

# THE COMMITMENT TO THE ENVIRONMENTAL CONSERVATION



**T**he Bank actively participates in environmental preservation activities by implementing green office policy that aims to reduce environmental impacts directly.

The Bank commitment to environments preserve are implemented through two approaches, as follow: managing environmental, social and governance risks (LST) in distributing loans and its running banking operations by paying attention to the efficiency of natural resources and minimizing pollution. [GRI 103-1]

## THE COMPANY'S COMMITMENT TO THE ENVIRONMENTAL CONSERVATION

Bank BTN has actively implemented the Financial Services Authority Regulation Number 51/POJK.03/2017 concerning the Implementation of Sustainable Finance by managing its banking operations based on environmental protection principle. The Company banking operations management is designed to reduce pollution from the Company banking activities and financial products. This pro-environment commitment is a form of the Company's compliance to laws and regulations related to the environment, especially Law No. 32 year 2009 regarding Environmental Protection and Management.



## “ Bank BTN has actively implemented the Financial Services Authority Regulation Number 51/POJK.03/ 2017 concerning the Implementation of Sustainable Finance by managing its banking operations based on environmental protection principle.”

Compliance is the core principle of the Company environmental preservation activities and its environmental impact management in all of the Company business activities. By paying attention to the principle of prudence, the Company ensures that all relevant activities have environmental permits in accordance with the provisions. During 2018 there were no incidents of violations of environmental regulations within the Company. [GRI 102-11, 307-1]

In addition, in 2018, the Company has develop its Sustainable Financial Action Plan (RAKB) which will serve as guidance document for the Company to effort in an integrating environmental, social and governance aspects (LST) into the Bank's strategy and operations.

The purpose of sustainable finance implementation initiative is explicitly stating at the Company RAKB in the section of environment program, namely conducting social and environmental risk assessment as an initial stage of Sustainability Risk Policy implementation, which includes:

- Requirements for AMDAL, Peel Flooding, and Licensing.
- Conduct a site visit or field observation directly investigating the land status of is not a green land, on disputed and so on.
- Incorporate ecolabelling regulations or the use of environmentally friendly materials that have been certified by the Indonesian Ecolabel Institute (LEI) in the middle-class construction financing.

- Ensure that the housing and or building construction has been certified Greenship category by Green Building Council of Indonesia.
- Make requirements for developers to plant trees in each housing project and or provide a large portion of social and environmental related facilities and infrastructure.
- Create an Exclusion List that lists every activities and practices that the bank does not want to do, namely activities that have a negative impact on people and the planet.

### HEAD OFFICE GREEN BUILDING

Environmental management in banking operations is also one of the objectives of BTN RAKB, namely; "Development of sustainable banking operations through the application of green office concepts and sustainable procurement". In this report, the scope of implementation of the green office is focused on the activities of the Company's Head Office.

### ENERGY

Energy management at the Company head office aims to optimize the usage of energy and prevent energy improvidence. The Company energy management programs is implement at the Company Head Office are includes:

- a. Operational electricity and utility system such lights outages, elevators and chiller units use the BAS (Building Automation System), this arrangement aims to makes utility operation management to be more efficient.

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- b. Lighting settings are divided by zone or division this arrangement aims to made it easier in turning the light out.
- c. Energy savings Education and socialization by encouraging turning off unused electrical equipment (Turn off lights when not in use, removing unused electrical equipment, installing signage on toilets related to water saving, etc.)
- d. Installing solar water heaters at the Board of Directors' rest room.
- e. Setting the chiller and elevator unit operation schedule according to operational requirements
- f. Replacement of TL and essential types of lights into LED lights
- g. Modernization of 10 elevator units with the latest system control and mechanical upgrades that are more efficient in electricity consumption and replacement of damaged AC units or the procurement of new AC units with inverter types.
- h. Media Advertisements uses the Videotron LED system. [GRI 103-2]

Air-conditioning equipment in the form of chillers are significant energy users in the BTN Tower Building as well as elevators. To manage both, the Company has set operating hours based on daily load requirements.

Water is used for hygiene purposes for employees working in the BTN Tower, water management efforts are aimed at minimizing excessive use of water and to reduce consumption of clean water. This is carried out by:

- a. The use of water is maximized using the PDAM as the main water source in accordance with the Regional Regulation related to the use of ground water.
- b. Build 2 (two) infiltration wells with a capacity of 48 m<sup>3</sup> each, so that the total absorption capacity of rainwater reaches 96 m<sup>3</sup>.
- c. Setting water discharge for water consumption (toilets, ablution places, etc.).
- d. Wastewater has been processed through STP (Sewage Treatment Plan) so that it is not harmful to the environment and has obtained a Waste Water Disposal Permit (IPAL) from the relevant Service.
- e. The wastewater treatment plant (WWTP) of the BTN Tower building currently has a capacity of 260m<sup>3</sup> per day. The current condition of output is

220 m<sup>3</sup>/day in accordance with the Waste Water Disposal Permit (IPAL) issued on July 19, 2018. [GRI 103-2]

By implementing good efficiency measures, throughout 2018 the Company has succeeded in reducing water use by 7,861 m<sup>3</sup> or reduced by 7.90% compared to water use in 2017. [GRI 103-3]

## PAPER

Paper use is mainly carried out in banking operations and services for customers. By digitizing documents, reducing paper usage can be reduced by:

- a. No longer using faxes, correspondence is done using e-mail.
- b. Paperless: Disposition and distribution of letters using the Iflow system.
- c. Smart Branch: Do not use Deposit Slip and maximize digitization.
- d. Use used paper for Internal Memos.
- e. Reducing the use of tissue by installing hand driers in the rest room. [GRI 103-2]

## OTHER WASTE AND EMISSION MANAGEMENT

Some of the efforts that have been made throughout 2018 are:

- a. The company restoring and re-arranging the BTN Tower Building park in order to improve air quality and improving the environment quality.
- b. Providing temporary garbage disposal with a capacity of 5 m<sup>3</sup> and temporary storage of B3 waste (Toxic Hazardous Materials) with a capacity of 104.5 Kg.
- c. Prevent environmental pollution through continuous maintenance and repair activities.
- d. Using Air Conditioning types R32, R134A and R410 which are more environmentally friendly.
- e. Reducing the noise level by replacing the generator silencer.
- f. Processing leaf waste to be used as compost.
- g. Avoid using disposable plastic utensils. [GRI 103-2]



The Company comprehensive waste management system made the Company reducing 9,600 kg non-B3 waste in 2018 or as much as 25% compared to 2017. While the number of B3 waste generation decreases from 160 kg in 2017 to 104.4 kg in 2018 or decreases by 34.75%. [GRI 103-3]

<b>14.80%</b> Electricity consumption saving on 2018	<b>7.9%</b> Water consumption saving on 2018
<b>25%</b> Waste reduction on 2018	
<b>Numbers of operating chillers</b>	<b>Number of operating lift</b>
<ul style="list-style-type: none"> <li>- 05.45 WIB Chiller on = 5 unit</li> <li>- 14.00 WIB Chiller off = 1 Unit</li> <li>- 16.00 WIB Chiller off = 1 Unit</li> <li>- 17.00 WIB Chiller off = 2 Unit</li> <li>- 19.00 WIB Chiller off = 1 Unit</li> </ul>	<ul style="list-style-type: none"> <li>- 06.00 all lift unit operates</li> <li>- 18.00 WIB Lift Off = 2 Unit</li> <li>- 20.00 WIB Lift Off = 2 Unit</li> <li>- 22.00 WIB Lift Off = 2 Unit</li> </ul>

With comprehensive energy management system at the BTN Tower, throughout 2018 the Company managed to save electricity consumption by 14.80% from a decrease in usage of 1,188.98 MWh and reduce the use of diesel fuel by 1,015 liters. [GRI 302-4, 103-3].

#### Total Energy Consumptions (MJoule) [GRI 302-1]

Energy Source	2018	2017	2016
Electricity Consumptions	24,648,120	28,928,448	28,309,608
Solar	203,876.10	240,314.60	320,802.40
<b>Total</b>	<b>24,854,014.10</b>	<b>29,170,779.60</b>	<b>28,632,426.40</b>

Catatan:  
 1 kWh = 3,6 MJoule  
 Net Calorific Value solar (Diesel) = 35,90 MJoule/liter

#### Water Consumption Based on Source (M3) [GRI 303-1]

Water Source	2018	2017	2016
PDAM Water Consumption	89,142	97,370	68,200
Deep Well	537	171	321
<b>TOTAL</b>	<b>91,697</b>	<b>99,558</b>	<b>70,537</b>

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## B3 Waste Management [GRI 306-2]

No	Waste Type	Treatment	2018	2017	2016
1	Used Oil	Produced	20 kg	120 kg	50 kg
		Saved in TPS	0	0	0
		Submitted to Authorized Third Parties	Yes	Yes	Yes
2	Used Battery	Produced	60 kg	20 kg	50 kg
		Saved in TPS	0	0	0
		Submitted to Authorized Third Parties	Yes	Yes	Yes
3	Lights and Electrical Waste (TL lamp, PLC, ballast, cable)	Produced	4.4 kg	10 kg	10 kg
		Saved in TPS	0	0	0
		Submitted to Authorized Third Parties	Yes	Yes	Yes
4	Freon Tube Leftover	Produced	20 kg	10 kg	15 kg
		Saved in TPS	0	0	0
		Submitted to Authorized Third Parties	Yes	Yes	Yes

## Environment Preservation And Management Costs

Throughout 2018, the Company spent Rp150,3 million for environmental preservation and costs includes for the STP management (Sewage Treatment Plan) and for waste management cost

## Biaya Pengelolaan Limbah Padat dan Cair Gedung Menara Perseroan Dengan Pihak Ketiga

No.	Description	January	February	March	April	May	June	July	August	September	October	November	December
1	Pengangkutan Sampah Basah dan Kering	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000
2	Perawatan STP	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
	<b>Total</b>	<b>12,400,000</b>	<b>12,400,000</b>	<b>12,400,000</b>	<b>12,400,000</b>	<b>12,400,000</b>	<b>12,400,000</b>	<b>12,650,000</b>	<b>12,650,000</b>	<b>12,650,000</b>	<b>12,650,000</b>	<b>12,650,000</b>	<b>12,650,000</b>





Overview of Sustainability Performance  
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**The Commitment to the Environmental Conservation**  
The Commitment to the Environmental Conservation  
Human Resource Management  
Commitment to Provide Best Services  
Inclusive Services and Product  
Contribution for the Improvement of Life Quality of the Community  
Supporting Information

