

The Company Occupational Health and Safety (K3) Specified Policies

- o Prohibition of Narcotics, Psychotropic and Addictive Substance Abuse
- o Prevention of Spread of Communicable Diseases
- o Management of Associates / Third Parties Regarding OHS

In accordance with commitments held by the Company, during 2020, the Company made every effort to create a safe and comfortable work environment by complying with various applicable rules and procedures. These efforts bring results in the absence of work accident incidents in the Company's environment so that it does not impact the missing in work-day counting and others. Evaluations related to Hazard Identification, Assessment, and Risk Control during the reporting year also did not find any cases of employees suffering from certain diseases due to their daily operation. (GRI 103-3, 403-2, 403-3)

Training and Competency Development for Employees (F.22)

The Company periodically conducts education and training programs to improve employee competencies and skills. Education and training are intended for employees based on individual development plans and in accordance with the needs of the Company. Management of employee training and education is regulated in the Board of Directors Decree No. 04 / KD / SIPD / 2017 on May 29, 2017, amendment to the Board of Directors Decree No.3 / KD / DIR / SIPD / 2017 concerning Head Office Organizational Structure in article 8 point 5h concerning Organizational Structure of Learning Center Division. (GRI 103-2)

Through careful planning, in 2020, the Learning Center achieved a performance target based on the target number of batches and the number of participants from three schools that conduct training for employees, namely: (GRI 103-3)

1. School of Leadership

Providing training that aims to build leadership personality at the level of the Company's Leader. This program consists of ODP (Officer Development Program), MDP (Management Development Program), SDP (Supervisor Development Program), Overseas and Domestic Scholarship for Master Program, SESPIBANK (School for Staff and Bank Leaders) Board of Commissioners and Directors, EDP (Executive Development Program) study abroad for Head of Divisions, and other leadership programs.

2. School of Operation Banking

Providing training that aims to enhance expertise or competence to the supporting structures of the Company as the Company's business support. This training consists of the fields of Faculty of Audit, Faculty of Compliance, Faculty of Corporate Affairs, Faculty of Human Capital, Faculty of Information Technology, Faculty of Law, Faculty of Management System, Faculty of Risk, Finance & Accounting, Operational Banking, and Others.

3. School of Business Banking

Providing training that aims to provide expertise or competence that focuses on business development and management which consists of Collection & Asset Management, Commercial Funding, Retail Funding & Service, Commercial Lending, Consumer Lending, Digital Banking, Sharia Financing, Service Quality, Sharia Funding, Other Sharia Services, Treasury, Wealth Management, and Others.

During the reporting period, the learning process in the Company was developed by implementing a virtual classroom and improving Knowledge Management System (KMS) to encourage e-learning. Both are important platforms to facilitate access to learning for all employees, especially those in remote areas. The company is also preparing tools to develop BTN Corporate University in the future.

In addition to education and training programs aforementioned, competency development is also provided by accomodating selected permanent staff to continue their study to a higher level. It aims to meet and improve employee competencies which can create skillful, resilient, and responsive workforces in accordance with the needs and development of the bank. Employee education is regulated in the Directors' Circular Letter Number: 43 / DIR / CMO / 2011 concerning Human Capital Development. (GRI 103-3)

In addition to employees who were still active, the Company also provided training for employees who were about to retire. Training was provided so that they had readiness and skills so that they could remain productive when they retired. (GRI 103-3, 404-1)

Employee's Performance Assessment and Career Development

The Company has a certain mechanism in providing reviews or assessments to employees. The results of performance assessments that have been conducted, the Company use it as an indicator to decide employee career development. In developing employee careers, the Company does not differ based on gender, but the aspects that are assessed are employee competency and capability. More specifically, the Company has policies related to employee career planning and development as stipulated in the Board of Directors Circular Letter Number 26 / DIR / HCD / 2014 concerning Employee Career Planning of PT Bank Tabungan Negara (Persero) Tbk. (GRI 103-2)

To provide opportunities for employee growth and motivation to develop, the Company has arranged career paths based on the position rank and job family and individual career planning structures based on employee's core competencies (core, leadership, and job family) and learning curriculum.

During 2020, all employees of the Company (100%), both men and women, at all levels of the organization's positions received performance evaluations. (GRI 103-3, 404-3)

Protection of Employee Right

Pegawai Employee Diversity and Equality

The Company applies the principle of diversity and equality for all employees in accordance with the basic principles of employment stated in Act No. 13 of 2003 concerning manpower. This principle is applied to regulations or policies on human rights contained in the Board of Directors Regulations, Circular Letters, and Collective Labor Agreements. In the regulation, the Company applies the principle of equality from recruitment, training programs and employee competency development, employee career development, as well as remuneration and employee welfare regardless of gender, religion, ethnicity, race, and other diversity. (GRI 103-2, 405-1) (F.18)

Harmonious Industrial Relations

The Company upholds the freedom of association and assembly, and even establishes Trade Unions (TU) as a medium for employees to argue and fight for their rights. For the Company, employee rights are inherent rights once a person works and is appointed as an employee. Respect for such rights is one of the keys to building a harmonious relationship between the Company and its employees.

This award is also a form of the Company's compliance with Article 28E paragraph (3) of the 1945 Constitution of Indonesia which states that "Everyone has the right to freedom of association, union and opinion", Law Number 21 of 2000 concerning States Workers, and ILO (International Labor Organization) Convention Number 87 of 1948 concerning Freedom of Association and Protection of the Right to Organize, the Company since June 24, 1999 facilitated the formation of trade unions named the Financial Services Union and has been registration at the DKI Ministry of Manpower No. Kep-2241 / W.26 / K.2 / 1000. The establishment of the Company's trade union is an effective communication forum between the Company's management and all employees of the Company.

The Company provides freedom of association to all employees of the Company which includes:

- o Joining Company's trade union
- o Conveying aspirations through Company's trade union
- o Gathering in Company's trade union activities

With the implementation of the Company's commitment to the granting of freedom of association to all employees, during 2020 there were no incidents of violations or complaints reports related to freedom of association within the Company. (GRI 103-3, 407-1)

Collective Labor Agreement

As a follow-up on the existence of trade unions of the Company, the employees and management of the Company then agreed to prepare a Collective Labor Agreement (CLA). On October 2, 2012, the Company registered the Collective Labor Agreement (PKB) with Indonesia's Ministry of Manpower and Transmigration Number: Kep.157 / PHIJSK-PKKAD / PKB / X / 2012. The Company is committed to preventing the occurrence of forced labor incidents in the Company's environment by the existence of regulations related to employee work hours regulated in the Board of Directors Circular Letter Number: 11 / DIR / HCD / 2013 concerning Work Days and Hours in the sub-Human Capital Administration. PKB is updated periodically with the Workers Union to be registered with the Manpower Office. In 2019, all employees of the Company (100%) have been protected by PKB rights. (GRI 102-41, 103-2)

The Company establishes two-way communication with employees including to provide information related to important changes in the Company such as changes in organizational structure and the addition of business units to employees as well as matters relating to other staffing. Notification related to these changes, informed through memos to all work units and can be accessed through AIMS (internal application related to the Company's provisions).

The Company is committed to preventing the occurrence of forced labor incidents in the Company's environment by the existence of regulations related to employee work hours regulated in the Directors' Circular Letter Number: 43 / DIR / CMO / 2011 concerning Human Capital Administration. The regulation regulates bank days and hours so employees can attend, work and rest in accordance with the specified time. However, if in certain condition that a duty must be completed by exceeding the working hours, the Company provides compensation in the form of overtime money to employees who work overtime. This has been regulated in the Board of Directors Circular Letter Number: 43 / DIR / CMO / 2011 concerning Human Capital Reward. (GRI 103-2, 103-3, 409-1)

Remuneration and Benefits for Employees

In the Company, the remuneration and employee benefits system is regulated in the Board of Directors Circular Letter Number 43 / DIR / CMO / 2011 concerning Human Capital Reward. In providing remuneration, the Company applies a fair reward pattern and equal treatment without discrimination to all employees regardless of gender, ethnicity, race, religion, color, and other diversity; however, based on the achievement of performance and job responsibilities. (GRI 103-2, 103-3, 405-2)

Based on employment status, the Company provides different components of remuneration and facilities, but the Company ensures that the rights received by contract employees are in accordance with applicable regulatory standards. (GRI 103-3, 401-2)