

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)

Components of Remuneration and Facilities	Permanent Employees	Contract Employees
Basic salary	√	√
Holiday allowance	√	√
Leave allowance	√	
Clothing allowance	√	√
Allowance (position, housing, vehicle, expertise, fuel, location, tax)	√	
Performance bonus	√	√
Housing Loan	√	
Pension Allowance	√	
Health Insurance	√	√
Periodic health maintenance facilities	√	√
Medical assistance	√	√
Grief support	√	√

In 2018, the Company amended the employee remuneration, namely; salary adjustment on P75 percentile so that it is competitive, amendments to benefits (employee relocation facilities, credit, health, overtime) as well as a variable compensation system for salespeople.

The Company applies salary adjustments due to inflation and adheres to the minimum wage provisions based on the Republic of Indonesia Minister of Manpower and Transmigration Regulation No. 7 of 2013 concerning Minimum Wages. The Company is committed to always providing employee salaries at entry level positions above the Minimum Wage standard applicable in the Company's operational areas. (GRI 103-3, 202-1) (F.20)

Maternity leave

The Company provides maternity leave to female permanent employees for 1.5 (one and a half) months before and 1.5 (one and a half) months after childbirth or three months of maternity leave. While the miscarriage leave facility is given for 45 days after the miscarriage. In addition, the Company also gives permits for five days to male employees to leave work if their wife gives birth (paternity leave). This facility has been regulated in the Directors' Circular Letter Number 43 / DIR / CMO / 2011 concerning Human Capital Administration. (GRI 103-2, 103-3, 401-3)

Pension Program

The Company provides several pension benefits to employees in accordance with the Board of Directors Circular Letter Number 43 / DIR / CMO / 2011 concerning Human Capital Engagement. Employees who are granted pension benefits are permanent employees who have reached the normal retirement period of 56 years. Pension benefits consist of: (GRI 103-2)

1. Manfaat Pasti Program, in the form of pension benefits formulated by the Pension Fund.
2. Luran Pasti Program, in the form of pension benefits from the accumulation of fixed employee contribution balances amounting to 2.5% of the salary concerned, 7.5% from the Company, and the results of its development.

Referring to the Decree of the Board of Directors governing the Pension Fund Regulation of PT Bank Tabungan Negara (Persero) Tbk. (BTN Dapen), the amount of Pension Benefits is as high as 80% of the Basic Pension Income. (GRI 103-3, 201-3)

Handling of Employee Complaints

A harmonious relationship between employees and management of the Company is a prerequisite for the day-to-day operations of the Company. To support employee relations and interaction, the Company has used the BTN Employee Service (iBES/HCIS) digital intelligence staffing tool that facilitates employee accessibility in staffing related arrangements. Meanwhile, to manage employee complaints or reports related to violations of labor practices and human rights within the Company, the Whistleblowing System (WBS) is used. This is regulated in the Board of Directors Circular Letter Number: 21/DIR/IAD/2014 concerning the Whistleblowing System of PT Bank Tabungan Negara (Persero) Tbk.

The regulation also regulates the WBS mechanism which is as follows:

- a) WBS processes & mechanisms are the responsibility of the President Director and WBS Manager consisting of the WBS Committee and the WBS Monitoring Committee.
- b) The WBS Committee consists of a submission of several divisions and the WBS management unit, while the WBS Monitoring Committee consists of the President Commissioner and other members of the Board of Commissioners in the Company.
- c) Otherwise, in condition that the reported person is a member of the Board of Directors as well as a person who is affiliated with the directors and or members of the WBS committee, then the report can be submitted to the WBS Monitoring Committee.
- d) If the reported person is a member of the board of commissioners as well as someone who is affiliated with the commissioner, then the report can be submitted to the President Director.