatullahi wabarakatuh

Dear distinguished stakeholders, colleagues, BSI customers and all BSI people throughout Indonesia; on behalf of the entire Board of Directors and management, I am pleased to present the Sustainability Report of PT Bank Syariah Indonesia Tbk (BSI) for the financial year 2023.

This report is not only a reflection of BSI's efforts throughout 2023 to achieve operational and financial set targets, but also a testament to BSI's unwavering commitment to integrate sustainability practices into its operations & business activities to serve customers and the Ummah, in accordance with Maqashid Syariah.

For BSI, sustainability is in sync with Maqashid Syariah, which is the foundation of Islamic banks' objectives, namely to uphold the welfare of humanity, which includes aspects of justice, health, security and prosperity, and to maintain balance and harmony between human and nature.

Therefore, for BSI, every step taken today to preserve the natural and socio-economic balance is an investment in the future. To this end, BSI always strives to ensure not only to comply with Sharia principles in all its financial transactions, but also to actively contribute to environmental protection efforts and the responsible management of natural resources. We see this as a fundamental responsibility, in line with Islamic values that emphasize the importance of maintaining balance and harmony in creating prosperity for all.

### BSI Performance in 2023

By 2023, BSI had made significant progress in terms of key performance indicators that reflect business excellence and compliance with Islamic banking principles. BSI's financial performance is increasingly solid with Net Profit in 2023 reaching Rp5.7 trillion, growing by 33.88% YoY. This reflects BSI's effectiveness in generating profits and added value for stakeholders.

BSI's asset quality was also maintained with a low Net Non-Performing Financing (NPF) ratio of 0.55%. This NPF achievement reflects prudence in risk management and financing.





**Hery Gunardi**  
President Director



## President Director's Speech

The ratio of operating costs to operating income (BOPO) in 2023 of 71.27% indicates improved efficiency and shows better cost management in line with the increase in the Company's revenues. In terms of liquidity, BSI managed to maintain overall healthy ratio in 2023, ensuring readiness to fulfil the Company's financial obligations.

The growth of BSI's assets and financing shows that the Bank continues to expand sustainably, along with the growth of BSI's customer base, which has reached 19.65 million customers across Indonesia by the end of 2023.

### BSI Moves Forward with Sustainable Action

The year 2023 has been a year of significant progress and achievement in the integration of sustainable finance and banking principles at BSI. We have made great strides in expanding sustainable financing initiatives, supporting projects that contribute to environmental protection, clean energy, promoting the growth of MSMEs in Indonesia through BSI financing, sustainable community development through various community social programs and ZISWAF distribution, as well as CSR activities through BSI Maslahat National Amil Zakat Institution (LAZNAS), which reached Rp255 billion this year, an increase of 35.6% year-on-year.

By the end of 2023, the total BSI financing that is aligned with the Sustainable Business Activity Category (KKUB) contained in POJK No. 51/POJK.03/2017 has reached Rp57.7 trillion, or 24.07% of the entire BSI financing portfolio in 2023.

Furthermore, with regard to environmental aspects, BSI continues to strengthen the implementation of sustainable initiatives with various Green Lifestyle and Green Operations campaigns for employees and customers. Some of BSI's initiatives in 2023 include:

1. Construction of BSI Green Building Office with the use of solar panel energy;
2. Use of Electric Vehicles for Company operations;
3. Digital-based Plastic Waste Management;
4. Digital Correspondence.

Internally, the Company continues to focus on building the capacity and competence of all BSI people in sustainable finance and banking. As many as 14,268 employees or 77% of all BSI employees have participated in comprehensive training programs. BSI ensures that every team member understands how ESG (Environmental, Social and Governance) principles are integrated into daily operations. This internal strengthening effort is an important step in BSI's journey, emphasizing our awareness that commitment to sustainability must start with ourselves.

In the aspect of sustainability governance, this year BSI recorded a number of achievements, in particular related to the process of integrating ESG with BSI's governance and corporate culture. This includes the strengthening of a number of internal policies, including the initial stage for the preparation of Climate Risk Stress Testing (CRST) in accordance with the Financial Services Authority guidelines, the preparation of ESG Roadmap, ESG Framework & ESG Governance Structure as well as the review of BSI's ESG Risk Rating.

### Advancing as "Beyond Sharia Banking"

BSI is aware that its central role as an Islamic financial services institution is to drive a sustainable Islamic economy. Not only is BSI committed to sustainability, but it can also exceed all other stakeholders' expectations. BSI will progress to become a sustainable Islamic Bank that provides extensive benefits to the community & environment.

BSI actively contributes to Indonesia's National Determined Contribution (NDC) and the Paris Agreement towards a Low Carbon Economy through financing and operational activities, as well as all CSR activities that have a positive impact on the environment and carbon emission reduction.

### Appreciation & Closing Remark

At the end of these remarks, we would like to express our sincere gratitude to all BSI stakeholders, management and people for their tremendous support and contribution throughout BSI's presence in Indonesia. We are grateful for every collaboration that has been established.

For all BSI people across Indonesia, without your trust, dedication, commitment and hard work, BSI's success to date would not be possible.

We are all part of BSI's and Indonesia's sustainability journey. Through synergy and collaboration, let's create a bright future of sustainable action.

Wassalaamualaikum Warahmatullahi Wabarakatuh

PT Bank Syariah Indonesia Tbk.



**Hery Gunardi**  
President Director

# Statement of the Board of Commissioners and Board of Directors on the Responsibility for the Sustainability Report of PT Bank Syariah Indonesia Tbk in 2023

[SEOJK E.1][GRI 2-14]

We hereby declare that the Sustainability Report of PT Bank Syariah Indonesia Tbk for the fiscal year 2023 has been prepared with reference to the Financial Services Authority Regulation number 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies, and the Financial Services Authority Circular Letter number 16/SEOJK.04/2021 concerning the form and content of the Annual Report of Issuers or Public Companies.

All information in this Report has been included in full in accordance with these regulations, and we accept full responsibility for the accuracy of the contents of the Company's Sustainability Report.

Jakarta, April 24, 2024

On behalf of the Board of Commissioners and the Board of Directors



**Muliaman D. Hadad**  
President Commissioner (Independent)



**Hery Gunardi**  
President Director





**01**

# **SUSTAINABILITY GOVERNANCE**

**“BSI’s commitment to consistently improve Good Corporate Governance (GCG) practices is a proactive endeavor to reach the objectives of sustainability strategy and achieve measurable excellence in the implementation of Sustainable Finance.”**

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#### **BASIS OF GOVERNANCE STRUCTURE**

As part of the Islamic banking industry, BSI acknowledges that the implementation of GCG principles enables the establishment of a robust banking system while ensuring compliance with relevant regulations. Consequently, BSI consistently upholds its commitment to applying the principles of Good Corporate Governance (GCG) within the Bank’s environment.

BSI implements good corporate governance by referring to Bank Indonesia Regulation No. 11/33/PBI/2009 concerning Implementation of Good Corporate Governance (GCG) for Sharia Commercial Banks (BUS) and Sharia Business Units (UUS), Financial Services Authority Regulation No. 18/POJK.03/2014 concerning Implementation of Integrated Governance

for Financial Conglomerates, as well as other relevant regulations. The Governance Policy has been approved by the Board of Commissioners on the approval sheet Letter No. 01/001/-3/DIRPPG dated 1 February 2021 and the Board of Commissioners’ decision letter regarding the pillars of risk management policies and internal, business, operational, and control systems. All of these policies become a reference for all work units in implementing the principles of transparency and accountability.

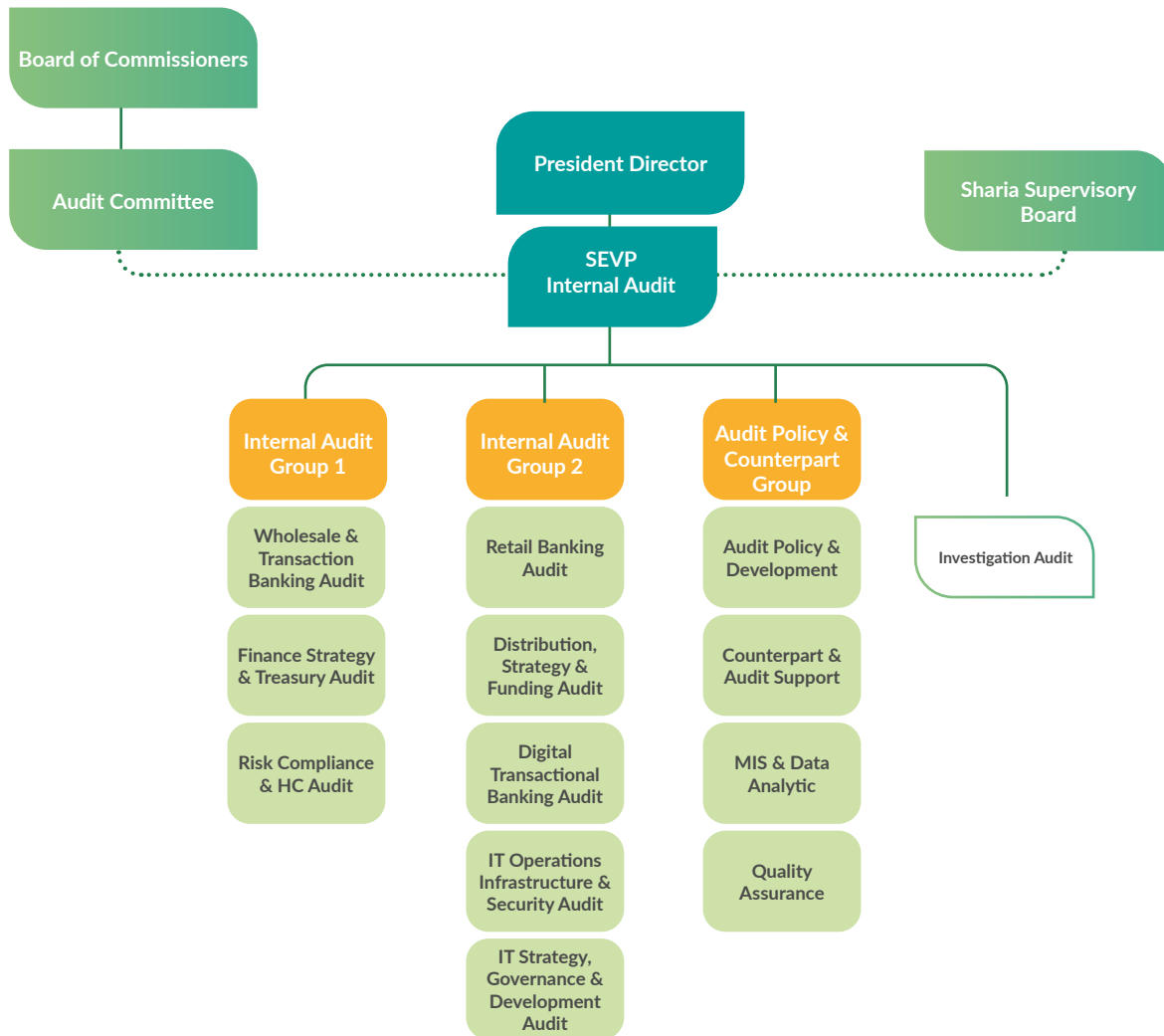
To enhance Corporate Governance, BSI will formulate internal regulations for reporting the Indonesian Green Taxonomy, in anticipation of the issuance of Green Taxonomy regulations. The implementation of the Indonesian Green Taxonomy is in line with the Sustainable Finance Roadmap Phase II (2021-2025).



# Sustainability Governance

## CORPORATE GOVERNANCE STRUCTURE [GRI 2-9] [GRI 2-11]

The determination of the corporate governance structure at BSI refers to Law Number 40 of 2007 concerning Limited Liability Companies and Bank Indonesia Regulation Number 11/33/PBI/2009 concerning the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units.



The main organs of the Company include the General Meeting of Shareholders (RUPS), the Board of Commissioners, the Sharia Supervisory Board, and the Board of Directors. Meanwhile, supporting organs of the Company are formed through committees under the coordination of the Board of Commissioners and committees under the coordination of the Board of Directors. In detail, the main organs of BSI in 2023 are outlined in the following table.

### Composition of Corporate Governance Based on Position

| Position                       | Total (Person) |
|--------------------------------|----------------|
| Board of Commissioners         | 9              |
| Board of Directors (Executive) | 10             |



### Board of Commissioner Composition

| Position        | Total (Person) |
|-----------------|----------------|
| Non-Independent | 5              |
| Independent     | 4              |

### Composition of Corporate Governance Based on Term of Office \* [GRI 405-1]

| Term of Office | Total (Person) |
|----------------|----------------|
| 1 – 3 years    | 19             |

\* The Board of Commissioners and the Board of Directors as of December 2023

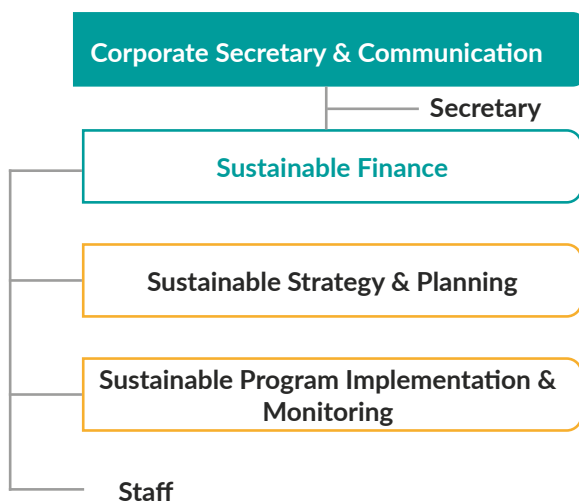
### Composition of Corporate Governance Based on Gender\*

| Gender | Total (Person) |
|--------|----------------|
| Male   | 18             |
| Female | 1              |

\* The Board of Commissioners and the Board of Directors

## SUSTAINABILITY GOVERNANCE STRUCTURE [SEOJK E1]

In carrying out sustainable finance, BSI has a sustainability governance structure that is part of the Bank's Corporate Secretary & Communication Group structure. The establishment of this structure is based on Directors Decree No. 01/309-KEP/DIR dated 27 October 2021 concerning the Organizational Structure of the Corporate Secretary & Communication Group of PT Bank Syariah Indonesia Tbk.



## DUTIES AND RESPONSIBILITIES [SEOJK E1]

[GRI 2-14]

The Board of Commissioners, the Sharia Supervisory Board, and the Board of Directors, as well as the supporting organs consisting of committees under the Board of Commissioners and the Board of Directors, are collectively responsible for the implementation of Sustainable Governance by taking into account economic, environmental, and social performance achievements. To compile, coordinate, direct, and supervise the Sustainable Finance Action Plan (RAKB), the Bank forms a Sustainable Finance Team (SF), which is under the Corporate Secretary function and under the coordination of the Director of Compliance & Human Capital. [GRI 2-12][GRI 2-13]

The implementation of RAKB is supported by several relevant work units, including Corporate Business Group (CB1 & CB2), Commercial Business Group (CMG), SME Business Group (SMG), Micro Business Group (MBG), Procurement Group (PRG), and BSI Corporate University (BSU). The results of RAKB implementation are submitted by the Corporate Secretariat to the Board of Directors, who then convey the results back to the Board of Commissioners for direction. The Bank then monitors and evaluates the implementation of RAKB priorities on a quarterly basis and reports them to the Director of Supervision, Corporate Secretary and the Audit Committee, if necessary.

BSI reports its sustainability performance to shareholders at the General Meeting of Shareholders (GMS). BSI invites all shareholders to express their opinions regarding Environment, Social, and Governance (ESG) issues. However, we have not yet granted voting rights to shareholders regarding discussions on environmental or social issues. As a public company, BSI intends to provide value to shareholders by participating in the Sustainable Banking Assessment (SUSBA), which consists of 11 banks in each country, as well as presenting the Sustainable Financial Performance Report in the Quarterly Financial Report Publication and/or Public Expose.



## Sustainability Governance

### SUSTAINABILITY COMPETENCE DEVELOPMENT [SEOJK E2][GRI 2-17]

Throughout 2023, BSI has executed training and competency development programs for its employees to enhance their knowledge and skills in the field of sustainability. This initiative ensures that employees not only comprehend the latest developments and issues related to sustainability but are also capable of assuming responsibility in this area. Consequently, the Bank consistently conducts training and competency development programs for employees under the purview of BSI Corporate University.

The Bank has also facilitated insights into sustainable finance for the Directors and Board of Commissioners through various means such as webinars, self-awareness sessions, and digital learning. Additionally, to boost employee productivity and enhance networks, BSI will continue its efforts in restructuring office networks and transforming outlets by categorizing them into 3 distribution channels: branch network, digital, and BSI Smart Agent. BSI is also planning to shift branch transactions, or teller services and customer service, towards electronic and digital channels, accompanied by redeployment and reskilling the employees.

Throughout 2023, a considerable number of 14,268 BSI employees have undergone education and training on Sustainable Finance topics. This comprehensive training encompasses an understanding of the impact of financing on climate change, green taxonomy, and renewable energy.

Bank Syariah Indonesia has been certified

**14,268** BSI employees

BSI employees have joined competency development on Sustainable Finance up to end of 2023.



### MANAGING ENVIRONMENTAL AND SOCIAL RISK [SEOJK E3]

Risk management aims to minimize the potential negative impacts arising from the operational activities of the Bank, including the impacts resulting from climate change. In line with its role, risk management also considers the risk impacts of each financing, including risks related to Environmental, Social & Governance Aspects.

BSI's risk management unit is comprehensive in overseeing all its business activities. The management process is systematically and effectively regulated, providing opportunities for continuous feedback. To reduce risks related to Environmental and Social Aspects, BSI has started mapping its financing portfolio by paying attention to businesses with high risks. The management of Environmental and Social Risk Management is outlined in the Portfolio Guideline Financing Business Procedure Standard, broadly covering 4 directions related to the provision of financing.



**Prohibition of providing financing** that violates the basic principles of Sharia, in the form of:

- a. The principle of justice and balance ('adl wa tawazun)
- b. Benefit (maslahah)
- c. Universalism (alamiyah)
- d. Contains objects of maysir (speculation), gharar (unclear), haram, usura, risywah (gratification), bathil (unfair), and dzalim.



**Prohibition of financing that has the potential to damage the environment**



**Mandatory AMDAL and PROPER** for certain types of businesses. The Bank does not provide financing to companies that receive red and black PROPER ratings. BSI also ensures the following four things in consideration of providing financing:

- a. There is no pollution in the production process
- b. There is no waste pollution and there is waste treatment in accordance with regulations
- c. There are no complaints from residents/community in the surrounding areas where the business is located.
- d. Compliance with all applicable government rules and regulations.



There is a requirement for Industry Acceptance Criteria (IAC) for the palm oil industry that has Indonesian Sustainable Palm Oil (ISPO) and/or Roundtable for Sustainable Palm Oil (RSPO) certification

In order to have a financing portfolio in accordance with Sustainable Development Goals (SDGs) and Maqashid Sharia, the Company has developed the entire financing process (end-to-end process). This process encompasses planning, acquisition, monitoring, as well as collection and recovery, catering to both wholesale and retail customers. The objective is to ensure the effectiveness of managing and mitigating Environmental and Social Risks within the Company's operational environment.

## 01

### Financing Planning

- a. Determine risk corridors that take into account the focus of the industry sector, target customers and client tiering.
- b. Determine the management threshold and pipeline management
- c. Carry out wholesale ratings

## 03

### Maintenance & Intensive Monitoring

- a. Monitoring portfolio mix
- b. Account Mapping and Risk Classifications
- c. Annual review
- d. Watchlist alert
- e. Evaluation of Financing Risk Rating Results
- f. Evaluation of Allowance for Impairment Losses
- g. Monitoring the fulfillment of the covenant
- h. Monitoring second way out



## 02

### Acquisition Process

- a. Comprehensive analysis process.
- b. Decision process with Four Eye Principle.
- c. Understanding and mastery of business processes.
- d. Risk mitigation through terms & conditions and covenants

## 04

### Optimal Collection & Recovery

- a. Restructurization
- b. Customer Mapping according to quadrants and establishing strategies and action plans
- c. Infrastructure preparation and collection & recovery system
- d. Monitoring Non Performing Financing and Write-Offs
- e. Booster Program



# Sustainability Governance



## Financing Planning

- a. Focus on specific sectors for SMEs
- b. Focus on segmented and targeted customers
- c. RAC (Risk Acceptance Criteria) designation and product features
- d. Product Program
- e. Credit Scoring model



## Acquisition Process

- a. Ensuring acquisitions according to target market, product features, and RAC
- b. Implementation of four eyes principle
- c. Verification process that covers income, document and customers
- d. Scoring Model Implementation



## Maintenance & Intensive Monitoring

- a. Monitoring portfolio and quality through RTTA Report, PQR, CCA, Product Program, Monitoring, and Stop&Go
- b. Watchlist review and annual review
- c. Maintenance scoring system
- d. Monitoring post transaction, covenant, second way out, committed to payroll, PKS Non Payroll, result monitoring call/monitoring call result
- e. Review quality leading indicator: PPD, EPD, DG, dan reason



## Optimal Collection & Recovery

- a. Restructurization
- b. Mobile collection
- c. Enhancement of Collection System
- d. Monitoring of NPF and WO
- e. Program booster collection & recovery
- f. Claim & Subrogation Monitoring System

BSI takes a comprehensive approach to managing various risks, including those related to the environment, society, capital adequacy, and strategic plans for future business development. This ensures that the Bank's operations and financing activities are conducted in line with its risk appetite. The Board of Directors carefully assesses and oversees the Bank's capital and debt structure to ensure it aligns with its strategic goals and risk appetite. This evaluation encompasses an assessment of the Bank's funding, investment, and capital allocation policies to ensure its ability to navigate dynamic markets conditions and fulfill its financial obligations to customers and stakeholders in the long run.

## AUDIT AND SUPERVISION

The Bank has an Internal Audit Work Unit (SKAI) which carries out internal audit functions, namely general audit and investigation activities. This activity aims to ensure that all Bank business activities are carried out in accordance with the sharia principles and applicable laws and regulations issued by the government, banking regulators, bank supervisory authorities, as well as internal policies, provisions and procedures established by the Bank.

## Audit Committee

The Bank has an Audit Committee to support the implementation of the duties and responsibilities of the Board of Commissioners to run effectively. The establishment of the Audit Committee refers to Bank Indonesia Regulation (PBI) No. 11/33/PBI/2009. This committee performs the oversight functions of financial information, internal control systems, the effectiveness of audit activities, risk management, compliance, and other tasks, including overseeing the implementation of sustainable finance.

## Sharia Supervisory Board

The continuity of the sharia banking business is supervised by the Sharia Supervisory Board, which plays a role in analyzing the reports of the Board of Directors, as well as reports required or requested by the Board of Directors. The Sharia Supervisory Board also carries out an internal audit function and/or compliance function to determine the quality of compliance with sharia principles in Bank activities, including aspects of sustainable finance.

## Internal audit

In implementing sustainable finance, Internal Audit conducts annual checks on financing customers who are included in business sectors that have a potential

impact on the environment. The annual inspection is carried out periodically. The implementation of the audit refers to the Bank's Risk Management Policy and internal regulations related to the internal control system.

### PROBLEMS OF IMPLEMENTING SUSTAINABLE FINANCE [SEOJK E5]

The implementation of sustainable finance has many challenges. BSI has a number of challenges it must deal with, including:

- 1) limitations on non-MSME's environmentally sound business activity projects (KUBL) that can be financed by banks,
- 2) higher risk of non-MSME's environmental-friendly projects,
- 3) difficulty in finding insurance companies that want to work together to become financing guarantors in environmental-friendly project of non-MSMEs, to the lack of awareness of the importance of climate change issues for customers and debtors.

As a means of solution, the Bank also made several efforts in facing these challenges, such as:

- 1) Synchronize of RAKB with the Corporate Plan and the Bank's Business Plan (RBB),
- 2) Develop Strategic Initiatives on Sustainability, Gap Analysis, proposed Action Plan, and set time line for implementation of prioritised action plan.
- 3) Benchmarking with national and global industries regarding the implementation of Sustainable Finance,
- 4) Adding Social and Environmental Risks to policies and/or Bank Financing Analysis
- 5) The Bank publishes Sustainable Finance activities more massively, both internally and externally, through print, online, and digital media.

### Prevention of Conflict of Interest

In carrying out duties and responsibilities, conflicts of interest often arise beyond official duties, involving personal, family, or other interests that may compromise the objectivity of a bank's personnel. Therefore, in decision-making, members of the Board of Commissioners, members of the Board of Directors,

and the Company's Major Shareholders will prioritize the interests of the Company and are not allowed to take actions that prioritize personal economic interests that may harm and/or reduce the Company's profits.

BSI also implements several measures as a preventive effort against conflicts of interest, such as requiring the Bank's personnel to avoid activities that may create conflicts of interest and promoting honorable and responsible actions free from influences that may compromise objectivity in task implementation or result in the Bank losing business and/or reputation. They are prohibited from misusing the corporate identity of the Bank outside the Bank's interests and with the Bank's consent.

### Prohibition of Risywah (Bribery) [GRI 205-1] [GRI 205-2]

As part of its commitment to achieve Company performance in accordance with expectations, the Bank enforces an Anti-Bribery Policy among its personnel, prohibiting them from giving or receiving bribes from customers.

In support of this, the Bank has guidelines for implementing an anti-bribery management system that helps identify, prevent, and reduce the risks associated with bribery practices. These guidelines represent BSI's commitment to implementing an anti-bribery policy that has been certified to the international standard ISO 37001:2016 for the Anti-Bribery Management System (ABMS). This system assists the Bank in enhancing preventive measures and controls against the risk of bribery that may occur in the Company's operations, including the strict implementation of bribery controls, ethics training, and continuous risk assessment.

Additionally, BSI strengthens the implementation of ISO 37001 with ISO 37301 on anti-money laundering. This demonstrates the Bank's compliance with the standards set by applicable laws and regulations. Consequently, it is expected to enhance trust and reputation in the eyes of customers and the public, as well as strengthen integrity and credibility in the eyes of stakeholders.



## Sustainability Governance

A detailed description of the communication, monitoring and reporting mechanisms related to the prohibition of risywah can be found in the discussion in the Bank's Annual Report.

The Bank Syariah Indonesia has successfully attained certification



# ISO 37001:2016

The certification relates to an anti-bribery management system in the field of goods/services procurement and vendor management which aims at identifying, detecting and preventing bribery.

### Prohibition of Insiders Behavior

To prevent Insider Trading, members of the Bank with access to confidential information are forbidden from exploiting such information for personal gain or for the benefit of others, which could result in losses for the Bank. Consequently, all transactions must be carried out transparently, and any policies should be openly communicated to relevant stakeholders.

### Banking System Integrity

To uphold the integrity of the banking system, it is imperative for all Bank personnel to ensure that they are not manipulated for criminal or illegal activities. They are obligated to steer clear of any involvement in money laundering, narcotics, or terrorism. These collective efforts serve as self-preventive measures to avoid participation in activities that could undermine or diminish the integrity of the banking system in Indonesia.

### STAKEHOLDER ENGAGEMENT [SEOJK E4][GRI 2-29]

The engagement of stakeholders is an indispensable component for the ongoing success of the company's business. Recognizing that stakeholder involvement can yield sustained benefits for society, the Bank categorizes stakeholders based on their proximity and influence on business continuity. Additionally, the Bank actively includes stakeholders in policy formulation and program implementation, aligning them with on-the-ground issues and the unique requirements of each stakeholder. Feedback from these stakeholders is then considered in shaping material topics.

| Stakeholder Group          | Identification Basis      | Approach   | Key Topics   |
|----------------------------|---------------------------|--|--|
| Shareholders and Investors | Responsibility, Influence | <ol style="list-style-type: none"> <li>1. General Meeting of Shareholders (GMS) once a year</li> <li>2. Extraordinary General Meeting of Shareholders (EGMS), as needed</li> <li>3. Publication of financial statements every quarter</li> <li>4. Annual Report, every year</li> <li>5. Sustainability report, every year</li> </ol> | <ol style="list-style-type: none"> <li>1. Strengthening financial performance and sustainability</li> <li>2. Organizing GMS and EGMS</li> <li>3. Prepare and present reports</li> <li>4. Distribution of dividends</li> <li>5. Publication and disclosure of information</li> <li>6. Investor meetings organized by the investor relations unit</li> </ol> |

| Stakeholder Group         | Identification Basis      | Approach  | Key Topics   |
|---------------------------|---------------------------|---|--|
| Employee                  | Dependency                | <ol style="list-style-type: none"> <li>1. Internal communication tools such as email and internal memos. Implementation as needed.</li> <li>2. Self-development according to training schedule</li> <li>3. Occupational health, security and safety</li> <li>4. Employee activities such as sports and hobbies. Frequency on a regular basis.</li> </ol>  | <ol style="list-style-type: none"> <li>1. Conducive industrial relations</li> <li>2. Fulfillment of workers' rights in accordance with the provisions</li> <li>3. Equality in self-development, training, careers.</li> <li>4. Work facilities with attention to security, health, and safety.</li> </ol>  |
| Government and Regulators | Influence                 | <ol style="list-style-type: none"> <li>1. Compliance report, at least once a year</li> <li>2. Submit the Bank Business Plan (RBB) and RBB Realization Report to the Financial Services Authority (OJK).</li> <li>3. Submit Sustainable Finance Action Plan to OJK.</li> <li>4. Submit reports in accordance with applicable regulations. Frequency in accordance with regulations</li> <li>5. Cooperation in organizing events as needed</li> </ol> | <ol style="list-style-type: none"> <li>1. Compliance with regulations</li> <li>2. Prepare and submit RBB and RAKB</li> <li>3. Prepare and submit reports according to regulations</li> <li>4. Establish communication with government and regulators</li> <li>5. Comply with applicable laws</li> <li>6. Implementation of anti-corruption policy</li> </ol>   |
| Customer                  | Dependency                | <ol style="list-style-type: none"> <li>1. Islamic banking transaction activities at the Bank's office or network</li> <li>2. Contact center, either by telephone or other means. Frequency every time.</li> <li>3. Easy, safe and reliable banking products and services</li> </ol>   | <ol style="list-style-type: none"> <li>1. Provide product and service information</li> <li>2. Provision of means of resolving obstacles / complaints (24-hour contact center)</li> <li>3. Development of safe, convenient, and reliable banking networks, products, and services</li> <li>4. Implementation of anti-corruption and anti-fraud policies</li> <li>5. Implementation of customer data security policies</li> <li>6. Carrying out customer satisfaction surveys</li> </ol> |
| Local Partners/ Suppliers | Dependency                | <ol style="list-style-type: none"> <li>1. Procurement contract for goods and services</li> <li>2. Transparent assessment of partners</li> <li>3. Signing of integrity pact</li> </ol>   | <ol style="list-style-type: none"> <li>1. Fair and transparent procurement process mechanism.</li> <li>2. No fees and conflicts of interest in the procurement process.</li> <li>3. Implement an anti-bribery management system.</li> </ol>  |
| Similar Industry          | Influence                 | <ol style="list-style-type: none"> <li>1. Information on the development, opportunities and challenges of the Islamic banking industry</li> <li>2. Information on regulations related to the industry, especially Islamic banking</li> <li>3. Periodic meetings with banking and Islamic banking industry associations, as well as professional associations</li> </ol>   | <ol style="list-style-type: none"> <li>1. Ease of updating industry developments through membership of industry and professional associations</li> <li>2. Cooperation in improving capabilities and competitiveness</li> <li>3. Support the development of a healthy business competition climate</li> </ol>   |
| Community and Environment | Influence, Responsibility | <ol style="list-style-type: none"> <li>1. Development of Social and Environmental Responsibility (CSR) program according to plan.</li> <li>2. Support in welfare improvement programs</li> <li>3. Ease of access to banking services</li> <li>4. Cooperation with ZIS channeling partners in TJSI activities every year.</li> </ol>   | <ol style="list-style-type: none"> <li>1. Fostering harmonious relationships with the community</li> <li>2. Development and implementation of TJSI programs to support community empowerment.</li> <li>3. Preserving the environment</li> <li>4. Providing employment opportunities to the community in accordance with the needs and provisions of the Bank</li> <li>5. Implementing financial literacy programs</li> <li>6. Increase KKUB financing</li> </ol>                       |



## Sustainability Governance

As can be seen from the chart below, BSI's action plan related to stakeholders' expectations has been categorized according to ISO 26000 - Social Responsibility Guidelines:

| Core Subject ISO 26000 Social Responsibility Guideline | BSI's Response and Action Plan   |   |
|--|--|---|
|  | For Internal Stakeholders *  | For External Stakeholders **  |
| 1 Human Rights   | <p>Ensuring employee basic needs and rights in the workplace.</p> <p>Providing E-care services for communication facilities related to employment</p>  | <p>Avoid discriminatory practices against customers.</p> <p>Provide Call Center services for communication with customers</p>   |
| 2 Labor & OHS  | <p>Gender equality</p> <p>Employee training</p> <p>Employee remuneration above the minimum wage standard applicable in the Bank's operational areas.</p> <p>Medical facilities for employees</p> <p>The Bank always strives to minimize the risk of accidents and occupational health.</p> | <p>Customers feel safe when transacting at the BSI Service Office</p>   |
| 3 Fair Operating Practices                             | <p>Prohibition of conflict of interest</p> <p>Prohibition of rywah (bribery)</p> <p>Prohibition of insider trading</p> <p>Prevention of corruption</p>   | <p>BSI is certified with ISO 37001 on Anti-Bribery Management System in goods/ services procurement and vendor management.</p>  |
| 4 Corporate Governance                                 | <p>CSR management by the Sustainable Finance Department within SO Corporate Secretary.</p> <p>Financing policy</p> <p>SPO Corporate Planning, Bank Business Plan (RBB), and Sustainable Finance Action Plan (RAKB).</p> <p>Establishment of UPZ BAZNAS BSI</p>                             | <p>Fulfillment of RAKB and Sustainability Report documents to the Financial Services Authority.</p> <p>BSI's Zakat distribution partners, BAZNAZ, BSI Maslahat, Rumah Zakat</p>                     |
| 5 Consumer Issues                                      | <p>Customer deposit protection guarantee policy</p> <p>Improvement of customer service quality</p> <p>Internalization of customer data confidentiality commitment within the Bank's organization.</p>  | <p>Customer complaint service through 24/7 contact center service, either through BSI Call 14040, or through BSI social media and chatbot.</p>  |
| 6 Environment  | <p>Implementing an environmentally friendly culture through the Green Campaign program and energy efficiency in the Bank's work environment.</p> <p>Disbursement of Environmental Business Activity Category (KKUB) financing based on POJK 51 Year 2017.</p>                              | <p>BSI's collaboration with Plasticpay to provide Reverse Vending Machine to encourage people to actively sort and recycle plastic bottle waste.</p> <p>CSR program in the field of environment</p> |
| 7 Community Empowerment                                | <p>BSI distributes Corporate Zakat Funds and employee payroll through UPZ BSI to be channeled to BAZNAS and BSI Maslahat and optimized for community empowerment programs.</p>   | <p>Distribution of PEN, KUR and MSMEs.</p> <p>Implementing CSR programs in the social sector together with LAZ BSI partners.</p>  |

Notes:

\* Internal stakeholders include employees, shareholders, investors, bank management.

\*\* External stakeholders include customers, regulators, government, partners and suppliers, environment, community.



## Whistleblowing System Management [GRI 2-16]

The Whistleblowing System (WBS) Reporting Guidelines serve as an internal control mechanism designed to ensure transparency and integrity among employees and throughout the hierarchy of BSI. The WBS acts as a secure platform for reporting witnesses to share information about potential violations occurring within the Bank.

BSI has a policy regarding the whistleblowing system which regulates reporting violations, we ensure that any employee who reports such activity in good faith is protected from retaliation, discrimination, or other forms of workplace intimidation. Any reporting is strictly confidential, and all reports will be thoroughly investigated while respecting the privacy and rights of all parties involved. We are committed to maintaining a transparent and ethical work environment in which all employees feel safe to express their concerns without fear of intimidation.

Furthermore, the Bank conducts awareness campaigns regarding the WBS reporting system and anti-gratification efforts, reaching all employees through desktop computers, the Bank's website, training sessions, sharing sessions, Taujih Pekan (internal religious advice), as well as notifications to customers, Bank partners, and the general public. A comprehensive discussion of the WBS can be found in the BSI Annual Report.

Complaints about the Whistleblowing system as of December 31, 2023 were a total of 577 complaints with the composition of the complaints as follows:

| Types of Complaints | Number of Complaints |
|---------------------|----------------------|
| Financing           | 48                   |
| Operational         | 521                  |
| Code of Conduct     | 8                    |
| <b>Total</b>        | <b>577</b>           |

From all the gathered complaints, the Bank will examine and conduct an analysis before taking further action. During the year 2023, the Bank conducted an examination of WBS complaints with the following details:

| Types of Complaints | Status            |                           |                   |                             |
|---------------------|-------------------|---------------------------|-------------------|-----------------------------|
|                     | Already Addressed | Currently Being Addressed | Not yet Addressed | Not Deemed Worthy of Action |
| 577                 | 6                 | 8                         | 1                 | 562                         |

More detailed information regarding GCG implementation in the Company can be found in the Company's Annual Report, including:

- Nomination and selection process for the Company's Board of Commissioners and Board of Directors
- The process of remuneration for the Board of Commissioners and Board of Directors of the Company
- Risk management, including policies, implementation

[GRI 2-9] [GRI 2-10] [GRI 2-19] [GRI 2-20] [GRI 2-21]

## Anti-Fraud Policy

BSI has committed to ensuring the continuity of integrity and transparency in all aspects of its operations. In line with this commitment, the company has adopted a comprehensive anti-fraud policy, which covers stages including: prevention, detection, investigation, reporting, and sanctioning, as well as monitoring, evaluation, and follow-up. This policy is designed to identify, prevent and follow up on any form of fraud that may occur within the company. Detailed information regarding this policy, including procedures, responsibilities, and reporting processes, is available for all parties to access through the company's official website.



02

## ECONOMIC PERFORMANCE

# “BSI is present as a catalyst for the development of Sharia Economics in Indonesia, which can contribute to the national economy as well as provide broad benefits for the people.”

As the largest sharia bank in Indonesia and one of the Top 10 Global Islamic Banks, BSI continues to optimize its sustainable economic performance within the Islamic financial ecosystem. The Bank consistently accelerates and innovates in such a way that it becomes a financial, social, and spiritual partner for its customers and the community at large. Furthermore, BSI continues with its commitment to be present throughout the country with the aim of contributing to the inclusive development of Sharia Finance in Indonesia. **[GRI 3-3]**

## ECONOMIC PERFORMANCE TARGETS AND OBJECTIVES

BSI implements economic performance strategies and targets by seeking to improve efficiency and creating synergy between work units. Until 2023, BSI's extensive network has been one of our advantages in our effort to reach communities at large. Recently, BSI has been ranked fifth in terms of the number of networks compared to other national commercial banks. Compared to other sharia banks, BSI has the largest network. This is both an opportunity and a challenge for BSI to consistently provide the best services.

In its efforts to achieve economic performance targets, the Bank always complies with all banking regulations. The various sharia banking products and services that we provide are in compliance with applicable Standard Operating Procedure (SOP), Technical Operating Guides, and Product Manuals. **[GRI 3-3]**

The Board of Commissioners and the Board of Directors are responsible for supervising and managing financial performance. BSI regularly supervises and evaluates the Company's Work Plan and Budget, financial statements, and audit results of the financial statements. The result of the evaluations will become the discussion agenda in joint meetings of the Board of Commissioners and Board of Directors and in the General Meeting of Shareholders.

## STRATEGIC MEASURES

In its efforts to realize the Bank's vision and mission, BSI continuously accelerates, innovates, and optimizes business opportunities through various strategic measures and policies, among others, as follows:

|  |  |
|--|--|
| <b>Strengthening Wholesale &amp; Transactional Banking</b> | BSI will work on the wholesale segment with a focus on increasing the customer base and deepening relationships with customers through transactional banking, organizational, and human capital capabilities, as well as offering comprehensive sharia products and services.  |
| <b>Strengthening Retail Banking</b>                        | In line with the government's focus on driving the economy through MSMEs, BSI will continue to strengthen retail banking, including through developing business partnerships, sharpening business models, digitalization, and improving business processes.  |
| <b>Digital Capability Acceleration</b>                     | BSI will accelerate mobile capability improvements (API, Product Segment), strengthen data analysis, increase system stability, and focus on improving the user experience.  |
| <b>Working on the Potential of the Islamic Ecosystem</b>   | BSI focuses on accelerating the growth of the national ZISWAF and developing the halal industry in Indonesia, such as mosques, hospitals, Islamic boarding schools and education, and the haj and umrah businesses, through the development of innovative platforms & solutions as well as effective acquisition and implementation. |
| <b>Office Network Arrangement</b>                          | BSI will focus on structuring the office network by relocating or closing adjacent outlets, increasing the contribution margin of small or unprofitable outlets, and shifting branch transactions to digital.  |
| <b>Doing Inorganic Growth</b>                              | BSI will strengthen capital in the context of business expansion and increase the share of public ownership in accordance with regulations by conducting a rights issue. BSI will also explore opportunities for inorganic growth.   |



## Economic Performance

In 2023, BSI's business development strategy focuses on:

- a. Financing expansion in segments that have proven resilient in the pandemic era, as follows:
  - 1) Focus on payroll-based consumer financing by expanding consumer marketing channel via digital platform, collaboration with wholesale-retail, developer, as well as third party partners.
  - 2) Increase penetration of pawn and gold installment products through digital services (mobile banking), cross selling within existing customers, and increasing productivity of sales agent in its network.
  - 3) Increase financing to MSMEs, specifically through Sharia People's Business Credit (KUR) by intensifying micro product marketing and developing cluster and partnership business model.
  - 4) Increase financing to wholesale segment through development of organisational capabilities and Human Resource (HR), focus on improvement of business processes, expansion of syndication and value chain business, and development of trade business.
- b. Focusing business development on low-cost funds, with main strategies as follows:
  - 1) Increasing acquisition of payroll service of targeted customers and increasing penetration of funding products in the Islamic Ecosystem.

- 2) Increasing customer base for Wadiah Saving, Business Saving, and Hajj Saving products.
- 3) Strengthening of digital transactional banking capability, both for institutional and individual customers.
- 4) Enhancement of Digital and Transactional Banking services.
- c. Development of digital capabilities and data analytics, both for internal and external purposes of BSI, so as to deliver quality and comprehensive services to customers, as well as to speed up BSI's business and operational processes.
- d. Strengthening of risk management and optimising remedial recovery.
- e. Increasing employee and network productivities.

### ECONOMIC PERFORMANCE ACHIEVEMENT [GRI 201-1]

By the end of 2023, BSI has been successful in achieving solid and positive economic performance. The Bank recorded a net profit of Rp5.70 trillion, which increased by 33.88% compared to the previous year. While on sustainable finance performance, BSI has provided financing of Rp57.7 trillion to sustainable business activities.



Funding Customers

19.65 million



Financing Customer

1.16 million



Total Financing

Rp240.3 trillion



Financing for Sustainable Business Activities

Rp57.7 trillion

Comparison of Product Targets and Performance, Portfolio, Financing or Investment Targets, Revenue, and Profit and Loss (Rp billion) [SEOJK F2]

## RETAIL BANKING

### Financing

| Segment        | 2023<br>(in billion Rupiah) | Growth YoY |
|----------------|-----------------------------|------------|
| Retail Banking | 42,258                      | 12.29%     |
| SME            | 19,346                      | 2.40%      |
| Micro          | 22,912                      | 22.26%     |
| Pawn           | 7,198                       | 21.38%     |
| Mortgage       | 52,517                      | 9.25%      |
| Automotive     | 4,186                       | 51.61%     |
| Multipurpose   | 51,336                      | 20.14%     |
| Pension        | 14,626                      | 13.94%     |
| Card           | 684                         | 25.57%     |

## WHOLESALE BANKING

### Financing

| Segment      | 2023<br>(in billion Rupiah) | Growth YoY    |
|--------------|-----------------------------|---------------|
| Corporate    | 54,542                      | 18.21%        |
| Commercial   | 12,969                      | 17.28%        |
| <b>Total</b> | <b>67,511</b>               | <b>18.03%</b> |

## THIRD PARTY FUND

| Product            | 2023<br>(in billion Rupiah) | Growth YoY |
|--------------------|-----------------------------|------------|
| Demand Deposit     | 53,201                      | 19.50%     |
| Saving Deposit     | 124,726                     | 7.08%      |
| Wadiah Savings     | 47,026                      | 6.36%      |
| Non Wadiah Savings | 77,700                      | 7.51%      |
| Time Deposit       | 115,848                     | 15.29%     |



## Economic Performance

### Realization of Sustainable Finance Implementation (Rp billion, unless stated otherwise)

[SEOJK F3]

| SUSTAINABLE BUSINESS ACTIVITIES CATEGORY<br>(in billion Rupiah)                                | 2023             | 2022             |
|--|------------------|------------------|
| a. Renewable Energy  | 1,072.23         | 1,135.35         |
| b. Energy Efficiency   | -                | -                |
| c. Pollution Prevention and Control  | -                | -                |
| d. Management of Living Natural Resources and Sustainable Land Use                             | 4,805.87         | 3,095.21         |
| e. Conservation of Land and Water Biodiversity   | -                | -                |
| f. Environmentally-friendly Transportation   | 47.26            | 34.65            |
| g. Sustainable Water and Wastewater Management   | 94.06            | 114.63           |
| h. Climate Change Adaptation   | -                | -                |
| i. Products that can Reduce use of Resources and Produce Less Pollution (Eco-Efficient)        | 5,806.99         | 4,497.89         |
| j. Green Building that meets National, Regional, and International Standards or Certifications | 163.19           | 190.12           |
| k. Business Activities and/or Other Environmentally-Friendly Activities                        | 245.09           | 258.79           |
| <b>Green Financing (KKUB)</b>  | <b>12,234.69</b> | <b>9,326.65</b>  |
| l. MSME Activities   | 45,468.99        | 41,823.61        |
| <b>ESG Financing/Sustainable Financing (KKUB)</b>  | <b>57,703.68</b> | <b>51,150.26</b> |
| <b>ESG Financing (KKUB) Ratio Sustainable Financing to Total Financing</b>                     | <b>24.07%</b>    | <b>24.70%</b>    |



ESG  
Financing

**24.07** %

Ratio of ESG financing portfolio to total financing portfolio

At the same time, in order to implement sustainable finance measures, BSI has conducted a special study of the financial implications and opportunities of climate change to support operational preparation in the form of Business Impact Analysis (BIA) and Risk Assessment (RA) reviews. The Bank has also carried out natural disaster simulation drills as part of its Business Continuity Management (BCM) at each work unit. **[GRI 3-3][GRI 201-2]**

01

Conducting analysis of risk related to climate change and its impacts to Bank's operations:

Increase of operational risk due to external factors that could occur in work units as a result of natural disasters such as floods, forest fires, and drought.

Increased risk in financing due to debtors' failure to fulfill their obligations if their businesses are vulnerable and affected by climate change.

02

Conducting in-depth analysis of issues related to the impact of climate change on the Bank's financial.

03

Conducting mitigations in risk management, both in terms of internal changes in behaviour that are more environmentally friendly, and in terms of the impact on funding to certain business sectors.

## SUSTAINABLE FINANCE PORTFOLIO

In implementing sustainable finance measures, BSI refers to the Sustainable Finance Action Plan (RAKB) guidelines. The RAKB 2023 document contains the Sustainable Finance Action Plan for a period of one year, i.e., 2023, and for a five-year period, i.e., from 2021 to 2025, as well as the strategy to implement the plan according to the set targets and timelines. In order to plan and carry out the implementation of the five-year Sustainable Finance Action Plan, the Bank has conducted a synchronization of objectives and strategies that are contained in the Bank's Corporate Plan and the Bank's Business Plan (RBB).

In 2023, BSI has continuously improved its sustainable finance activities based on the three pillars, i.e. Sustainable Banking, Sustainable Operation and Sustainable CSR, and Financial Inclusion. These activities are in line with the objective of BSI, which is to continue to grow positively by becoming a partner in financial, social, and spiritual matters for society. The positive growth of green financing, the increase in green activities, and the implementation of a green economy based on maqoshid syariah have contributed positive values to sharia banking.

### Portfolio of Economic Sector Funding

Throughout 2023, the Bank has successfully disbursed funding in total of Rp240.32 trillion to business players and achieved 100.55% of the set target.

### Financing Based on Economic (Rp billion)

| No. | Sector                                    | 2023   | Percentage (%) |
|-----|---|--------|----------------|
| 1.  | Agriculture, Hunting and Forestry         | 17,124 | 7.13%          |
| 2.  | Fisheries                                 | 765    | 0.32%          |
| 3.  | Mining and Exploration                    | 2,393  | 1.00%          |
| 4.  | Manufacturing Industry                    | 11,806 | 4.91%          |
| 5.  | Electricity, Gas and Water                | 4,768  | 1.98%          |
| 6.  | Construction                              | 19,833 | 8.25%          |
| 7.  | Wholesale and Retail Trade                | 17,484 | 7.28%          |
| 8.  | Accommodation, Food & Beverage            | 2,758  | 1.15%          |
| 9.  | Transportation, Storage and Communication | 8,346  | 3.47%          |
| 10. | Financial Intermediary                    | 5,870  | 2.44%          |



## Economic Performance

| No.          | Sector   | 2023           | Percentage (%) |
|--------------|--|----------------|----------------|
| 11.          | Real Estate, Leasing and Business Service                          | 3,868          | 1.61%          |
| 12.          | Government Administration, Defense, and Mandatory Social Insurance | -              | 0.00%          |
| 13.          | Education Service  | 4,499          | 1.87%          |
| 14.          | Healthcare and Social Services                                     | 6,818          | 2.84%          |
| 15.          | Socio-Culture, Entertainment, and Other Individual Services        | 3,315          | 1.38%          |
| 16.          | Household Services   | 160            | 0.07%          |
| 17.          | Unclear definition Activities                                      | 4,499          | 1.87%          |
| 18.          | Household  | 130,481        | 54.30%         |
| 19.          | Other Non-Business Sectors   | 30             | 0.01%          |
| <b>Total</b> |  | <b>240,316</b> |                |

As MSMEs are one of the sectors that play an important role in the national economy, funding for MSMEs is also a priority program of BSI. In 2023, the Bank continued to disburse financing to ESG (Environmental, Social, and Governance)-oriented MSMEs, ranging from agricultural to household sectors of Rp45.56 trillion.

### MSME Portfolio by Sector (Rp billion)

| No.           | Sector   | 2023          | Percentage (%) |
|---------------|--|---------------|----------------|
| 1.            | Agriculture, Hunting and Forestry                                  | 9,508         | 20.87%         |
| 2.            | Fisheries  | 759           | 1.67%          |
| 3.            | Mining and Exploration   | 253           | 0.56%          |
| 4.            | Manufacturing Industry   | 3,062         | 6.72%          |
| 5.            | Electricity, Gas and Water   | 163           | 0.36%          |
| 6.            | Construction   | 1,549         | 3.40%          |
| 7.            | Wholesale and Retail Trade   | 14,677        | 32.22%         |
| 8.            | Accommodation, Food & Beverage                                     | 2,457         | 5.39%          |
| 9.            | Transportation, Storage and Communication                          | 985           | 2.16%          |
| 10.           | Financial Intermediary   | 1,200         | 2.63%          |
| 11.           | Real Estate, Leasing and Business Service                          | 1,655         | 3.63%          |
| 12.           | Government Administration, Defense, and Mandatory Social Insurance | -             | 0.00%          |
| 13.           | Education Service  | 3,045         | 6.68%          |
| 14.           | Healthcare and Social Services                                     | 2,963         | 6.50%          |
| 15.           | Socio-Culture, Entertainment, and Other Individual Services        | 3,141         | 6.89%          |
| 16.           | Household Services   | 136           | 0.30%          |
| 17.           | Unclear definition Activities                                      | -             | 0.00%          |
| 18.           | Household  | -             | 0.00%          |
| 19.           | Other Non-Business Sectors   | 3             | 0.01%          |
| <b>Jumlah</b> |  | <b>45,558</b> |                |



 Distribution of Financing Fund to MSME  
**Rp45.5** trillion

 Fostered MSMEs  
**3,009** Fostered MSMEs

 People's Business Credit (KUR) financing  
**Rp20.98** trillion

### ENVIRONMENTALLY-FRIENDLY BUSINESS PORTFOLIO

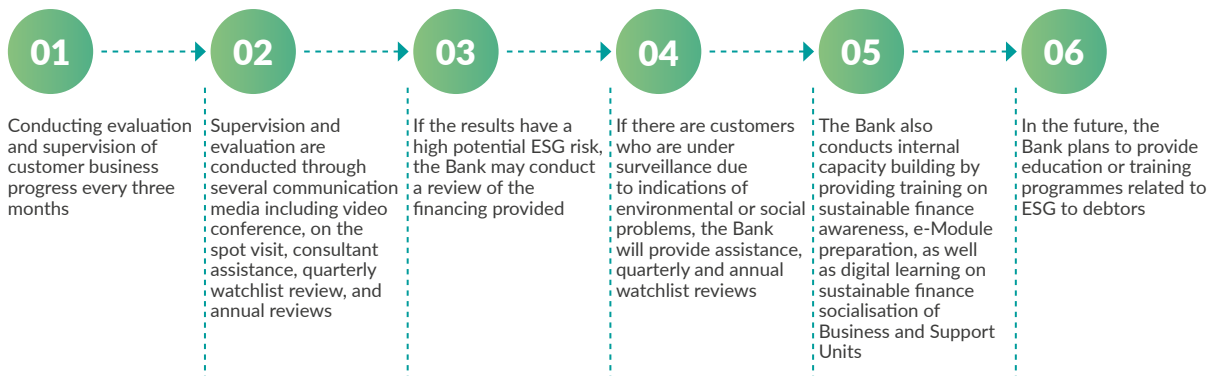
BSI's sustainable financing or environmentally oriented business is carried out based on the criteria and Categories of Sustainable Business Activities (KKUB) established by OJK in the Technical Guidelines of POJK No. 51/POJK.03/2017. Based on these guidelines, BSI identifies sustainable financing consisting of MSME financing and non-MSME green portfolios.

In addition, BSI also has a Corporate Plan (Corplan) and Standard Operating Procedures (SOP), which serve as guidelines in preparing the RAKB and Bank Business Plan (RBB), including in developing the sustainable finance priority program. This document regulates the procedures for the financing process for debtors who have environment-oriented business activities.

The bank has green finance criteria, which is one of the considerations in providing financing. Every prospective debtor's business must meet the criteria for an analysis of environmental impacts, including:



After all the criteria are fulfilled, the Bank will then carry out several stages as follows:



In 2023, BSI carried out an evaluation process based on these criteria, and there are no customers who have significant environmental and social issues.



## Economic Performance

### IMPROVING THE ISLAMIC ECOSYSTEM

BSI is committed to encouraging the development of a strong and comprehensive Islamic ecosystem, starting from Ziswaf, the ecosystem of Islamic Schools and Islamic Boarding Schools, the Mosque Ecosystem, and the Hajj and Umrah ecosystem. The Bank continues to encourage the improvement of the Islamic ecosystem, which has great potential in terms of business, human resources, and transactions.

### Achievement of BSI's Islamic Ecosystem in 2023



### INFORMATION TECHNOLOGY-BASED SERVICES

With the development of information and communication technology, BSI took the initiative to innovate by presenting digital branch, e-channel, e-banking, and e-branch services. Through this technology-based service, customers' financial transaction needs can be met without having to visit the branch. Indirectly, this transaction process not only provides comfort, convenience, and efficiency but also helps to reduce the carbon emissions generated by customer transport vehicles. **[F.26]**

### Supporting the Laku Pandai Program

BSI has a Laku Pandai Agent called BSI Smart agent as a form of support for the development of the branchless banking program from the Financial Services Authority (OJK). BSI Smart can help people who do not have access to banking services conduct Islamic banking financial transactions. The various transactions that can be carried out include deposits, withdrawals, transfers, or bookkeeping, as well as opening an account so that they can receive the same banking services as other customers.

All BSI Smart agents have been provided with a briefing and training program to understand the product, product features, benefits, procedures, service quality, and introduction to supporting facilities. With the spirit of inclusive financial service, by the end of 2023, BSI has continued to expand its Laku Pandai program to produce 86,200 BSI SMART agents.



BSI Smart Agent

**86,200** Agent



Total Transaction

**Rp19.6** million



Transaction Amount

**Rp43.8** trillion

## FINANCIAL PRODUCT AND SERVICES RESPONSIBILITIES [SEOJK F27]

The Bank always ensures that BSI's Islamic banking products and services can be obtained and enjoyed by all customers, regardless of gender, race, ethnicity, physical, and faith backgrounds. All customers have equal rights to use the products and services we provide through procedures in accordance with applicable policies and regulations.

[OJK F.17][OJK F.27]

Pursuant to the Standard Operating Procedures for New Products and/or Activities (SPO PAB), the Bank provides clear information on products and services issued, such as information on deposit products, loans, and banking services. The information is conveyed through several communication media, such as websites, social media, brochures, etc., as well as through our customer service and banking agents. In addition, Group Marketing Communication also develops marketing communication strategies and programs that refer to advertising ethics. This work unit also monitors issues in the media related to the Bank's products and services to mitigate product and service communication risks.

[OJK F.18][GRI 417-1]

Islamic financial statements also provide transparent features regarding available products, their costs, benefits, and risks. In 2023, no products were recalled from the market, and no fines or other legal sanctions were imposed as a result of alleged non-compliance or violations of applicable regulations relating to misinformation about products and services and marketing communication materials. [OJK F.18][OJK F.29][GRI 417-2][GRI 417-3]

Furthermore, creditors' rights at BSI are always protected through the application of Sharia principles governing financial transactions, which not only prioritize fairness and transparency but also ensure that the rights of all parties, including creditors, are respected and protected. The Bank maintains strict monitoring of assets and liabilities to ensure sound liquidity and solvency. In addition, the application of Sharia-compliant Akad in financing products guarantees the creditor's right to receive repayment of funds in accordance with the predetermined agreement. The Bank also complies with the regulations of the Financial Services Authority (OJK) and prudential principles to provide an extra layer of protection for creditors.

## Identification of Potential Negative Impacts and Actions Plan [OJK F.28] [GRI 2-25]

Although the Bank's operations do not directly interact with the environment, BSI recognizes that banking activities can still have a negative impact on the environment and society. Therefore, BSI has identified potential negative impacts of the Bank's operations and planned actions to mitigate these impacts, including the following:



## Economic Performance

| Types of Potential Impact                                 | Potential negative impact   | Action plan  |
|---|---|--|
| Greenhouse gas (GHG) emissions from the Bank's operations | GHG emissions can cause climate change  | BSI is committed to reducing GHG emissions by increasing energy efficiency in the Bank's buildings, replacing operational vehicles with more environmentally friendly vehicles, and promoting a low-carbon and environmentally friendly lifestyle among employees. |
| Use of natural resources                                  | Excessive use of natural resources can cause environmental damage, decrease air and water quality, and cause negative impacts on the surrounding community. | BSI is committed to using natural resources wisely and optimizing their use. The Bank will also promote energy and water savings among employees and raise public awareness about the importance of conserving natural resources.                                  |
| Financial risks related to climate change                 | Climate change may increase financial risks for BSI, particularly with respect to the risk of loss due to natural disasters.                                | BSI will continue to monitor financial risks related to climate change and develop effective risk mitigation strategies. The Bank will also strengthen risk management practices and promote sustainable business practices among employees.                       |

### Protecting Customer Data Privacy

BSI recognizes that in this digital era, customer data privacy is a must that we must maintain. Therefore, in accordance with POJK No. 1/POJK.07/2013 on Consumer Protection in the Financial Services Sector and Standard Procedures for Fund Raising Business and SPO for Customer Protection and Complaints, the Bank always strives to provide a strict authorization system through parties with responsibility and authority.

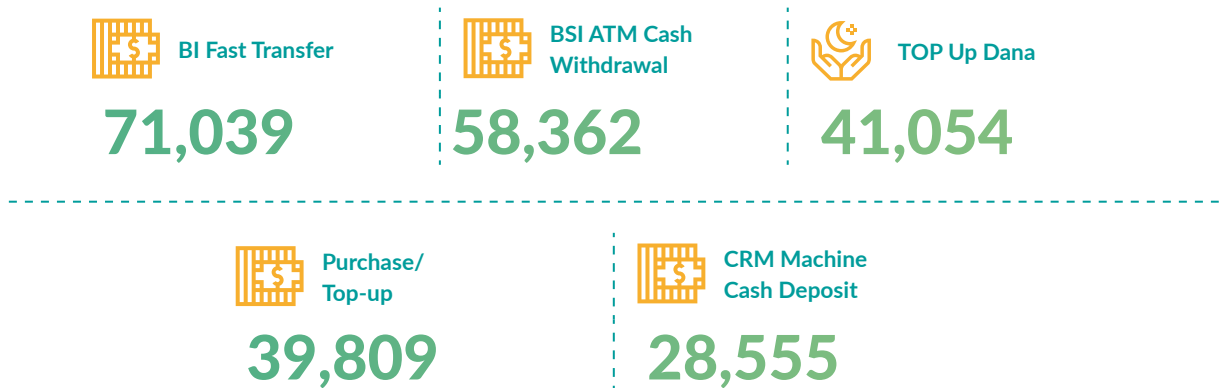
In this case, the Group Chief Information Security Officer (CISO) has duties and responsibilities for maintaining data security and customer privacy. On a regular basis, the CISO conducts security awareness activities to strengthen security parameters (firewall, waf, threat intel), conducts pentests according to the provisions, and conducts takedown services to detect fraud. Meanwhile, CISO mitigation is carried out through digital threat monitoring, which is a layered security test.

BSI has also implemented a security awareness education program through various channels, such as BSI Mobile, its website, social media, and BSU (webinar). The objective of this program is to educate and raise customer awareness about the security and privacy of their data. In addition, to ensure the security and protection of customers when using BSI's services, the Bank has measured the effectiveness of customer privacy. BSI evaluates BSI's privacy policy so that it can be implemented and understood by customers.

The 2023 measurement results show that the BSI privacy policy is effective and understood by customers. Most customers feel safe and secure when using BSI services. Going forward, BSI will continue to improve customer privacy and security through other innovative programs.

Throughout 2023, all complaints related to customer data privacy have been followed up on and responded to well by the Bank. In the event of a customer complaint related to cybersecurity, BSI validates the report for escalation to the Ministry of Communications and Information Technology (KOMINFO). In addition, the Bank also cooperates with third parties to monitor customer privacy and reports regularly to KOMINFO. [\[GRI 418-1\]](#)

**TOP 5 TYPES OF COMPLAINTS RECEIVED IN 2023 [GRI 418-1]**



**Financial Literacy and Inclusion**

In support of the national financial literacy program, BSI took the initiative to carry out various educational activities, such as releasing financial literacy-related content on social media and websites, as well as conducting several training programs. We also strengthen synergies with various parties in improving Islamic financial literacy, one of which is by collaborating with various universities to develop the Islamic ecosystem among the academic community and provide financial literacy to students.

**Customer Satisfaction Survey [SEOJK F30]**

The results of a Satisfaction, Loyalty and Engagement (SLE) Index survey in 2023, published by Infobank in 2024, show a significant increase. This shows that the Company has succeeded in increasing the level of satisfaction, loyalty and engagement of its customers in that period. In turn, it reflects on the Company’s consistent efforts to improve service quality and strengthen relationships with customers, which ultimately will have a positive impact on overall business performance and growth.



**Information and Complaint Services [SEOJK F24]**

To facilitate customers and the public in accessing information, BSI has a product and service information centre, among others through:

1. Website with the address of [www.bankbsi.co.id](http://www.bankbsi.co.id).
2. Social media: Facebook, Twitter, Telegram, Instagram.
3. BSI Call 14040.
4. AISYAH chatbot.
5. Convenience of mobile and internet banking facilities, as well as the Bank’s Branch Offices and ATMs.



## Economic Performance

In addition, as a form of consumer protection, the Bank also provides a means for customers to submit complaints. Currently, customer complaints received by the Bank are managed by the Customer Care Group. The complaint channels that can be used by customers to submit complaints are as follows:

1. BSI Call 14040.
2. E-mail [contactus@bankbsi.co.id](mailto:contactus@bankbsi.co.id).
3. Customer Service at the nearest Bank Syariah Indonesia branches.
4. Mobile banking.

In 2023, BSI has received 469,851 complaints from customers, and all have been resolved (100%). The Bank continues to be committed to providing prompt responses to customer complaints. Complaints by channel received are as follows:

| Complaint Channels | Number of Complaints |
|--------------------|----------------------|
| Call Center        | 56,828               |
| Mobile Banking     | 324,105              |
| Social Media       | 2,246                |
| Branch Offices     | 85,966               |
| Head Office        | 706                  |
| <b>Total</b>       | <b>469,851</b>       |

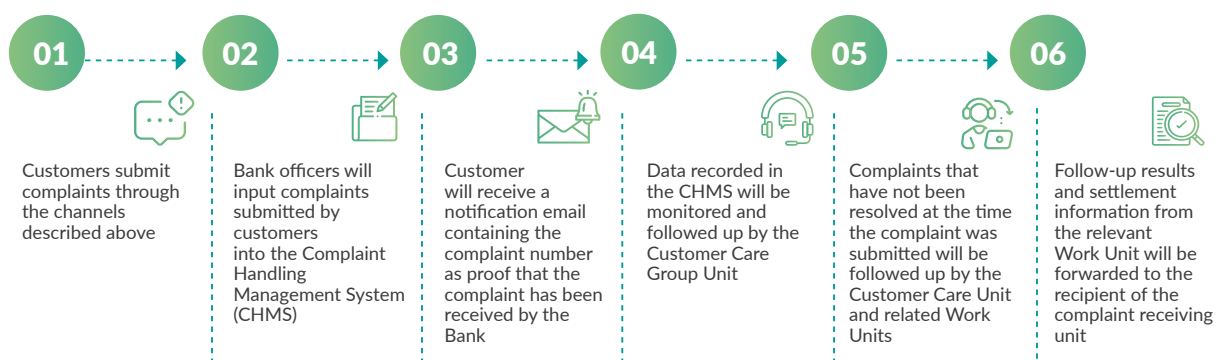
In carrying out its operational activities, BSI always refers to the policies and regulations applicable in Indonesia, namely:

1. Law of the Republic of Indonesia No. 8 of 1999 concerning Consumer Protection and all of its amendments.
2. Law of the Republic of Indonesia No. 21 on 16 July 2008 concerning Islamic Banking and all of its amendments.
3. Law of the Republic of Indonesia No. 4 of 2023 concerning the Development and Strengthening of the Financial Sector
4. Bank Indonesia Regulation No. 11/33/PBI/2009 on 7 December 2009 concerning the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units and all their amendments.
5. Financial Services Authority Regulation No. 18/POJK.07/2018 concerning Consumer Complaint Services in the Financial Services Sector.

6. Financial Services Authority Regulation No. 17/POJK.07/2014 concerning Alternative Dispute Resolution Institutions in the Financial Services Sector.
7. Financial Services Authority Regulation No. 65/POJK.03/2016 concerning Implementation of Risk Management for Sharia Commercial Banks and Sharia Business Units.
8. Regulation of Members of the Board of Governors Number 23/17/PADG/2021 concerning Procedures for Implementing Bank Indonesia Consumer Protection.
9. Financial Services Authority Regulation No. 31/POJK.07/2020 Concerning the Implementation of Consumer and Community Services in the Financial Services Sector by the Financial Services Authority.
10. Financial Services Authority Regulation No. 12/POJK.01/2017 concerning Implementation of Anti-Money Laundering and Counter-Terrorism Financing Programs.
11. Bank Indonesia Regulation No. 22/20/PBI/2020 concerning Bank Indonesia Consumer Protection.
12. Financial Services Authority Regulation No. 61/POJK.07/2020 concerning Alternative Settlement Institutions for the Financial Services Sector.
13. Financial Services Authority Regulation No. 6/POJK.07/2022 Concerning Consumer and Community Protection in the Financial Services Sector.
14. Circular Letter of the Financial Services Authority Number 30/SEOJK.07/2017 concerning the Implementation of Education in order to increase Financial Literacy for Consumers and/or the Community.
15. Circular Letter of the Financial Services Authority No. 7/SEOJK.07/2015 concerning Guidelines for Assessment of Alternative Dispute Resolution Institutions in the Financial Services Sector
16. Circular Letter of the Financial Services Authority No.13/SEOJK.07/2014 concerning the Standard Agreement and all amendments thereto.
17. Circular Letter of the Financial Services Authority No. 17/SEOJK.07/2018 concerning Guidelines for Implementing Consumer Complaint Services in the Financial Services sector.

18. Circular Letter of Financial Services Authority No. 50/SEOJK.03/2017 concerning Reporting and Requesting Debtor Information Through the Financial Information Service System (SLIK)
19. Bye Laws on October 30, 2009 concerning Blocking Customer Deposits and all their amendments.
20. The Articles of Association of PT Bank Syariah Indonesia and all amendments thereto.
21. PT Bank Syariah Indonesia's Internal Control System Policy and all of its amendments
22. Risk Management Policy of PT Bank Syariah Indonesia and all of its amendments.
23. Legal, Compliance and AML CTF Policy of PT Bank Syariah Indonesia and all their amendments.
24. Operational Risk Management Standard Control Procedures (SPP) and all amendments thereto.
25. Standard Procedures for Policies and Procedures-Making for PT Bank Syariah Indonesia and all their amendments.
26. Operational Technical Manual (OTM) of Fund Collection of PT Bank Syariah Indonesia and all its changes.

Meanwhile, in terms of recording customer complaints, the Bank uses the Complaint Handling Management System (CHMS) application with the following flow:



Complaints submitted by customers can be divided into 2 (two) types, namely:

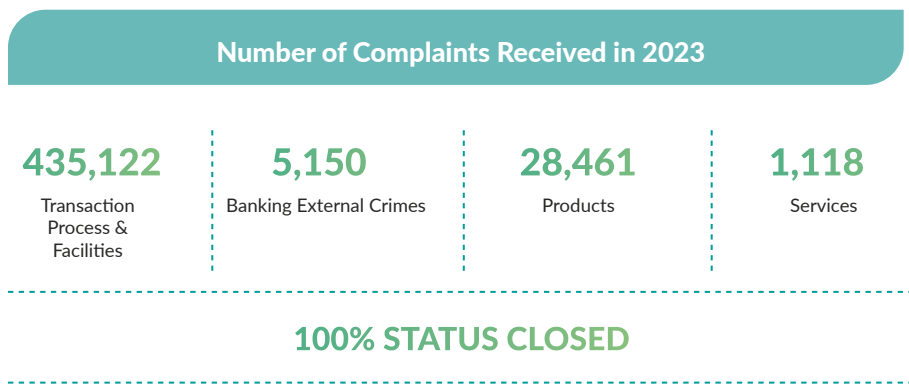
- a. Verbal complaints, which consists of:
  - Complaints must be responded to and/or resolved by the Complaint Recipient Work Unit/Customer Care Work Unit/Relevant Work Unit within 3 (three) working days after the complaint is received.
  - If the complaint cannot be resolved within 3 (three) working days, the Complaint Receiving Work Unit is obliged to ask the customer to submit his complaint in writing.
- b. Written complaints, which consists of:
  - Complaints must be resolved by the Complaint Recipient Work Unit/Customer Care Work Unit/Relevant Work Unit within a maximum of 14 (fourteen) working days after the complaint is received.
  - If the complaint cannot be resolved within 14 (fourteen) working days, the recipient of the complaint must submit written information on the time extension to the customer.
  - Banks can extend the complaint resolution period up to the next 20 (twenty) working days (if necessary).



## Economic Performance

The Bank has a platform called BSI Call that makes it easier for customers and the general public to submit complaints. The Bank also has a mechanism for filling out a complaint/request form available at all BSI branch offices throughout Indonesia. All complaints received will be forwarded and recorded by the Customer Handling Unit and recorded through the Complaint Handling Management System (CHMS). These complaints are categorized into four, namely: Products, Processes/Transactions and Facilities, Services, and Banking Crimes.

Throughout 2023, BSI received 469,851 complaints and 100% of these complaints have been resolved.







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03

## SOCIAL PERFORMANCE

“Bank Syariah Indonesia is committed to managing the impact of all the company’s operational activities by implementing social and environmental responsibility (CSR) programs, which are implemented through aspects of employment, occupational health and safety, and community empowerment in accordance with government regulations on social impact as part of fulfilling ESG (Environmental, Social, and Governance) aspects.”

### EMPLOYMENT PRACTICES

The Bank has established a Human Capital Roadmap to support the transformation of BSI’s organization and Human Resources (HR) to be innovative and proactive in responding to future challenges and changes. The focus of the Human Capital strategy in 2023 is to increase employee productivity, improve business processes, align performance with rewards, accelerate employee capability development, and strengthen the integration of the Company’s risk awareness culture. The focus aims to strengthen the fundamental policies of human capital.

To realize this goal, under the Director of Compliance & Human Capital, BSI continues to provide a rewarding work experience and become an employer of choice

by building a culture, environment, and working relationships that are valuable to every BSI person. We also respect human rights, diversity, safety, comfort, health, and support the development of each individual’s potential so as to provide excellent service to the community. [SEOJK F18][SEOJK F19]

### Composition and Distribution of BSI Employees

[GRI 2-7] [GRI 405-1]

BSI has recorded the composition and distribution of employees until the end of 2023. The data showed that the total number of BSI employees spread across our operational areas throughout Indonesia is 17,909 people. Of these, there are 7,367 female employees and 10,542 male employees.

| Based on Gender and Contract Status | 2022              |                                 | 2023              |                                 |
|-------------------------------------|-------------------|---------------------------------|-------------------|---------------------------------|
|                                     | Permanent (PKWTT) | Non Permanent (PKWT - Contract) | Permanent (PKWTT) | Non Permanent (PKWT - Contract) |
| Male                                | 10,572            | 436                             | 10,220            | 322                             |
| Female                              | 7,064             | 509                             | 7,025             | 342                             |
| <b>Total</b>                        | <b>17,636</b>     | <b>945</b>                      | <b>17,245</b>     | <b>664</b>                      |
|                                     |                   | <b>18,581</b>                   |                   | <b>17,909</b>                   |

Notes: There is no part-time scheme at BSI.



## Social Performance

| Based on Gender and Education Level | 2022          |              | 2023          |              |
|-------------------------------------|---------------|--------------|---------------|--------------|
|                                     | Male          | Female       | Male          | Female       |
| Doctorate                           | 9             | 2            | 7             | 3            |
| Magister                            | 632           | 268          | 652           | 291          |
| Bachelor                            | 9,285         | 6,430        | 8,943         | 6,257        |
| Diploma                             | 1,033         | 865          | 910           | 810          |
| Senior High School                  | 49            | 8            | 30            | 6            |
| Junior High School                  | -             | -            | -             | -            |
| Elementary                          | -             | -            | -             | -            |
| Others                              | -             | -            | -             | -            |
| <b>Total</b>                        | <b>11,008</b> | <b>7,573</b> | <b>10,542</b> | <b>7,367</b> |
|                                     | <b>18,581</b> |              | <b>17,909</b> |              |

| Based on Gender and Position | 2022          |              | 2023          |              |
|------------------------------|---------------|--------------|---------------|--------------|
|                              | Male          | Female       | Male          | Female       |
| Board of Commissioners       | 9             | -            |               |              |
| Director                     | 8             | 2            |               |              |
| Executive Manager (PE)       | 3             | 1            |               |              |
| Senior Manager               | 68            | 20           | 75            | 21           |
| Middle Manager               | 333           | 96           | 352           | 103          |
| Manager                      | 1,703         | 515          | 1,702         | 538          |
| Officer                      | 3,919         | 2,169        | 3,679         | 2,148        |
| Staff                        | 4,985         | 4,773        | 4,734         | 4,557        |
| <b>Total*</b>                | <b>11,008</b> | <b>7,573</b> | <b>10,542</b> | <b>7,367</b> |
|                              | <b>18,581</b> |              | <b>17,909</b> |              |

Notes: Total employees in this table include Board of Commissioners, Board of Directors, and Executive Managers.

| Based on Gender and Age Group | 2022          |              | 2023          |              |
|-------------------------------|---------------|--------------|---------------|--------------|
|                               | Male          | Female       | Male          | Female       |
| < 25 years                    | 81            | 170          | 76            | 158          |
| 25-30 years                   | 1,823         | 2,367        | 1,393         | 2,040        |
| 30-35 years                   | 2,771         | 2,320        | 2,419         | 2,056        |
| 35-40 years                   | 3,193         | 1,671        | 3,294         | 1,967        |
| 40-45 years                   | 1,876         | 678          | 1,959         | 698          |
| 45-50 years                   | 860           | 252          | 1,004         | 334          |
| > 50 years                    | 404           | 115          | 397           | 114          |
| <b>Total*</b>                 | <b>11,008</b> | <b>7,573</b> | <b>10,542</b> | <b>7,367</b> |
|                               | <b>18,581</b> |              | <b>17,909</b> |              |

| Based on Gender and Job Placement Location | 2022          |              | 2023          |              |
|--|---------------|--------------|---------------|--------------|
|  | Male          | Female       | Male          | Female       |
| Head Office                                | 3,245         | 1,414        | 3,278         | 1,495        |
| Region I - Medan                           | 1,283         | 811          | 1,223         | 801          |
| Region II - Palembang                      | 637           | 470          | 598           | 454          |
| Region III - Jakarta                       | 882           | 626          | 830           | 594          |
| Region IV - Bandung                        | 693           | 766          | 640           | 707          |
| Region V - Semarang                        | 534           | 572          | 516           | 555          |
| Region VI - Surabaya                       | 679           | 477          | 609           | 464          |
| Region VII - Indonesia Timur               | 767           | 587          | 714           | 562          |
| Region VIII - Makassar                     | 1,241         | 950          | 1,137         | 874          |
| Region IX - Aceh                           | 451           | 425          | 425           | 399          |
| Region X - Banjarmasin                     | 596           | 475          | 572           | 462          |
| <b>Total*</b>                              | <b>11,008</b> | <b>7,573</b> | <b>10,542</b> | <b>7,367</b> |
|  | <b>18,581</b> |              | <b>17,909</b> |              |

| Workers who are not Employees [GRI 2-8] | 2022  | 2023  |
|---|-------|-------|
| Outsourcing                             | 8,045 | 6,966 |

## FAIR AND QUALITY RECRUITMENT

The recruitment process at BSI is done with the aim of getting the best and most qualified human resources so that they are able to contribute maximally to the Company's business activities and operational performance. In this regard, BSI is committed to diversity, equality, and non-discrimination in the Bank's work environment, which is then presented in various HR management policies and programs through the coordination of Human Capital Services Group. One of the forms of our commitment is to conduct a recruitment process that upholds the principles of equality, fairness, and transparency without discriminating against gender, age, race, religion, physical condition, or other background differences.

In order to find competent and qualified candidates and develop the potential of Indonesia's brightest young men and women with BSI, we work with various external parties, such as the mass media, career centers in various universities, and headhunters. BSI also firmly opposes all forms of forced labor and does not employ minors, as stated in the recruitment policies, employment contracts, and company regulations that have been socialized to all BSI personnel as well as partners and suppliers. [SEOJK F18][SEOJK F19][GRI 408-1][GRI 409-1]



## Social Performance

In 2023, it was recorded that BSI had recruited 275 new employees consisting of 147 male employees and 128 female employees.

| Recruitment of New Employees by Position<br>[GRI 401-1] | 2022       |           | 2023       |            |
|---|------------|-----------|------------|------------|
|   | Male       | Female    | Male       | Female     |
| Senior Management                                       | -          | -         | -          | -          |
| Tenaga Ahli   | -          | -         | -          | -          |
| Senior Manager  | 11         | 2         | 14         | 1          |
| Middle Manager  | 6          | 2         | 12         | 3          |
| Manager   | 10         | 7         | 10         | 5          |
| Officer   | 5          | 3         | 13         | 4          |
| Staff   | 85         | 25        | 5          | 13         |
| Management Trainee                                      | 9          | 19        | 74         | 121        |
| <b>Total*</b>   | <b>126</b> | <b>58</b> | <b>147</b> | <b>128</b> |
|   | <b>184</b> |           | <b>275</b> |            |

| Recruitment of New Employee by Employee's Origin Region<br>[GRI 401-1] | 2022       | 2023       |
|--|------------|------------|
| Java   | 86         | 266        |
| Outside Java   | 98         | 9          |
| <b>Total*</b>  | <b>184</b> | <b>275</b> |

Notes: BSI categorizes employee's origin region based on the initial Work Unit placement

### Employees with disabilities at BSI



The Bank offers opportunities for people with disabilities to work at BSI according to their abilities. This commitment aligns with the provisions of Law No. 8 of 2016 concerning Persons with Disabilities. The recruitment process for individuals with disabilities is guided by the principles of equality and solidarity, facilitated by the Kriya program. This program provides mentoring for each employee, ensuring that candidates with disabilities can actively participate in the recruitment process and ultimately perform at

their best in their roles. Another recruitment process for individuals with disabilities is through internship programs at the Change & Culture Academy.

BSI has 13 employees with disabilities as of the end of 2023, consisting of 7 male employees and 6 female employees placed in administrative, call center, and back-office positions distributed across the HCS, CCG, and RO Aceh units.

## EMPLOYEE TURNOVER RATE

Employee turnover occurs for several reasons, ranging from employees who have reached normal retirement age to contract expiration, dismissal, resignation, health reasons, and others. For resignation or dismissal, the Bank refers to Labour Law No. 13 and the applicable PKB; a letter must be submitted to the supervisor at least 1 month in advance. [GRI 402-1] [GRI 2-30]

Throughout 2023, BSI's employee turnover rate was 3.77%, with a total composition of 275 new recruits and 688 people who no longer joined the Bank.

| Employee Turnover Rate by Gender<br>[GRI 401-1] | 2022         |        | 2023         |        |
|---|--------------|--------|--------------|--------|
|   | Male         | Female | Male         | Female |
| New Employee (Recruitment)                      | 126          | 58     | 147          | 128    |
| Resigned  | 405          | 357    | 318          | 288    |
| Retired   | 39           | 22     | 39           | 22     |
| Passed away                                     | 16           | 10     | 16           | 5      |
| <b>Employee Turnover Rate</b>                   | <b>4.57%</b> |        | <b>3.77%</b> |        |

| Employee Turnover Rate by Age Group<br>[GRI 401-1] | 2022            |                 |                 |               | 2023            |                 |                 |               |
|--|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|---------------|
|  | 21-30 years old | 31-40 years old | 41-50 years old | >50 years old | 21-30 years old | 31-40 years old | 41-50 years old | >50 years old |
| New Employee (Recruitment)                         | 112             | 51              | 15              | 6             | 229             | 24              | 17              | 5             |
| Resigned   | 351             | 307             | 94              | 10            | 210             | 308             | 81              | 7             |
| Retired  | -               | 4               | 6               | 51            |                 | 5               | 8               | 48            |
| Passed away  | 7               | 11              | 6               | 2             | 2               | 10              | 7               | 2             |

| Employee Turnover Rate by Work Area<br>[GRI 401-1] | 2022 |              | 2023 |              |
|--|------|--------------|------|--------------|
|  | Java | Outside Java | Java | Outside Java |
| New Employee (Recruitment)                         | 86   | 98           | 266  | 9            |
| Resigned   | 498  | 264          | 412  | 194          |
| Retired  | 47   | 14           | 44   | 17           |
| Passed away  | 13   | 13           | 8    | 13           |

## EMPLOYEE REMUNERATION SYSTEM [GRI 405-2]

The management of the remuneration (reward) system is one of the Bank's strategies for providing employees with remuneration, which may be financial or non-financial in nature, that is competitive but still in line with the Bank's capabilities. Bank Syariah Indonesia's reward system policy in 2023 is to align the remuneration position of employees to be more competitive with the market. The amount of remuneration provided has been adjusted to the applicable regulations and is above the minimum wage standard applicable in the Company's operational area.



## Social Performance

Rewards are given by the Bank by prioritizing the principles of competitiveness and fairness based on performance and risk and considering the implementation of best practices in the banking industry. In order to maintain market competitiveness, the Bank regularly participates in the Annual Salary Survey in the Indonesian banking industry, conducted by a competent independent survey agency. In determining remuneration, every employee has the same rights without distinction based on background, such as gender, race, religion, ethnicity, and certain physical conditions. BSI's own remuneration policy is carried out by considering achievement, length of service, key performance indicator (KPI) achievement, and length of service, which are always reviewed annually.

### 3P Remuneration Determination System

#### Pay for Position

Employees are compensated in accordance with their position.

#### Pay for Person

Employees are compensated according to their individual skills.

#### Pay for Performance

Employees are compensated according to their performance.

Remuneration is provided by the Bank to motivate our employees to optimize their performance, both for personal and corporate development, to maintain a competitive position in the market, and to retain talented employees. In addition, the reward is also an effort to attract the best talent in the industry needed by the Bank to achieve business objectives and maintain business continuity.

Not only salaries and employee benefits, we also provide a Financial Institution Pension Fund (DPLK) program for permanent employees through contributions from employees and the Company every month, as well as various other facilities to support the performance of our employees. The Bank also provides additional benefits for employees affected by the COVID-19 pandemic in the form of vitamins, shuttle buses for work, and Grabcar corporate facilities. [\[SEOJK F20\]](#)

| Forms and types of benefits/allowances<br>[GRI 401-2] [GRI 201-3]                  | Permanent Employee | Contract Employee |
|--|--------------------|-------------------|
| Basic Salary   | √                  | √                 |
| Life Insurance/BPJS Health   | √                  | √                 |
| Health Benefits, including birth allowance   | √                  | √                 |
| Work Accident (JKK) and Disability Insurance - Included in BP Jamsostek facilities | √                  | √                 |
| Pension Insurance (JP) - Included in BP Jamsostek facility                         | √                  | √                 |
| Share Ownership Opportunity  | √                  | -                 |
| Hari Raya Allowance  | √                  | √                 |
| Leave Allowance  | √                  | √                 |

The Bank provides both financial and non-financial rewards. Examples of financial rewards include annual bonuses, health facilities, leave days, employee financing, and the provision of other facilities based on the performance of the Bank, the work unit, and the individual employee.

An example of non-financial rewards is the provision of Umrah appreciation for BSI's best employees by sending 814 employees in the first quarter (Q1) of 2023. The Umrah appreciation is a Unique Value Proposition (UVP) of BSI in the market as one of the largest Islamic banks in Indonesia by promoting Islamic spiritual values for recipients of the Umrah appreciation. The Bank also provides benefits in the form of facilities for both celebrations and bereavement, as well as assistance for employees affected by natural disasters and civil unrest.



Other non-financial rewards are also provided in the form of recognition to business units and individuals based on the best innovations that have an impact on the Bank's performance. This includes the achievements of a special unit or individual that have had a significant impact on BSI's business, performance, or reputation. The appreciations are presented at the "BSI Excellence Award" event as the highest form of appreciation from the Bank.

As a form of appreciation and commitment to employee welfare, the management conducted annual increments, continued the provision of token bonuses in the middle of the year, and launched the second period of the Employee Financing Facility (FPP) product to make it easier for employees to fulfill their housing and vehicle needs.

### BSI's Children Scholarship



The Bank provides scholarship facilities in collaboration with the BSI Maslahat Institution for educational levels ranging from Elementary School (SD) to University (PT) in accordance with the Technical Guidelines for Operations PTO for Children's Scholarship. This scholarship includes assistance from registration fees to monthly stipends given to scholarship awardees, ensuring the continuity of education for the children of BSI employees and/or retirees.

BSI has designated recipients eligible for this scholarship facility as children of permanent employees, contract employees, and Outsourced Workers (TAD) who suffer from serious illness or disability or are deceased,

including retired BSI employees with children who are still in school. The Bank's support by providing these amenities is a gesture of appreciation for the committed efforts contributed by employees to BSI, fostering positive relationships between BSI, its staff, and their families.

The BSI Children's Scholarship offers educational grants from elementary school up to university level, adhering to specified criteria and scholarship allocations. In 2023, the number of beneficiaries of the BSI Children's Scholarship was 115 children, spread across 13 provinces in Indonesia.

### EMPLOYEE PERFORMANCE APPRAISAL SYSTEM

BSI implements a transparent and accountable employee performance appraisal system, with the following objectives:

1. Supporting the achievement of organizational goals through employee performance.
2. Develop a positive and productivity-oriented corporate culture.
3. Increase employees engagement.

The performance management process is carried out on an ongoing basis by ensuring alignment, from the setting of corporate objectives, through business unit objectives and targets, down to the individual level. In this way, strategic alignment is maintained from the corporate level to the individual level, and there is a link between individual performance and the Bank's performance.

The annual performance management cycle is divided into 3 (three) stages, starting with performance planning to develop individual employee KPIs (Key Performance Indicators), followed by a mid-year review that is conducted in the middle of the year to see progress against employee KPIs during that period. Furthermore, it ends with a year-end evaluation (performance evaluation) to assess employee performance from the beginning to the end of the year period.

In the process of managing employee performance, the Bank prioritizes the establishment of 2 (two) way communication between employees and managers to create a harmonious relationship by providing suggestions for improvement/ feedback that managers can give to improve employee performance. The entire performance management process is



## Social Performance

conducted online through the Human Resource System (Sistem Informasi Pegawai/SIP), making it easy for employees to access and store all information about their performance. The feedback from the end-of-year performance review is used as an employee development plan for the following year.

### BSI Employee Promotion System

One form of employee career development is through a promotion mechanism. The Bank classifies the promotion process as follows:

- a) Promotion of Position  
Promotion of Position is the process of moving employees from a lower job group to a higher job group. Career advancement begins when an employee meets the qualifications of the position in accordance with the requirements of the intended position.
- b) Grade Promotion  
Grade promotion is the process of adjusting grade to a higher grade. The Bank may consider granting grade promotions to employees who fulfil the predetermined parameters and are in line with the Bank's capabilities.

### EMPLOYEE DEVELOPMENT AND TRAINING [SEOJK F22]

BSI is committed to encouraging each employee to maximize their potential from an early stage through a variety of structured, comprehensive, and tiered leadership development programs. In practice, various employee development programs at BSI focus on basic, managerial, and leadership competencies with a broad variety of development tools, including training, mentoring, rotation of positions, career development, leadership coaching, and feedback sessions.

In accordance with the Bank's policy, the approach to competency development and employee learning is based on the experience, engagement, and education approach. The composition of development is adjusted to the level and needs of current and future positions.

- a) Experience  
Competency development and employee learning are carried out through real work experience or other assignments which can take the form of, among others: placement and assignment (rotation/mutation), temporary assignment (detachment), assignment to the Bank's strategic projects, attachment (internship) to the parent company or other companies in the group, on the job training and role play.
- b) Engagement  
Competence development and employee learning is carried out through individual interaction between employees and others designated by the Bank, which may take the form of, but is not limited to, coaching, counselling and mentoring.
- c) Education  
A systematic program of competency development and employee learning that can be done independently or in class according to the types of learning services.

The training and competency development programs are held in various forms, such as seminars, workshops, knowledge sharing, sharing sessions, and training. To ensure that all BSI employee development and training programs are on target, there is a work assessment through Training Needs Analysis which includes performance planning, review, and evaluation mechanisms. This process aims to ensure that each employee's competency development program is carefully planned based on performance and assessment of KPI achievement, so as to support personal development as well as career path projection for employees.

Some of the programs that have been implemented in 2023 to support the implementation of the Human Capital strategy focus, among others, are the implementation of the Middle Manager Development Program (MMDP), Senior Manager Development Program (SMDP), S2 Scholarship Programme for BSI talent employees in 2023, updating the Human Capital Information System (HCIS), and implementing the Culture Summit.

By 2023, 100% of BSI employees had received performance and career development reviews, with 1,392,792 hours of training attended by 17,862 employees. In addition, BSI continues to intensify the implementation of training programs through the Digital Learning Module so that employees can obtain information and improve their skills easily, quickly, anytime, and anywhere via smartphone devices. [GRI 404-3]

### Number of Training Participants by Position Level [GRI 404-1]

| Position Level | Number of Participants (person) |                |
|----------------|---------------------------------|----------------|
|                | 2022                            | 2023           |
| Senior Manager | 2,956                           | 2,369          |
| Middle Manager | 15,477                          | 13,381         |
| Manager        | 89,096                          | 71,757         |
| Officer        | 224,873                         | 178,424        |
| Staff          | 300,651                         | 255,105        |
| Lainnya        | 0                               | 0              |
| <b>TOTAL</b>   | <b>633,053</b>                  | <b>521,036</b> |

### BSI Employee Training and Development Statistics [GRI 404-1]

| Description                         | Unit          | Total   |         |
|-------------------------------------|---------------|---------|---------|
|                                     |               | 2022    | 2023    |
| Training program                    | Type          | 744     | 1,118   |
| Number of Training Participants     | Persons       | 633,053 | 521,036 |
| Average training hours per employee | hour/employee | 122,40  | 78      |

### Total Training Duration by Position Level [GRI 404-1]

| Position Level | 2022  |                              |  | 2023  |                              |  |
|----------------|---|------------------------------|--|---|------------------------------|--|
|                | Total Duration of Training Provided (Hours) | Number of Employees (person) | Average training hours per person per year | Total Duration of Training Provided (Hours) | Number of Employees (person) | Average training hours per person per year |
| Senior Manager | 19,810                                      | 88                           | 225.11                                     | 14,938                                      | 95                           | 157.24                                     |
| Middle Manager | 96,763                                      | 429                          | 225.55                                     | 53,475                                      | 446                          | 119.90                                     |
| Manager        | 381,751                                     | 2218                         | 172.11                                     | 246,884                                     | 2,235                        | 110.46                                     |
| Officer        | 776,315                                     | 6088                         | 127.52                                     | 496,120                                     | 5,798                        | 85.57                                      |
| Staff          | 999,688                                     | 9758                         | 102.45                                     | 581,375                                     | 9,288                        | 62.59                                      |
| Others         | -   | -                            | -  | -   | -                            | -  |
| <b>TOTAL</b>   | <b>2,274,326</b>                            | <b>18,581</b>                | <b>122.40</b>                              | <b>1,392,792</b>                            | <b>17,862</b>                | <b>78</b>                                  |



## Social Performance

### Training Costs in 2023

**Rp90.64 billion**

Total training costs for the year 2023 incurred by BSI for internal training programs and training at external educational institutions. This value has decreased compared to 2022, from Rp 97.22 billion to Rp90.64 billion.



### Employee Retirement Training Program

The Bank has a training or preparation program for employees entering retirement age, so that the program can be implemented in a structured manner with clear participant criteria and a more planned schedule. The training is also attended by the employees' spouses.

In 2023, the Bank conducted a Retirement Preparation Training program attended by 90 BSI employees who are nearing retirement age. The event was a preparation for employees to face their retirement period.



### "Training for Trainers" Program

BSI and LPPI collaborate to host the "Training for Trainers" program, which takes place in person at LPPI's venue. This training program is attended by 25 BSI employees. This program is based on BSI's awareness of the importance of the trainer's role in conveying the Bank's values to other employees. Additionally, the program aims to build and develop the effectiveness of a trainer in achieving the instructional goals set in a training program.

Prior to the training session, participants will undergo an assessment to gauge their skills. Subsequently, they will engage in the Training of Trainers program to monitor the progression of their abilities both before and after the training.



## MANAGING INDUSTRIAL RELATIONSHIP

BSI strives to create harmonious relationships and benefits for all parties working within BSI's operational scope. In its implementation, BSI opens the door of communication to all employees as part of the implementation of the principle of respect for workers' rights and social justice. All employees have the opportunity to express their different aspirations and opinions to the Company through the communication mechanisms and rules provided.

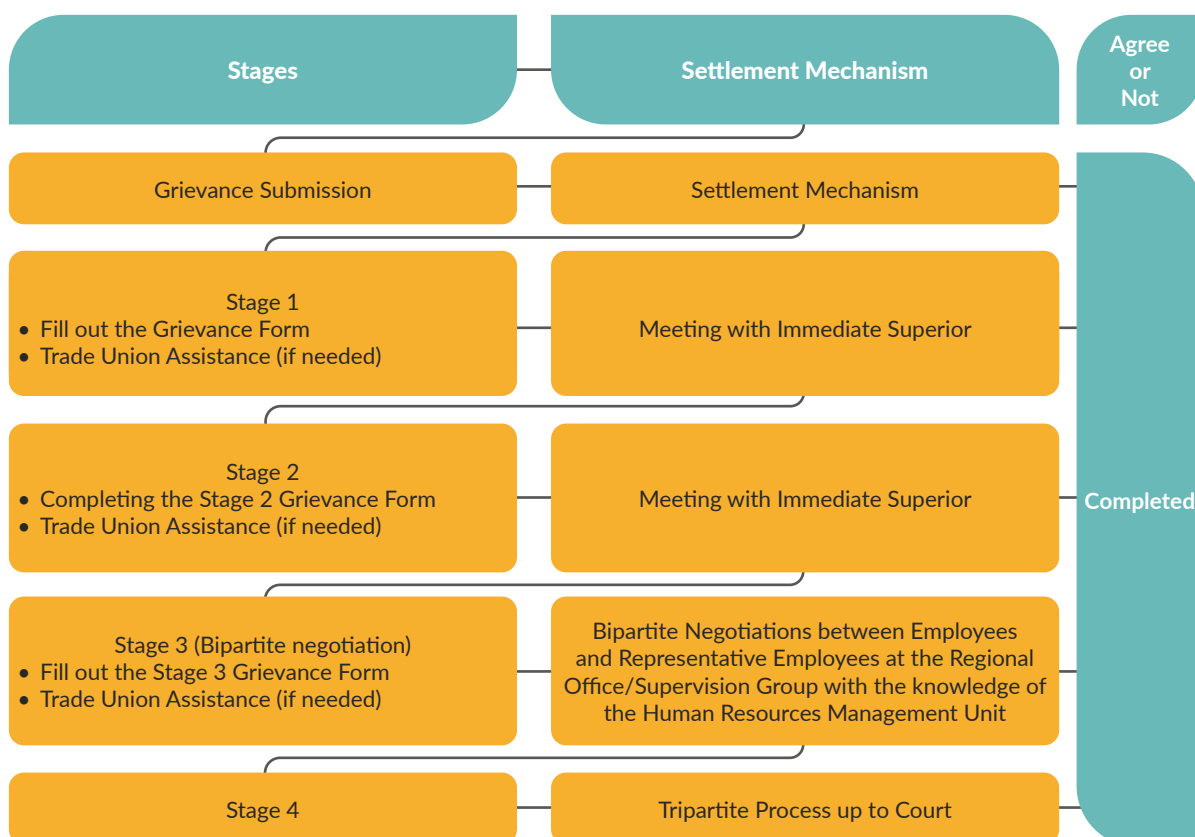
BSI also provides employees with freedom of association, assembly, and expression in accordance with applicable laws and regulations. This includes consideration of gender equity and diversity in the management of industrial relations with the formation of Sharia Bank Trade Unions.

### Number of Labor Union Participants

| Labour Union               | Number of Employees as of December 2023 | Number of Labour Union Members | Percentage |
|----------------------------|---|--------------------------------|------------|
| Member of BSI Labour Union | 17,909                                  | 8,896                          | 50%        |

### MANAGEMENT OF EMPLOYEE GRIEVANCES

In order to create a valuable workplace for all employees, the Bank has developed rules on grievances through Article 55 of the Company Regulation of PT Bank Syariah Indonesia Tbk for 2021-2023, which serves as a reference for employees to file grievances, resolve grievances, and/or find solutions to labor disputes through consultation. This is in line with BSI's spirit of building constructive good relations, including in terms of handling employee grievances. The following is the mechanism for handling employee grievances:





## Social Performance

### OCCUPATIONAL HEALTH AND SAFETY [SEOJK F21]

In the management of Human Resources (HR), BSI also strives to create an ideal working environment that supports the creation of a sense of security and comfort for employees. For this reason, BSI is committed to implementing Occupational Health and Safety aspects (OHS) as part of its efforts to create a sustainable business and achieve zero accidents in all areas of BSI's operations. The OHS program not only focuses on the physical aspects, but also the psychological and mental health aspects of our employees. In light of the ongoing pandemic since 2020, BSI has implemented various health protocols and policies to encourage recovery. In addition, the Bank also provides health insurance facilities to all employees and their families, as well as the BPJS Health and BPJS Employment programs.

OHS programs and activities at BSI are managed and evaluated regularly by the HCP under the supervision of the Director. BSI's implementation of OHS covers the safety and health of employees, customers, suppliers, and other stakeholders, which refers to a number of regulations, including Law of the Republic of Indonesia No. 13 of 2003 on Labor, Foundation Law No. 11 of 2020 on Job Creation, PP No. 35 of 2021, Human Capital Standard Operating Procedures, and Bank Syariah Indonesia Company Regulations, which are always updated according to statutory provisions.

#### Occupational Health and Safety in BSI

[SEOJK F21] [GRI 403-1][GRI 403-3][GRI 403-6] [GRI 403-7]

##### Environmental & Procedural Factors

Ensuring that all BSI office facilities meet OHS standards in accordance with Human Capital Operational Procedures, namely:

- Light Fire Extinguishers (APAR);
- Fire hydrant and fire pump;
- Smoke control system;
- Alarm system;
- Water sprinkle; evacuation route instructions;
- Creation of ERP (Emergency Response Plan);
- Provision of emergency response SOP (Standard Operating Procedure);
- Ensuring the building protection system functions Automatically and Integrated during General Alarm/Fire Drill;
- Ensuring that evacuation facilities are equipped with designation signs and have met building operational standards in the event of an Earthquake, Fire and BOM Threats.

Ensuring the conditions of all BSI offices are comfortable and healthy for employees and all visitors and ensuring Standard Operating Procedures for maintaining a healthy work environment are owned by BSI offices which include, among others:

- Periodic fogging
- Installing UV-C air filters
- Ensuring Air Circulation is functioning properly, including SAG and RAG

##### Human & Communication Factors

Carrying out communication, safety program campaigns, and routine OHS socialization for all BSI employees related to OHS procedures and evacuation procedures in the event of an emergency condition, among others:

- Fire drill
- Improve understanding of the use of APAR and APAB and first response in the event of a fire
- Earthquake handling
- Handling terrorism threat conditions
- Appointment of Floor Captain for each floor
- Establishment of ERT (Emergency Response Team)
- Creation of WhatsApp Group as a means of communication
- Organizing emergency response training
- Organizing training on the use of APAR
- Conducting emergency simulation

Carrying out various health campaigns and routine Medical Check Ups for all BSI employees, among others, focusing on: Various healthy lifestyle tips:

- Lung and Respiratory Health
- Preventing heart disease and high blood pressure
- Dental health
- Digestive problems such as GERD, ulcers, gallstones and diarrhea
- Preventing diabetes complications
- Healthy lifestyle
- Eye health
- Low back pain
- Staying healthy during the month of Ramadan



#### Safety



#### Health

## Statistical Performance of BSI OHS in 2023



### Work Accidents

0

Number of Accident  
[GRI 403-9]



### Number of Training Hours

44

Training hours and OHS socialization  
[GRI 403-5]



### BSI Safety Captain

135

BSI Safety Captains spread throughout the Bank's operational areas.  
[GRI 403-5]



### Health Seminar

22

Health seminar sessions were held in various operational areas of the Bank, both online and offline throughout Indonesia called the "Wellness Program".  
[GRI 403-6]

## BSI Health Program [GRI 403-4]



BSI implements a Wellness Program to foster healthy habits among its employees through educational programs, health services, and coaching. One form of health education is through the Health Newsletter.

Employees receive periodic information on the latest health issues through the "Healthy Info" Newsletter and in the "Health Talk" forum held at both the Headquarters and Branch Offices, enabling employees to be more aware of maintaining their own health. The total number of participants in Health Talk was 1,197 online and 905 offline. The Bank also provides employees with the opportunity to check their health conditions through the Medical Check-Up (MCU) program in collaboration with insurance provider hospitals and Mini MCU for blood sugar, cholesterol, uric acid, and blood pressure checks during Health Talk sessions. The Bank conducts In-House MCU to facilitate MCU implementation at office locations both at the Headquarters and Branch Offices. There is also an Employee Fit activity as a follow-up to the In-House MCU activity, for employees who need treatment based on MCU results. The goal of Employee Fit is to promote healthy living habits and increase productivity

at work. Additionally, the Bank provides health facilities for employees' families. Each individual is expected to maintain their health by adopting healthy lifestyles as early as possible to enhance the Bank's productivity.

For health facilities, the Bank has established the BSI Medical Unit. The BSI Medical Unit is a health unit located on the 10th floor of The Tower building and is intended for all BSI employees. The BSI Medical Unit provides doctor and nurse services to handle common cases in outpatient care. The bank's concern for health is not only preventive but also curative because the Bank believes that by providing full support for easy access to health services, it can create peace of mind and trust among employees, thus contributing optimally to the Bank.

In addition, Bank Syariah Indonesia also has the BSI Club, with one of its activities being sports held periodically. The BSI Club serves as a platform for the Bank to promote a healthy culture to employees and as a medium for employees to exchange ideas to improve the Bank's performance.



## Social Performance

### SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

As part of BSI's commitment to supporting the achievement of the Sustainable Development Goals (SDGs), we are implementing a Social and Environmental Responsibility (CSR) program with the primary aim of benefiting our operating environment, the communities we serve, and our stakeholders. **[SEOJK F23][SEOJK F25][GRI 413-1]**

| Legal Basis for Implementing the TJSL Program  | Objectives of Implementing the TJSL Program   |
|--|---|
| <ul style="list-style-type: none"> <li>• Law No. 40 of 2007 concerning Limited Liability Companies</li> <li>• Law No. 25 of 2007 concerning Investment</li> <li>• Law No. 23 of 2011 concerning Zakat Management</li> <li>• Standard Operating Procedures (SOP) and Operational Technical Guidelines (OTG)</li> <li>• 123/DSN-MUI/XI/2018 on the Use of Funds That Should not Be Recognized as Revenue for Sharia Financial Institutions, Sharia Business Institutions, and Sharia Economic Institutions.</li> </ul> | <ul style="list-style-type: none"> <li>• Fostering a harmonious relationship between the Company and society</li> <li>• Supporting the implementation of transparent and responsible business practices</li> <li>• Building a positive image and garnering community support</li> <li>• Exploring and empowering the potential of SMEs through partnership fund distribution</li> <li>• Participating in environmental conservation programs, improving the quality of education, health, welfare, religious life, and other public infrastructure improvements.</li> </ul> |

BSI's social programs are implemented by the Bangun Sejahtera Indonesia Maslahat Foundation, commonly referred to as BSI Maslahat. The Foundation was established on 21 November 2001, under the name Bangun Sejahtera Mitra Umat Foundation (BSMU Foundation), which changed its name and logo to Bangun Sejahtera Indonesia Maslahat (BSI Maslahat) in 2022. The establishment of BSI Maslahat is expected to strengthen relationships with various strategic partners in the management of ZISWAF (Zakat, Infaq, Sadaqah, and Waqf) funds as well as social and CSR donations targeting individual and corporate muzakki (donors).

BSI Maslahat carries out its program to support and strengthen the potential of Mustahik (beneficiaries) so that Mustahik have the opportunity and are able to compete to raise the level to a better life. Beneficiaries of the BSI Maslahat program based on asnaf include the poor, muallaf, slaves, gharimin, fisabilillah, and ibnu sabil.

In the distribution of zakat, BSI Maslahat cooperates with the National Amil Zakat Agency of the Republic of Indonesia (BAZNAS RI), which is the official government institution mandated to the management of zakat nationally as stipulated in Law No. 23 of 2011. Then, BAZNAS formed the Zakat Collection Unit of the National Amil Zakat Agency of PT Bank Syariah Indonesia Tbk (UPZ BAZNAS BSI) on 20 May 2021, through the Decree of the Chairman of BAZNAS number 19 of 2021 concerning the Establishment of UPZ BAZNAS BSI. The task is to help BAZNAS collect zakat in the BSI environment, distribute it, and utilize it based on the authority of BAZNAS RI.

All of these efforts represent the Bank's real commitment to ensuring that the TJSL and Zakat funds distributed are managed professionally and transparently so that they can provide optimal and targeted benefits to the people who benefit from this program.



During 2023, BSI through BSI Maslahat has carried out



**13**  
programs



**1,019**  
beneficiary institutions



**333** thousand  
beneficiaries

With the total value of UPZ BSI distribution, Zakat, Infaq, Social Funds, and Waqf in 2023 reached

**Rp255.10** billion

Following is the description of the community social programs implemented by BSI Maslahat throughout 2023. They are divided into 3 main program groups, including: [\[SEOJK F23\]](#)[\[SEOJK F25\]](#)[\[GRI 413-1\]](#)

## COMMUNITY PARTNERSHIP

### DESA BSI



Desa BSI is a community empowerment program focused on economic development by optimizing local resources such as agriculture, animal husbandry, and horticulture. It also strengthens institutional and marketing aspects and implements appropriate technology. This program is conducted with intensive mentoring, both technically and through Islamic preaching approaches. Its goal is to improve community welfare through the utilization of ZISWAF funds.

BSI Awarded "Special Recognition of Outstanding Initiative" for the BSI Village Program

PT Bank Syariah Indonesia Tbk (BSI) received the "Special Recognition of Outstanding Initiative" at the Indonesia Awards 2023 for the Bank's initiative in

developing village economies in 10 provinces across the country, benefiting 4,095 individuals.

Through the Desa BSI program, BSI and BSI Maslahat aim to develop more villages in Indonesia with economic resource potential, making them prosperous economically, socially, and spiritually. In assisting those fostered villages, BSI implements strategies from upstream to downstream aspects, including managing and utilizing ZIS funds for program beneficiaries, business cluster development coaching, and access to financing and market access. Through this program, BSI aims to facilitate beneficiaries through strengthening and developing local economic resources for sustainable benefits.



## Social Performance

### BSI MASLAHAT MSMEs



The BSI MSME Maslahat (Build Prosperous Indonesia) program strengthens ultra-micro and micro business players by enhancing their knowledge and managerial capacities to sustainably improve the quality and quantity of their businesses. The program approach involves intensive mentoring and coaching.

In 2023, the BSI MSME program expanded to 19 business clusters across various commodities spread across 11 provinces throughout Indonesia. The total number of beneficiaries reached 693 households.

BSI Maslahat Provides Education and Support for Halal Certification and Assurance Management for MSMEs

BSI Maslahat held a webinar on “Education and Support for Halal Product Certification and Assurance Management for the BWM Program MSMEs.” One of the objectives of this webinar is to assist MSMEs under the BSI Maslahat BWM program in obtaining halal product certification. The webinar covered topics such as the definition and assurance of halal products, the benefits of halal products and certificates, the procedure for obtaining halal product certificates, and halal product marketing strategies.

BSI Maslahat is committed to supporting MSMEs to grow and compete in the market. One of the efforts made by BSI Maslahat is to provide mentoring and training to MSMEs, including training related to halal products and halal product assurance.

## PUBLIC EDUCATION

### BSI’S EMPOWERED ISLAMIC BOARDING SCHOOLS



The Empowered Islamic Boarding Schools program aims to enhance the independence of Islamic boarding schools through economic resource and entrepreneurship development. By the end of 2023, the Islamic boarding school empowerment program has been implemented in 12 Islamic boarding schools spread across 6 provinces in Indonesia, benefiting 624 students.

BSI and BSI Maslahat Distribute Economic Empowerment Programs for Minimarket Businesses at Mangkoso Boarding Schools

BSI and BSI Maslahat provide assistance in the economic empowerment program for minimarket

businesses at Mangkoso Boarding Schools from December 17, 2023, to January 11, 2024, coinciding with the 85th anniversary of the Darud Da’wah Wal Irsyad (DDI) universe, especially the DDI Mangkoso Boarding School.

Through the provision of assistance to the Empowerment Program for Islamic Boarding Schools, besides supporting the independence of the DDI Mangkoso Barru Boarding School, it is also expected to strengthen the economic aspects of boarding schools, especially those providing education for orphans and the needy through empowerment programs, especially in the BSI Islamic ecosystem network.



## FRIENDS OF INDONESIAN STUDENTS

Friends of Indonesian Students (SPI) is one of the education scholarship programs provided to financially disadvantaged students at the junior and senior high school levels. The scholarships provided by Laznas BSM are intended to shape academically and spiritually good generations, Islamic morals, and independence. The forms of assistance include:

- Education funding assistance of Rp300,000/month
- Faith and morality mentoring
- Tahsin and tahfidz programs
- Mentorship, tryouts, and tutoring for grade 12

- National defense training and self-development
- Parenting skills training for parents of participants

During the period 2022-2023, the beneficiaries of this program reached 2,228 individuals, consisting of 377 junior high school students and 1,851 senior high school students spread across 108 schools in 25 provinces of Indonesia. Through this program, 148 participants of the Friends of Indonesian Students (SPI) program successfully passed the State Universities (PTN) in 2023.



## BSI SCHOLARSHIP

BSI Scholarship is a bachelor's degree scholarship program aimed at shaping future leaders of the community who are characterized by integrity and can serve as role models in building the Islamic community, particularly in the field of Shariah economics. This program consists of BSI Inspiration funded by zakat and BSI Achievement funded by infaq. In addition to tuition assistance, the BSI Scholarship program also includes mentoring programs such as mentorship, Shariah economic literacy, character development, Islamic studies, and leadership.

Currently, the BSI Scholarship program is open to 71 campuses across Indonesia with a total of 1,490 beneficiaries. In 2023, the BSI Scholarship recorded 253 achievements at the national and international levels.

Thousands of Students Apply for BSI Scholarship 2023 BSI and BSI Maslahat recorded that 34,000 students have applied for the BSI Scholarship program in 2023. This figure doubled compared to 2022. This program targets undergraduate or S1 students in the 3rd and 5th semesters and will last for 2 years.

The BSI Scholarship program consists of two types: the BSI Achievement Scholarship program and the BSI Inspiration Scholarship program. The BSI Achievement Scholarship program is aimed at outstanding students from various campuses and majors that have been designated. Meanwhile, the BSI Inspiration Scholarship Program is a scholarship aimed at equalizing education for underprivileged students.



## Social Performance

### BSI MASLAHAT SOCIOPRENEUR



BSI Maslahat Sociopreneur is a program aimed at ensuring that graduates not only focus on finding jobs but also on creating job opportunities. BSI Maslahat provides business incubator scholarships that prepare students to become Muslim entrepreneurs who have business skills and make an impact on society. BSI Sociopreneur seeks to shape and support the development of Islamic-minded social entrepreneurs in Indonesia in line with the values of "BSI & BSI Maslahat".

In 2023, the beneficiaries of BSI Maslahat Sociopreneur reached 100 students. Among them, 93 business participants have been sustainable and growing, able to employ 104 people, and produce local heroes through village empowerment.

### Shariah Economic Literacy (LIKES)



The LIKES (Shariah Economic Literacy) program is a center for research, education, and communication about Shariah finance managed by BSI Maslahat. This program has three main focuses: literacy, consultation, and cadreship. Literacy activities are conducted by providing online and offline studies within the BSI ecosystem.

#### BSI Maslahat Holds Shariah Economic Literacy through Muda Berbagi

BSI, BSI Maslahat, Rabu Hijrah, and the Islamic Economic Community (MES) held a Shariah economic literacy agenda for 5 SOEs through the Muda Berbagi Program every Wednesday with different themes.

Muda Berbagi is a Shariah economic literacy program related to ZISWAF aimed at young professionals in Indonesia, especially among ministries and SOEs nationwide. Shariah economic literacy Muda Berbagi is held in 5 SOEs, namely PT Hutama Karya, PT Superintending Company of Indonesia (Sucofindo), PT Bio Farma, PT Perkebunan Nusantara III, and PT Danareksa.

The Muda Berbagi curriculum is divided into 5 sessions with themes such as blessed income, the beauty of sharing, contemporary ZISWAF, contemporary transactions, and family transactions.

### BSI SCHOLARSHIP TALENTA



BSI Scholarship Talenta is a final year college scholarship program that focuses on preparing undergraduate students to have the ability to be ready to work with leadership and managerial skills needed in the industrial world to get greater career opportunities in particular. The forms of assistance are:

- Tuition assistance of 5 million for 2 semesters

- Final project fee assistance 2 million/awardee
- Post-campus career guidance
- Personal leadership & technical managerial training
- Mentorship with BSI leaders/other institutions

By 2023, the beneficiaries of BSI Scholarship Talenta will be 150 students from 11 best universities in Indonesia.

## BSI SCHOLARSHIP AFFIRMATION



BSI Scholarship Affirmation is a program to provide tuition assistance for college education levels ranging from Diploma (D3) to Bachelor (S1) or equivalent who come from underprivileged families to support the continuation of quality education.

The form of assistance is in the form of:

- UKT assistance of Rp3,000,000/semester
- Islamic economic literacy coaching

In 2023 BSI Scholarship Affirmation partnered with 2 campuses with a total of 120 student beneficiaries.

## BSI'S HOUSE OF TAHFIDZ



BSI Maslahat House of Tahfidz is a scholarship program for junior high school graduates with two majors: Quran and Entrepreneurship. Here, students are not only equipped with Quranic and religious education but also leadership and Shariah economic literacy.

BSI Maslahat launched the Semarang House of Tahfidz located in Sendangmulyo, Tembalang, Semarang City. The Semarang House of Tahfidz can accommodate up to 7 students and is expected to focus on creating Qur'anic generations with other supporting competencies.

The House of Tahfidz Wakaf program is an education and training program to produce Quran memorizers (Tahfidz ) with a structured curriculum. This program continually provides facilities for prospective donors to contribute to spreading Quran memorization, creating valuable and sustainable Quran memorization values. Furthermore, this program also serves as a learning media for BSI Maslahat in managing and developing wakaf assets.

The BSI Maslahat House of Tahfidz has a vision and

mission to become a modern Quranic institution based on life skills. Therefore, we strive to improve the quality of student graduates who can benefit society by understanding the Quran, possessing noble morals, and having broad academic insights.

The House of Tahfidz activities follow a boarding model with activities referring to a structured curriculum with predefined targets. Additionally, there are also mobile students who conduct Quranic recitation activities with the surrounding community. Aside from the Quran, the House of Tahfidz Program includes several curricula such as language, leadership, faith understanding, morals, and transactions, as well as life skills. In the Semarang House of Tahfidz Wakaf program, students will live in dormitories with meal facilities, mentoring, lectures, entrepreneurship, and guidance.

Currently, BSI Maslahat has 5 House of Tahfidz with a total of 48 students located in several cities, including Parung, Bogor, Cimahi, Magetan, and Semarang. Furthermore, BSI Maslahat also has a Quran Learning House with a total of 92 students located in Tangerang and Cipayung.



## Social Performance

### SIMPATI UMAT

#### EMPOWERMENT OF MOSQUES



The Mosque Empowerment Program aims to foster mosque-based economic empowerment to be self-sufficient and independent with the potential it holds around the mosque. To support this program, BSI Maslahat and BSI Region Surabaya inaugurated Café Masjidku and symbolically handed over economic empowerment assistance amounting to Rp235,000,000 to the Al-Akbar National Mosque in Surabaya.

Through Café Masjidku, it is hoped that the Al-Akbar Mosque, Surabaya, will not only be a place of worship, but also a place of transactional interaction needed and become an attraction for the community to come and love the mosque. In the future, the mosque's economic empowerment program is expected to continue for other mosques, which will have an impact on the self-sufficiency of the mosques.

#### DIRECT ASSISTANCE



The direct assistance program is evidence of the company's commitment to building a beneficial Islamic economy for society, both socially and economically. This program is distributed directly from the ZIS fund through charity activities covering economic, educational, preaching, social humanitarian, and health needs.

In 2023, the total number of beneficiaries was 240,668 individuals and 1,019 institutions spread across 33 provinces throughout Indonesia.

##### **BSI Maslahat and BSI Provide Assistance for Mosque Development**

BSI Maslahat and BSI handed over assistance for the construction of the Mujahiddin Grand Mosque in

Mojokerto. The provision of this assistance is expected to make the community's worship more comfortable and increase devotion to Allah Ta'ala. The assistance is planned to be used to build mosque facilities on the 2<sup>nd</sup> floor.

The handover of assistance for mosque construction is a tangible manifestation of BSI Maslahat and BSI's commitment to supporting the development of Islamic economic mosques in Indonesia. Mosques, as centers of worship and religious activities, play a very important role in fostering faith and strengthening the bonds of brotherhood among Muslims in various regions. BSI Maslahat's concern for mosque construction and environmental sustainability is a positive step in building a better society.

**Realization of Social and Environmental Responsibility (CSR) Fund Disbursement** [SEOJK F23]  
[SEOJK F25][GRI 413-1][GRI 203-1]

The following is an overview report of the implementation of UPZ BSI distribution, Zakat, Infaq, Waqf, and Social Funds through BSI Maslahat by program category from January to December 2023, namely:

| Source          | Zakat                | Infaq                  | Social                | UPZBSI                 | Waqf               | Total                  |
|-----------------|----------------------|------------------------|-----------------------|------------------------|--------------------|------------------------|
| Education       | 1,029,293,000        | 11,779,715,975         | 1,026,649,950         | 29,600,681,903         | 353,687,616        | 43,790,028,445         |
| Healthcare      | 211,090,515          | 1,668,356,721          | 552,740,740           | 2,906,344,768          |                    | 5,338,532,744          |
| Humanity        | 4,483,806,567        | 38,274,894,074         | 18,506,092,810        | 12,426,131,512         |                    | 73,690,924,963         |
| Economic        | 1,147,348,752        | 4,170,329,827          | -                     | 52,934,790,604         | 600,731,086        | 58,853,200,269         |
| Dakwah Advokasi | 402,962,762          | 31,866,503,480         | 4,355,058,430         | 1,442,517,600          |                    | 38,067,042,272         |
| Amil            | 1,443,140,342        | 16,758,549,439         | 1,694,630,779         | 15,459,934,544         |                    | 35,356,255,104         |
| <b>Total</b>    | <b>8,717,641,938</b> | <b>104,518,349,516</b> | <b>26,135,172,709</b> | <b>114,770,400,932</b> | <b>954,418,702</b> | <b>255,095,983,797</b> |



04

## ENVIRONMENTAL PERFORMANCE



**“In line with maqoshid sharia, BSI is committed to implementing sustainable finance and banking, which upholds the principle of balancing economic growth with environmental preservation to realize the welfare of humanity.”**

---

### **COMMITMENTS, TARGETS AND PROGRAM PLANS**

The implementation of sustainable finance and banking by BSI aims to create synergy between business growth, goodness, and benefits for the community and customers, environmental well-being, and the achievement of Sustainable Development Goals (SDGs). In its execution, BSI continues to uphold the principles of “People & Planet,” signifying that in conducting business activities, we must always consider environmental sustainability and provide added value for the well-being of the world and the hereafter (rahmatan lil alamin).

To achieve this, BSI has initiated its commitment through the adoption of an environmentally friendly culture to create green offices and implement sustainable finance to support environmentally conscious financing. In its execution, BSI strives to create programs and initiatives that can have a positive impact on the environment, ranging from improving energy and water efficiency, paper savings and supporting the reduction of greenhouse gas emissions (GHG).

In addition to conducting a series of green campaign activities to realize existing initiatives, the Bank has also undertaken various innovations in green actions, such as transitioning to clean energy, implementing low-emission production steps, sustainable financing, and others.

### **BUILDING AN ENVIRONMENTALLY FRIENDLY CULTURE THROUGH GREEN CAMPAIGN [SEOJK F1]**

In pursuit of sustainable finance and banking, the Bank continually endeavors to cultivate an environmentally friendly culture that involves all members of the BSI family and our esteemed customers. To this end, BSI consistently conducts a series of green campaigns within its headquarters and branch offices across Indonesia. The Green Campaign itself is a Bank initiative aimed at conserving energy consumption and natural resources, as well as avoiding the use of plastic bags/ bottles that contribute to non-biodegradable waste, thereby promoting an environmentally friendly lifestyle.

To reach a broader audience, this campaign is also disseminated through e-flyers as well as on social media platforms such as Instagram and YouTube. Additionally, the Bank creates and distributes campaign videos on sustainable finance in the form of animated videos, with the objective of educating the public.



## Environmental Performance

Key programs in BSI's Green Campaign include:

### Green Campaign BSI Flagship Programs



#### Energy and Emission

Utilization of new and renewable energy sources and implementation of technology that can improve energy efficiency and control emissions from BSI operations.



#### Water

Improving the efficiency of water usage and ensuring the quality of waste water in accordance with the quality standards stipulated by applicable regulations through water treatment and water recycling.



#### Waste

Reducing waste generation and the volume of waste sent to Landfill through:

- Utilization of waste paper
- Digitalization of processes to reduce paper usage through e-documents.
- Use of reverse vending machines for plastic packaging recycling at a number of BSI branch office.



#### Nature-Based Solutions

Through the nature-based solution approach, BSI contributes to biodiversity conservation and climate action to support Indonesia's Enhanced National Determined Contribution (ENDC) in line with the Paris Agreement.

## IN ADVOCACY OF SUSTAINABLE FINANCE, BSI LAUNCHES THE BSI SUSTAINABLE MOVEMENT



The introduction of the BSI Sustainable Movement demonstrates BSI's commitment to implementing sustainable finance. Through this program, BSI calls on every Indonesian citizen to make positive contributions to environmental preservation and sustainability.

The BSI Sustainable Movement consists of three main activities: tree planting, sea turtle conservation, and the collection of plastic waste using automatic vending machines or digital plastic bottle drop machines. In its implementation, we collaborated with Plasticpay to install 50 Reverse Vending Machines (RVMs) in Bali and Greater Jakarta.

Through this innovation, the community can exchange plastic bottles for money. Following that, Indonesian SMEs can recycle the collected plastic bottles to create a variety of products. Through this process, we aim to effectively apply the principles of the 3Ps (People, Planet, Profit) to sustainable finance. Thus, this initiative is carried out to encourage greater environmental awareness among the public and to introduce sustainable finance to society.

## BSI Green Campaign Content Performance 2023

| No | Content Name   | Link Post   | Date Post              | Reach   | Impressions |
|----|--|---|------------------------|---------|-------------|
| 1  | BSI together with the Indonesian Ministry of SOEs has implemented the Relawan Bakti BUMN Batch IV program in Meunasah Asan, East Aceh  | <a href="https://www.instagram.com/reel/CwPO9aMpm0Y/">https://www.instagram.com/reel/CwPO9aMpm0Y/</a> | 2023-08-22<br>14:15:59 | 49,225  | 55,951      |
| 2  | Bank Syariah Indonesia is always committed to preserving the environment. Together with @kementerianbumn in the "BUMN Environmental Movement" held in Lombok on October 15, 2023.  | <a href="https://www.instagram.com/reel/CyaUUMtrm9W/">https://www.instagram.com/reel/CyaUUMtrm9W/</a> | 2023-10-15<br>14:40:54 | 25,607  | 30,157      |
| 3  | BSI plays a role in sustainability by channeling Rp51.46 trillion in sustainable financing and running environmental and disaster relief programs. In addition, BSI has distributed Rp173 billion worth of zakat, the largest in Indonesia, to provide more value to the community according to asnaf. | <a href="https://www.instagram.com/reel/CrkaFXBOTJz/">https://www.instagram.com/reel/CrkaFXBOTJz/</a> | 2023-04-28<br>12:56:29 | 25,186  | 25,875      |
| 4  | In commemoration of World Environment Day on June 5, World Land Degradation and Drought Management Day on June 17.   | <a href="https://www.instagram.com/p/CuZT7YexuCO/">https://www.instagram.com/p/CuZT7YexuCO/</a>       | 2023-07-07<br>19:04:45 | 19,075  | 26,495      |
| 5  | We are required to always maintain cleanliness in the environment because cleanliness is part of faith. Allah SWT likes people who are very concerned about cleanliness.   | <a href="https://www.instagram.com/p/Cn5q6Gpva-5/">https://www.instagram.com/p/Cn5q6Gpva-5/</a>       | 2023-01-27<br>09:01:29 | 11,232  | 11,984      |
| 6  | Videos of plastic waste that are now becoming a problem, especially for Indonesia's seas.  | <a href="https://www.instagram.com/reel/CugJS4yuJWX/">https://www.instagram.com/reel/CugJS4yuJWX/</a> | 2023-07-10<br>10:51:08 | 10,831  | 11,754      |
| 7  | #GotongRoyongBoyongPohon is a movement initiated by the Ministry of SOEs to address the pollution problem in Jakarta.  | <a href="https://www.instagram.com/p/CxxTzUJR8_-/">https://www.instagram.com/p/CxxTzUJR8_-/</a>       | 2023-09-29<br>16:19:36 | 9,926   | 12,836      |
| 8  | PT Bank Syariah Indonesia Tbk (BSI) conducted a groundbreaking ceremony for the construction of a new office building called the BSI Tower, which was built with a green building concept.   | <a href="https://www.instagram.com/reel/CzbAzCJRu3U/">https://www.instagram.com/reel/CzbAzCJRu3U/</a> | 2023-11-09<br>17:33:45 | 128,702 | 197,078     |
| 9  | The topping off celebration of BSI's Green Building office as the Company's landmark in Aceh which was inaugurated in March 2024.  | <a href="https://www.instagram.com/reel/CzsYXrwrZs6/">https://www.instagram.com/reel/CzsYXrwrZs6/</a> | 2023-11-16<br>11:26:55 | 60,854  | 99,229      |
| 10 | BSI conducts Green Friendly Running 2023 activities to campaign for Zero Waste in Yogyakarta   | <a href="https://www.instagram.com/reel/CtlQU1yt51q/">https://www.instagram.com/reel/CtlQU1yt51q/</a> | 2023-06-17<br>13:54:15 | 31,059  | 32,744      |
| 11 | @ikhshan_kusuma#SobatBUMN, as one of the BUMN employees I am very proud and grateful to be able to participate in the Batch 4 BUMN Relawan Bakti program in Meunasah Asan East Aceh.   | <a href="https://www.instagram.com/reel/CwCyeUmvpfL/">https://www.instagram.com/reel/CwCyeUmvpfL/</a> | 2023-08-17<br>18:13:00 | 15,690  | 16,776      |
| 12 | Inviting all Jakarta residents to come and adopt 100,000 trees at the #GotongRoyongBoyongPohon Car Free Day event on Sunday, October 1, 2023 located at Sarinah Thamrin.   | <a href="https://www.instagram.com/p/CxxDrtWlX_k/">https://www.instagram.com/p/CxxDrtWlX_k/</a>       | 2023-09-29<br>13:58:45 | 15,598  | 16,951      |



## Environmental Performance

| No    | Content Name   | Link Post   | Date Post   | Reach   | Impressions |
|-------|--|---|---|---------|-------------|
| 13    | BSI took part in the #GotongRoyongBoyongPohon movement which was implemented by @kementerianbumn Mr. @erickthohir and also Mr. @tedi.Bharata                                     | <a href="https://www.instagram.com/reel/CyNlltOxRbM/">https://www.instagram.com/reel/CyNlltOxRbM/</a> | 2023-10-10<br>11:44:44  | 10,949  | 15,559      |
| 14    | In the BSI Sustainable Movement program, BSI in collaboration with Plastic Pay would like to invite Sahabat to join the activity of exchanging your plastic bottle waste at RVM. | <a href="https://www.instagram.com/p/CyzvJF7x9Eg/">https://www.instagram.com/p/CyzvJF7x9Eg/</a>       | <a href="https://www.instagram.com/p/CyzvJF7x9Eg/">https://www.instagram.com/p/CyzvJF7x9Eg/</a> | 107,230 | 119,990     |
| 15    | "Accelerating Sharia Economy and Finance Through Digitalization for Inclusive and Sustainable Growth", various activities will be presented at ISEF 2023.                        | <a href="https://www.instagram.com/p/CystL3ExJMF/">https://www.instagram.com/p/CystL3ExJMF/</a>       | 2023-10-22<br>17:56:36  | 33,075  | 37,724      |
| 16    | Highlights of the BSI Sustainable Movement event held in Bali.   | <a href="https://www.instagram.com/reel/CuddYYCttww/">https://www.instagram.com/reel/CuddYYCttww/</a> | 2023-07-09<br>09:47:29  | 11,234  | 12,219      |
| TOTAL |  |   |   | 565,473 | 723,322     |

### Educational Contents

**565,471** total reach

BSI's green campaign and sustainable finance educational content in Instagram social media with 723,322 total impressions (image)/play (reels). [\[SEOJK F1\]](#)



## ENERGY AND EMISSION

BSI recognizes that energy usage is crucial to its operational activities. Therefore, the Bank consistently endeavors to implement energy efficiency policies. Throughout 2023, BSI has remained actively engaged in the implementation of sustainable operations, including:

1. Construction of Aceh landmark building with green building concept.
2. Solar panel usage in the BSI Building, among others, in the Mayestik Branch Office, Pejompongan Sports Ground, and Mataram Branch Office.
3. Implementation of water treatment in the BSI building/office.
4. The use of LED lamps that have better energy efficiency.
5. Using inverter technology and refrigerant volume in air conditioners
6. Setting the air conditioner as needed
7. Use of environmentally friendly materials such as:
  - Recycled plastic on the table top of the office desk at BSI Tower
  - MDF board on Custom furniture
  - Heat-reducing glass in Landmark Building Aceh

### Energy and Emission Consumption

BSI's internal energy consumption is calculated from electricity purchased from the State Electricity Company (PLN), which is used for activities at BSI's head office. In addition to electricity, the source of energy for the Bank's internal energy consumption is fuel oil for the bank's operational vehicles.

BSI's energy consumption data for the 2023 period as follows:


| [GRI 302-1] [GRI 305-1]<br>[GRI 305-2] [SEOJK F6] | Unit  | Total Volume Usage | Total Energy (GJ) | Total Emission (Ton CO <sub>2</sub> Eq.) |
|---|-------|--------------------|-------------------|--|
| PLN Electricity for BSI Head Office               | KWH   | 2,117,285.90       | 7,616.14          | 1,577.07                                 |
| Head Office Operational Car Fuel                  | Liter | 157,329.41         | 6,027.41          | 144,94                                   |
|   |       | <b>TOTAL</b>       | <b>13,643.55</b>  | <b>1,722.01</b>                          |

- The scope of BSI's energy consumption and direct emission data is the BSI Head Office at Tower Jakarta.
- Using energy conversion factor and Net Calorific Value (NVC) based on the International Energy Agency (IEA) conversion standards
- For the purposes of conversion calculation, it is assumed that the fuel type of all operational vehicles used is RON 98 gasoline (Pertamax trademark) with a maximum density of 770 kg/m<sup>3</sup> based on the Decree of the Director General of Oil and Gas Number 0177.K/10/DJM.T/2018 concerning Standards and Quality (Specifications) of Gasoline RON 98 Fuel Oil Marketed Domestically.
- Assuming Pertamina Fuel price of Rp12,800/liter, fuel cost in 2022 was Rp2 billion
- Emission Factor Based on IPCC GHG Protocol Cross Sector Tools (March 2017)
- Global Warming Potential (GWPP) based on IPC GHG Protocol Assessment Report (AR5)
- Using emission factor from the 2019 Electricity System GHG FE Value for Jamali Grid, which is 0.80 ton CO<sub>2</sub> eq per KWH
- The base year used is 2021.
- To this day, there has been no data collection related to energy and emissions related to Scope 3.

### Energy Efficiency and Emission Control Programs [SEOJK F7][SEOJK F12][GRI 302-4][GRI 305-5]

To optimize energy efficiency at BSI, we continually strive to initiate initiatives and innovations to control emissions from the Bank's operational activities. Throughout 2023, the programs and achievements in energy efficiency implemented are as follows:

**Use of Environmentally Friendly Materials**




2

Branch Offices

1

Sport Ground


BSI has used solar panels to help meet the energy needs of the branch offices in addition to the source of electricity from PLN.



The Lamps

100%


The lamps used throughout all BSI's offices are LED lamps [SEOJK F5]



Friendly Refrigerant

R32

An environmentally friendly refrigerant that is used in all air conditioning systems in BSI offices. The R32 has a value of "0" ozone depletion potential, with a cold index reaching almost 2 times better than other refrigerants. [SEOJK F5]



The Air Conditioning System

100%

The air conditioning system in BSI's offices has used inverter technology and volume refrigerant that can save up to 50% of electricity. In addition, the room temperature settings at the BSI head office and branch office have also considered energy efficiency optimization.

Notes:  
As of the end of the reporting year, BSI was still in the process of quantifying the results of energy efficiency, so reporting for total energy efficiency and emissions will be reported in future reports after this process is completed. [GRI 302-4]



## Environmental Performance

### WATER

Water management is also a policy of utmost importance at BSI. Water is one of the most critical natural resources for the sustainability of life. In carrying out operational activities, the Bank uses water to meet domestic needs in branch offices and BSI data centers. The Bank is committed to ensuring water balance sustainability through sustainable water management approaches.

#### BSI Water Management Principles & Goals [GRI 303-1]



##### Reduce

Reducing raw water withdrawal from public water bodies, and not overusing groundwater as much as possible.



##### Increase

Improving water recirculation through the water recycling process and ensuring that all of our operational facilities have a Water Treatment Plant so that water that undergoes the treatment process can be reused, among others, for flushing toilets and watering plants.



##### Ensure

Ensuring the quality of wastewater that is channeled to the Waste Water Management Plant (WWTP) meets the quality standards in accordance with applicable regulations. [GRI 303-2]

Notes:

As of the end of the reporting year, BSI has not conducted a formal assessment regarding water stress and water impact to develop impacts and targets for water use. Nevertheless, all of BSI's operational areas continue to accelerate water efficiency and conservation efforts as part of the Bank's operational activities.

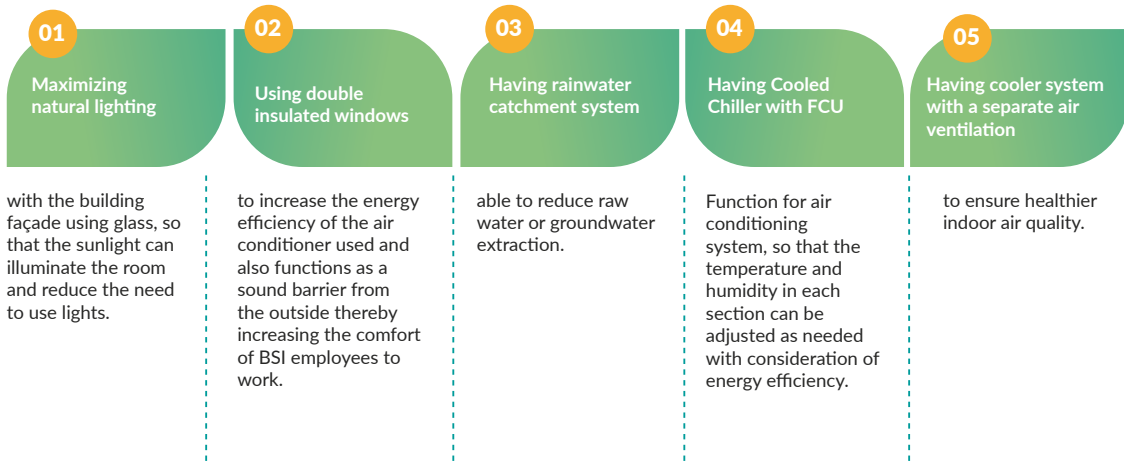
Throughout 2023, the BSI Head Office used 1,824m<sup>3</sup> of water, all supplied by the PDAM. To ensure effective water management policies, we also conducted water-saving campaigns in Bank operational areas, including through posters placed in toilet areas, ablution areas, and handwashing stations to encourage moderate water usage. [SEOJK F.8] [GRI 303-3]

Furthermore, water efficiency efforts are made through the use of water treatment in BSI office buildings and recycling used building water for toilet flushing in new buildings. Water efficiency initiatives are also applied at the BSI Cipali Mosque, where used ablution water is used to irrigate plants around the mosque.

## Features of Green Building at BSI Head Office

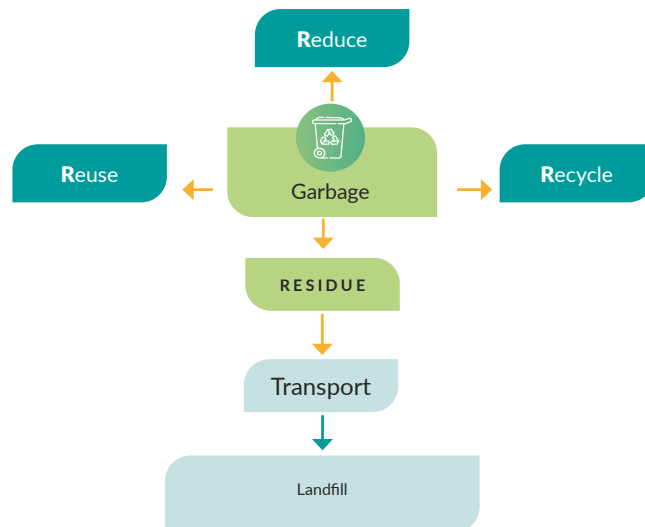
Located on Jalan Gatot Subroto, DKI Jakarta, the BSI Head Office at The Tower is the work of one of the world's leading architectural firms, Denton Corker Marshall. Built by Indonesia's renowned architectural figure, Budiman Hendropurnomo as head architect, The Tower reaches 212 meters in height with a floor area of 100,931 gross m<sup>2</sup>.

The Tower is designed as a building that has various environmentally friendly features that are in accordance with green building principles, including:



## WASTE

BSI's commitment to implementing sustainable operations is also carried out through waste management. The largest waste generated from Bank operational activities can be categorized into several types, namely paper waste, packaging waste, food waste, and hazardous waste (B3). BSI's waste management approach follows the best practice of reduce, reuse, and recycle (3R), aiming to minimize the volume of waste sent to landfills. [SEJK F14]





## Environmental Performance

### Paper Waste [SEOJK F13] [GRI 306-1]

BSI considers paper saving efforts as one of its focus and priority sustainable policies. This is because paper waste is the largest type of waste generated from Bank operational activities. Activities such as report preparation, bank correspondence with customers, and banking transaction processes are the largest sources of paper waste in BSI.

Efficient approach for saving paper conducted consistently and continuously, among others:

1. Double sided printing and the use of blank waste paper (duplex printing).
2. Digitization request for printed goods through online applications and the procurement process is carried out digitally through the Procurement Management System.
3. Implementation of E-DOC BSI, namely a web-based correspondence digitization to reduce paper usage at the head office.

Continuing from the paper-saving policy, the implementation of the Reuse, Reduce, and Recycle (3R) principles is included in utilizing residual materials to form new products and reduce solid waste. Management of paper waste is implemented through the use of recycled paper in the printing of Annual Reports and Sustainability Reports.

In 2023, BSI's paper usage reached 7,836 reams, a decrease compared to the paper usage in 2022, which reached 6,657 reams. This is due to the increase in the number of BSI customers. Moving forward, we will continue to strive for paper usage efficiency through digitization and identify and calculate the intensity of paper usage in Bank operations. [GRI 306-3]

### Plastic Waste [SEOJK F13]

Another major source of waste is plastic packaging waste and food remnants from employee pantry facilities. Generally, the types of waste generated from BSI employee pantries are plastic packaging, food scraps, seasoning sachets, and plastic utensils. As a step towards reducing plastic waste, BSI encourages the use of reusable plastic drink bottles in the office environment, both for employees and for various meeting needs.

Since 2021, BSI has collaborated with PlasticPay to install plastic waste recycling machines in public areas, starting at BSI office locations. In the first implementation phase, Reverse Vending Machine (RVM) waste recycling machines have been placed in the BSI Wisma Mandiri 1 building and several areas in the Greater Jakarta area.

In essence, this collaborative program aims to educate the public to be more concerned and take active steps in plastic waste management. Through RVMs, the community is encouraged to start sorting and processing plastic waste properly, so that it can be processed into high-value economic goods, not burden landfills, and not pollute the environment.

The types of plastic waste that can be brought and exchanged through RVM machines and the PlasticPay digital platform are plastic bottle waste. Through PlasticPay's digital platform, BSI ensures that this program can be well measured and monitored.



## Easy Steps to Reduce Plastic Waste



The people who want to participate in reducing plastic can easily redeem their plastic waste to the RVM machine in 3 easy steps:



**01** Bring used plastic drink bottle to the nearest PlasticPay Collection Point,

**02** Put it into the RVM machine and scan the barcode,

**03** Collect points, which can then be exchanged for merchandise from BSI and Plasticpay Indonesia, where 1 point is equal to Rp1. One bottle of 600 ml is equivalent to 56 points, or Rp56; 1 kg is equivalent to 2,968 points, or Rp3,000.

In 2023, BSI's collaboration with PlasticPay have successfully placed Reverse Vending Machine (RVM) & PlasticPay Collection Point at [\[GRI 306-2\]](#) [\[GRI 306-4\]](#)



**50** locations  
in Jabodetabek  
and Bali

**22.9** Kg  
reduction of  
bottle plastic  
waste reaching

**84.4** Ton CO<sub>2</sub>eq  
and help  
contribute of  
carbon footprint  
reduction by

### Office Hazardous Waste [\[SEOJK F13\]](#)

Another category of waste generated from BSI's operations is B3 in the form of electronic waste, used printer ink cartridges, used batteries, and used fluorescent lamps. BSI's efforts in managing this waste include ensuring no B3 spills and disposing of hazardous materials that can pollute the environment, such as used vehicle oil, used ink, or floor cleaning chemicals. The Bank also implements a zero-stock program for office stationery so that procurement can be based on actual needs. Additionally, we also document the types of waste that do not contain hazardous materials.

Throughout 2023, there were no significant B3 waste or common waste spills in the BSI workplace. [\[SEOJK F15\]](#)

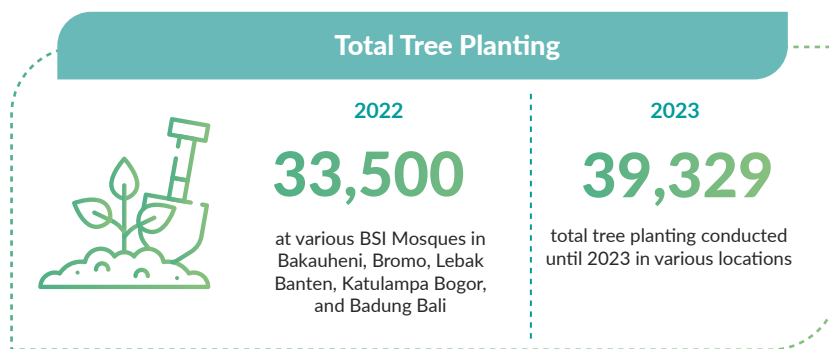


## Environmental Performance

### NATURE-BASED SOLUTIONS

As the largest Islamic bank in Indonesia, BSI is committed to supporting Indonesia's efforts to achieve the Enhanced National Determined Contribution (ENDC) target in line with the Paris Agreement. One of the efforts we make is by implementing nature-based solutions. Nature-based solutions involve actions to protect, sustainably manage, or restore natural ecosystems, in order to contribute to climate change prevention, human health, food and water security, and effective and adaptive disaster risk reduction, while also providing benefits for community welfare and biodiversity conservation.

Although BSI does not have operational offices nearby or within conservation areas, conservation programs for natural habitats and biodiversity continue to be carried out through tree planting activities in Bank operational areas, especially planting trees with high carbon sequestration potential. In 2023, BSI planted trees in various location in Indonesia. [SEOJK F9][SEOJK F10] [GRI 304-3]



### ENVIRONMENTAL COMPLAINTS

For BSI, the measure of Bank success must align with the maqoshid syariah (Islamic objectives), which consists of *Hifdz Diin* (safeguarding religion), *Hifdz Nafs* (safeguarding life), *Hifdz Aql* (safeguarding intellect), *Hifdz Maal* (safeguarding wealth), *Hifdz Nasb* (safeguarding lineage), and *Hifdz Bi'ah* (safeguarding environment). This is also in line with sustainable finance principles.

In practice, the assessment and evaluation of the environmental performance of all BSI debtors is an integral part of the Bank's business process. Throughout 2023, our evaluation of all BSI debtors showed no complaints or significant environmental violations. [SEOJK F16]



# Independent Assuror Statement



## Independent Assurance Statement 0224/BD/0021/JK

### To the management of PT Bank Syariah Indonesia, Tbk

We were engaged by PT Bank Syariah Indonesia, Tbk ('BSI') to provide assurance in respect to its Sustainability Report 2023 ('the Report'). The assurance engagement was carried out by our highly experienced assurance team whose diverse and complementary skills ensure a high level of competence in carrying out their duties.

### Independence

We conducted all our assurance undertakings with independence and autonomy having not been involved in the preparation of any key part of the Report. Nor did we provide any services to BSI during 2023 that could conflict with the independence of the assurance engagement.

### Assurance Standards

Our work was carried out in accordance with ISAE3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Accounting Standards Board. In addition, the work was also planned and carried out to conform to AA1000AS v3 'AA1000 Assurance Standards v3', issued by AccountAbility.

### Level of assurance and criteria used

By designing our evidence-gathering procedures to obtain a limited level of assurance based on ISAE3000 and a moderate level of assurance engagement as set out in AA1000AS v3 readers of the report can be confident that all risks or errors have been reduced to a very low level, although not necessarily to zero. Moreover, the Report was also evaluated in accordance with the criteria of AA1000 AccountAbility Principles (2018) of Inclusivity, Materiality, Responsiveness and Impact.

### Scope of Assurance

We provided a Type 2 assurance engagement under AA1000AS v3. This involved:

- 1) Assessment of BSI's adherence to the AA1000 AccountAbility Principles (2018); and

- 2) Assessment of the accuracy and quality of the specified sustainability performance information contained within the Report, in relation to the agreed scope, which consisted of:

- Sustainable finance management;
- Human resources training and development; and
- Community development.

### Responsibility

BSI is responsible for the preparation of the Report and all information and claims therein, which include established sustainability management targets, performance management, data collection, etc. In performing this engagement, meanwhile, our responsibility to the management of BSI is solely for the purpose of verifying the statements it has made in relation to its sustainability performance, specifically as described in the agreed scope, and expressing our opinion on the conclusions reached.

### Methodology

In order to assess the veracity of certain assertions and specified data sets included within the report, as well as the systems and processes used to manage and report them, the following methods were employed during the engagement process:

- Review of the report, internal policies, documentation, management and information systems;
- Interviews of relevant staff involved in sustainability-related management and reporting; and
- Following data trails to the initial aggregated source, so as to check data samples to a greater depth.

### Limitations

Our scope of work was limited to a review of the accuracy and reliability of specified data and interviews with data providers, persons in charge of data collection and processing, as well as persons in charge of sustainability performance-related information.

## Conclusions

Conclusions in regard to adherence to the AA1000 Accountability Principles of Inclusivity, Materiality, Responsiveness and Impact include the following findings:

### ▪ Inclusivity

An assessment was made on whether BSI has included all key stakeholders in developing and achieving an accountable and strategic response to sustainability issues.

Demonstration of BSI's strong commitment to stakeholder inclusivity included the conducting of needs assessment surveys and a materiality level survey of the key stakeholder groups. Our overall assessment is that BSI has set in place an effective system that enables key stakeholders to participate in the development of the organization's response in the context of sustainability.

In order to maintain and strengthen the effectiveness of this inclusivity, however, we recommend that BSI carries out regular monitoring of its systems and procedures, and implements improvements where necessary.

### ▪ Materiality

With stakeholders requiring material information on which to base their informed judgments, decisions and actions, an assessment was carried out to determine the extent to which BSI has included such information in the Report.

BSI's strong commitment to meet stakeholder needs in this field was evidenced by the provision of adequately reported and balanced information on key material issues. Nevertheless, as demands for information continue to increase, we recommend that BSI conducts materiality tests on a regular basis for inclusion in future reports.

### ▪ Responsiveness

As it is increasingly important to communicate in meeting stakeholder expectations, an assessment was carried out to determine the degree to which BSI demonstrates its accountability in this area.

BSI's allocation of resources to stakeholder engagement, the timeliness and accessibility of reported information, and the types of communication mechanisms regularly employed, were all indicative of BSI's responsiveness to key stakeholder concerns and expectations. As in other areas, however, vigilance is of key importance, and we recommend that BSI conducts regular monitoring while improving stakeholder engagement procedures where necessary in future reports.

### ▪ Impact

An assessment was made on whether BSI has monitored, measured and is accountable for how its actions affect their broader ecosystems.

BSI has integrated identified impacts into its key management processes including, for example, its materiality assessment process, organisational strategy, governance, goal-setting, and operations.

In order to strengthen the effectiveness of assessment and disclosure of its impacts, however, we recommend that BSI provides the necessary competencies and resources to measure, evaluate and manage its impacts, conducts regular monitoring of its systems and procedures, and implements improvements, where necessary.

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe the data of the Report has been materially misstated.

All key assurance findings are included herein, while detailed observations and follow-up recommendations have been submitted to BSI management in a separate report.

Jakarta, March 25, 2024




**James Kallman**

*Chief Executive Officer*

*Moore's Rowland is an international organization specializing in audit, accounting, tax, legal and advisory, business and human rights services in Indonesia. Moore's Rowland is a member of Praxity AISBL, the world's largest Alliance of independent and unaffiliated audit and consultancy companies. With more than 65,000 professionals operating in 120 countries across the globe, each sharing the same values and sense of responsibility, Praxity is served by Moore's Rowland in Indonesia, one of the leading sustainability assurance providers.*

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# GRI

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| Statement of use | PT Bank Syariah Indonesia Tbk has reported the information cited in this GRI content index for the period 01 January – 31 December 2023 with reference to the GRI Standards. |
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# Feedback Form

PT Bank Syariah Indonesia Tbk (BSI) has published a Sustainability Report to provide sustainability performance and sustainable finance implementation. Upon reading this Sustainability Report, we look forward to your input, criticism and suggestions by sending an email or by sending this form by mail.

## YOUR PROFILE

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Institution/Company : .....  
E-mail : .....  
Phone/Mobile : .....

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- Customers
- Employees
- Government
- Media
- Business partners
- Public and the community
- Others, please specify:  
.....

## PLEASE SELECT THE APPROPRIATE ANSWERS IN RESPONSE TO THE QUESTIONS BELOW.

- |   | YES                      | NO                       |
|---|--------------------------|--------------------------|
| 1. This report is easily understood.  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. This report is useful for you.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. This report portrays the sustainability performance clearly.                 | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. This report discloses the material topics which are relevant to the Company. | <input type="checkbox"/> | <input type="checkbox"/> |

## THANK YOU FOR YOUR PARTICIPATION.

### PLEASE SUBMIT AND SEND THIS RESPONSE TO THE FOLLOWING ADDRESS:

Corporate Secretary  
PT Bank Syariah Indonesia Tbk (BSI)  
Head Office  
Gedung The Tower  
Jl. Gatot Subroto No. 27  
Kelurahan Karet Semanggi,  
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