The Bank is aware that the company’s business continuity is not merely measured by the success in managing financial aspect, but also other aspects related to contribution and benefit to community and surroundings. Therefore, the Bank constantly installs the CSR programs as the key part of organization that shall be continually conducted and developed every year.
Corporate Social Responsibility

Carrying out its big vision “become a world class Bank of choice recognized for its concern and trustworthy”, the Bank attempts to provide contribution and optimal synergy to the environment and community as a concern of life quality improvement on earth.

PRINCIPLE AND POLICY

In line with Sustainable Development Goals (SDGs) which consists of 17 goals, the triple bottom line concept or 3P (people, planet, profit) has grown where the sustainable development is currently based on five main pillars or 5P (people, planet, prosperity, peace, and partnership). Based on that, the Bank realizes that the presence of all stakeholders is the key issue in realizing the company goals. The Bank constantly considers that the Bank’s presence should be positively perceived by all stakeholders and ensures that all of operational activities will never give negative impact on the environment.

Aside from giving attention to create sustainable environment climate and community, the Bank also manages Human Capital aspect and determines consumer-related policy. The Bank implements a series of Corporate Social Responsibility/CSR activities based on the following principles:

• Building Partnership with all stakeholders based on the equality principle.
• Creating added value in every program and community development activities in order to promote self-reliance.
• Providing sustainable benefit for all stakeholders both in short term and long-term period.

The Bank’s CSR activities are focusing on two fields namely improvement of people welfare and sustainable environment. In 2017, total beneficiaries of CSR activities were 8,493 people with 1,226 employees engaged as volunteers. The more complete data can be seen on the table below:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Volunteers</td>
<td>1,226</td>
<td>1,779</td>
</tr>
<tr>
<td>Total Beneficiaries</td>
<td>8,493</td>
<td>8,262</td>
</tr>
</tbody>
</table>

VISION, MISSION, AND PHILOSOPHY OF CSR

Vision, mission and philosophy in conducting all of CSR activities constantly refer to the Bank’s big vision “to become a world class Bank of choice recognized for its concern and trustworthy”. One of the Bank’s efforts to realize such vision is to deliver maximum contribution and synergy to the environment and community as a concern of the Bank to life quality improvement on earth. The Bank has committed to grow with the community and deliver added value in each stage of life. Therefore, the Bank’s CSR program always covers the various stages of life, from children, youth, adult and elderly.
RESPONSIBILITIES FOR LIVING ENVIRONMENT

Policy Related to Environment

Although the Bank’s business operational is unlike any other industries in terms of natural resources use such as energy, material and its impact on the environment, the Bank has committed to actively take a role to preserve the environment. One of which by implementing Bank of Indonesia Regulation No. 14/15/PBI/2012 on Assessment of Commercial Banks’ Assets Quality which drives the National banking to consider the environment feasibility factor in business prospect assessment. The Bank is able to reduce through credit granting policy on debtors who potentially harm the environment. As a part of OCBC Group, the Bank teams up with OCBC Singapore in conducting all CSR programs and activities related to the living environment in order to improve the community access to sustainable and renewable energy resources.

(G4-DMA)(G4-15)

Impact of Activities

Through the issued policy and provisions, the Bank invites all parties, both internal and external to understand and have concern about the importance of environmental preservation. The Bank has managed to reduce the consumption of electricity, non-environmental friendly plastic materials, and water. The Bank believes that all CSR activities during 2017 have given positive impact on the community life improvement.

Implementation of Activities in 2017

Policy of Reduce, Reuse, Recycle

Eventhough the Bank’s activities causes no significant impacts to the environmental damage, the Bank endeavors to give contribution to environmental preservation by saving materials through Reduce, Reuse, Recycle (3R). The activities related to 3R, among others:

1. Waste Management

To manage the document waste from daily operational activities, the Bank works closely with third party as a partner who is responsible to remove expired documents. The documents removal process is conducted in trustworthy, documented and environmental friendly manner. Such document waste is destroyed to paper pulp, witnessed by the Bank official in order to ensure that there is no document missed from removal process. Furthermore, the pulp paper is processed and reused by the Bank’s partner as raw material for recycled paper.

Initiatives to reduce plastic waste

In line with the Bank’s commitment in terms of waste management in order to preserve the environmental, since 2011, the Bank has implemented the policy for employees to bring their own drinking bottle at the meeting, while the mineral water packs are only for the Bank’s guests. With this commitment, the Bank has managed to reduce the plastic bottle waste.

2. The Use of Paper Materials (G4-EN27)

As a manifestation of the Bank’s effort in maintaining the environmental balance, since 2011 the Bank has implemented the policy for employees to bring their own drinking bottle at the meeting, while the mineral water packs are only for the Bank’s guests. With this commitment, the Bank has managed to reduce the plastic bottle waste.

Following is the amount of paper usage within the Bank in Jakarta region which includes +/- 95 Jakarta branches and +/- 60 working units, in the last 2 (two) years:

<table>
<thead>
<tr>
<th>MATERIAL</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper Usage (Rim)</td>
<td>18,187.5</td>
<td>16,257.7</td>
</tr>
<tr>
<td>Equal to number of trees (unit)*</td>
<td>1,136.7</td>
<td>1,016.1</td>
</tr>
</tbody>
</table>

* 1 Tree can produce 16 Rim of paper.

As the table above shows, the Bank’s capability to improve its performance as reflected in the increase of total assets in 2017, did not spontaneously drive the paper consumption increase.
3. Energy Consumption and Saving (G4-EN3)(G4-EN6)

The Bank has consistently showed its commitment to conduct a number of CSR activities in living environment, particularly in energy savings, as follows:

a. Electricity Saving

Since 2011, the Bank has committed to conduct electricity consumption efficiency by switching to use electronic devices which are more efficient to reduce significant carbon footprint in daily operation activities. One of the Bank’s efforts to save electricity is by converting the use of TL lamps to LED lamps to avoid the hazardous waste material from the broken TL lamps. Until 2017, almost all of the Bank’s offices have used the LED lamps. In addition, the Bank also changed the pattern of electrical use policy within the office by reducing one TL lamp on double lamp for office corridor lighting and switching off the air conditioned at 17.30 and entirely at 18.00 unless there is special request, making it to switch off at 24.00 at certain locations. In 2017, electricity cost was Rp564,895,111/month, relatively stable compared to the previous year. The Bank has consistently conducted a series of electricity saving efforts for the past few years as can be seen on average electricity consumption at head office for the last 2 (two) years:

<table>
<thead>
<tr>
<th>Electricity Consumption (at Head Office)</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity (kWh)</td>
<td>15,709,700</td>
<td>15,134,100</td>
</tr>
</tbody>
</table>

b. Air Conditioner Energy Saving

Head office at OCBC NISP Tower has utilized the air conditioner with Variable Refrigerant Volume (VRV) technology with inverter compressor which is reliable and energy saving, as well as using R-410A Freon considered as ozone friendly since it has Ozone Depleting Potential = 0.

4. Water Saving (G4-EN8)

The Bank has conducted water saving, one of which is realized through water saving campaign and water supply system refinement at the Bank’s offices. Until 2017, the water availability for offices with available network was supplied by Regional Drinking Water Company (PDAM), and some of them were supplied from groundwater in which the usage was under the local regulations on groundwater management. Moreover, the efforts to save the clean water usage is also conducted by the Bank such as switching the manual water faucet to automatic faucet gradually where the flowing water will stop in . The average water usage at head office for the past 2 (two) years can be seen on the table below:

<table>
<thead>
<tr>
<th>Water Usage (at Head Office)</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDAM Water Volume (m³)</td>
<td>130,654</td>
<td>105,196</td>
</tr>
<tr>
<td>Groundwater Volume (m³)</td>
<td>2,430</td>
<td>2,715</td>
</tr>
</tbody>
</table>

Providing the lighting to 100 houses of Gririmelti village-Bandung which has not been reached by electricity.

Electricity installation in the community’s houses by involving employees as volunteers.
Environmental Aspect Consideration in Loans Granting to Customers

To support the balance and preservation of living environment, the Bank as financial services player takes a role to minimize business practices that adversely affect the community and environment. Such commitment is realized through Sustainable Finance Policy, an environmental friendly criteria in business loans requirement, so as the Bank may limit the potential of environment devastation performed by candidates of debtors. (G4-DMA) (G4-FS2)

Some of the parameters used as criteria for granting loans are:

a) Fulfilling the Questionnaires that indicate how many potential debtors would pay attention and minimize the environmental and social impacts that may occur during business operations.
b) Reviewing AMDAL (Environmental Impact Study Analysis) documents as one of the measurements in compliance and concern for the environment.
c) Reviewing Performance Rating Program (PROPER) on the debtors, if the debtor rating is black or red, the Bank will ask the debtors to explain their efforts for improvement.
d) Establishing covenants/clauses in credit agreements, relating the debtor’s commitment to minimize environmental impact, and impose a penalty if the debtor does not improve as written in the recovery commitment document to meet AMDAL.

Complaint, Sanction, and Penalty due to Environmental Impact (G4-EN29, G4-EN30, G4-EN33, G4-EN34)

During 2017, the Bank did not receive any complaint, sanction, and penalty due to environmental impact derived from operational activities of the company.

Certification of Living Environment

Until 2017, the Bank has no living environment certification.

RESPONSIBILITIES TO OCCUPATIONAL HEALTH AND SAFETY (OHS)

Policy on OHS (G4-DMA)

The Bank realizes that employees are the main asset that can support the company business sustainability. Therefore, the Bank constantly refers to Law of Republic of Indonesia No. 13 of 2003 concerning Manpower and Collective Labor Agreement to provide maximum protection for all employees within their work environment and develops sustainable Human Capital potential.

The clauses on employees’ health security are stated in the Sharing Agreement article 28 until 33 which stipulate health security, outpatient/inpatient allowance, glasses, maternity check-up, miscarriage, giving birth by caesarean section as well as medical check-up program.

Impact of Activities

The empowerment of qualified human capital is highly needed to achieve the Bank’s business target that needs a series of sustainable and directed efforts to develop human capital of Bank OCBC NISP of becoming “With You” for all Stakeholders which corresponds with the Bank’s vision and mission.

Occupational Aspect

The Bank is being aware that a proper management of Human Capital is needed to ensure that each manpower within the Bank is treated as valuable human being who can deliver maximum contribution to the Bank’s goal achievement. To realize such commitment, the Bank has drawn up a range of policies related to Human Capital Management to ensure that the occupational management has been running well, among others:

1. Policy of HC-00011-L4 on Employee Scholarship.
4. Decree of BOD No. KPTS/DIR/HCPEE/HK.02.02/069/2015 on Pension Fund Program.

Gender Equality and Job Opportunity (G4-LA11, G4-LA12)

At the end of 2017, the Bank recorded 6,477 employees scattered throughout Indonesia. Of this number, a total of 2,701 people (42%) were male employees and 3,776 (58%) were female employees. Such composition describes that in recruitment and corporate governance, gender is not an issue to detain someone to work within the Bank. On regular basis, the Bank conducts assessment and provides facilities of training/competency development to each employee that meets the needs in each division without gender discrimination. It shows the Bank’s commitment to uphold the gender equality and job opportunity without discriminating male and female employees as can be seen on the following table of employee composition:
a) **Composition of Male and Female Employees**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Number of employees</td>
<td>2,871</td>
<td>3925</td>
</tr>
<tr>
<td>%</td>
<td>42%</td>
<td>58%</td>
</tr>
</tbody>
</table>

b) **Composition of the Board of Commissioners and the Board of Directors**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>The Board of Commissioners and the Board of Directors</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>%</td>
<td>77%</td>
<td>23%</td>
</tr>
</tbody>
</table>

c) **Composition of Employees Based on Age**

<table>
<thead>
<tr>
<th></th>
<th>&lt; 30 th</th>
<th>30 - 50 th</th>
<th>&gt; 50 th</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Employees</td>
<td>3,002</td>
<td>3,618</td>
<td>1,388</td>
</tr>
<tr>
<td>%</td>
<td>44%</td>
<td>53%</td>
<td>42%</td>
</tr>
</tbody>
</table>

**Employee Turnover (G4-LA1)**

The employee engagement with the Bank is one of the key issues in Human Capital Management scheme. The employee turnover in 2017 was 1,144 people or 17.3% from the total average of the employees. The demography of employee turnover during 2017 can be seen on the following table:

a) **Composition of Employee Turnover Based on Age and Gender (G4-LA1)**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>17 – 25</td>
<td>157</td>
<td>254</td>
</tr>
<tr>
<td>26 – 35</td>
<td>347</td>
<td>381</td>
</tr>
<tr>
<td>36 – 45</td>
<td>88</td>
<td>79</td>
</tr>
<tr>
<td>46 - 55</td>
<td>59</td>
<td>22</td>
</tr>
<tr>
<td>&gt; 55</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>652</td>
<td>736</td>
</tr>
</tbody>
</table>

b) **Composition of Employee Turnover Based on Region and Gender (G4-LA1)**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Region 1</td>
<td>38</td>
<td>70</td>
</tr>
<tr>
<td>Region 2</td>
<td>137</td>
<td>159</td>
</tr>
<tr>
<td>Region 3</td>
<td>43</td>
<td>47</td>
</tr>
<tr>
<td>Region 4</td>
<td>96</td>
<td>86</td>
</tr>
<tr>
<td>Region 5</td>
<td>54</td>
<td>39</td>
</tr>
<tr>
<td>Region 6</td>
<td>35</td>
<td>38</td>
</tr>
<tr>
<td>Region 7</td>
<td>20</td>
<td>38</td>
</tr>
<tr>
<td>Region 8</td>
<td>36</td>
<td>39</td>
</tr>
<tr>
<td>Region 9</td>
<td>44</td>
<td>56</td>
</tr>
<tr>
<td>Region 10</td>
<td>31</td>
<td>40</td>
</tr>
<tr>
<td>Region 11</td>
<td>43</td>
<td>59</td>
</tr>
<tr>
<td>Region 12</td>
<td>51</td>
<td>48</td>
</tr>
<tr>
<td>No Region *</td>
<td>24</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>652</td>
<td>736</td>
</tr>
</tbody>
</table>

*employee was not included in the Region, such as Learning Center
Education and/or Training (G4-LA10)

The Bank constantly endeavors to improve and develop employees’ competencies through various comprehensive training programs that meet the company’s needs and development plan. The trainings are given to all of employee levels scattered in twelve regions in Indonesia. In order to achieve the effective trainings for employees at branch offices, the Bank has provided e-learning facility that can be accessed by all employees of the Bank. With this internet based training program, the Bank expected that the program can be more efficient in reaching the employees to participate in trainings to support the daily operational activities.

Mechanism of Occupational Complaints Handling (G4-LA16)

In order to simplify the employees to submit their occupational queries, the Bank opens the access for employees to connect easily with Human Capital. The employees may access HC Helpdesk in integrated information system through their computers. Through HC Helpdesk, the employees may raise questions, complaints, employee data changes, and other issues related to the occupational.

Industrial Relations (G4-LA4)

To accommodate the employees’ aspiration on their relationship with the company, the Bank recognizes the existence of United Workers in the workplace of the Bank as the official body representing and acting for and on behalf of all its members. Each permanent employee has the rights and freedom to become a member of the United Workers.

The United Workers was established by the Bank’s employees based on Decree of Manpower and Transmigration Minister No. Kep16/ Men/2001 article 2 clause (1) dated February 15, 2001 which has been relisted at Manpower Office in Bandung with recording proof No. 250/SPNIBA-SPS)/BANK.ON-CTT.15-Disnaker/2010.

In implementing such action, the Bank and the United Workers have agreed with the necessity of joint guidelines for realizing harmonious, dynamic, and fair industrial relations. The agreement was stated in the Collective Labor Agreement that is constantly reviewed once in every two years. In 2017, the Collective Labor Agreement was renewed and registered to Ministry of Manpower, Republic of Indonesia based on Decree of Directorate General of Industrial Relations and Social Security No. Kep.124/PHIUSK-PK/PKB/VIII/2017. The dissemination of Collective Labor Agreement is conducted to all employees through face-to-face forum and e-learning.

To support the freedom of rights for association of trade union and collective labor agreement, the Bank held a routine meeting with United Workers management every month. Moreover, there were also meetings held by Bipartite Cooperation Institutes with United Workers Management by inviting employee representatives from several branches held every 4 (four) months.

In the event of operational changes as referred to in the Collective Labor Agreement, then the negotiation and consultation may be conducted based on deliberation and consensus and will be disseminated in advance prior to the implementation. In 2017, there was no incident related to discrimination at the Bank.

Facilities

In order to support activities of all employees to keep them contributing optimally the Bank has provided several facilities for its employees, among others: (G4-LA2)

a) Lactation Room

To run the Government Regulation No. PP33/2012 concerning Exclusive Breastfeeding, the Bank has provided special room of lactation as a support for the female employees equipped with sufficient breastmilk storage facility.

b) Flexible Working Hours

With due observance of traffic flow and density condition and in greater Jakarta, the Bank provides working hours flexibility for employees to opt their arrival and departure time according to the Bank’s provision.

c) Employee Health Clinic

The Bank has built health clinic facility for employees at head office who need health consultation from doctor.
d) Transportation for Overtime Employee
For the employees who take overtime until 20.00 pm and above, the Bank provides transportation for taking them home. This facility is applied for employees at certain levels.

Other Facilities and Benefits for Employees
The Bank provides other facilities and benefits for employees, including loans, pension fund, pensioner training, scholarship, communication facility, transportation and accommodation, additional leave, etc. The clearer information on other facilities and benefits for the employees can be seen on Human Capital section on page 70-71.

Work Safety Aspect (G4-LA8)
The Bank believes that one of the main factors to create a favorable and comfortable working environment is by providing facilities and supporting facilities for all employees in carrying out their duties. In addition, the Bank also demonstrates its commitment to protect the Work Health and Safety of each employee by stating Article 44 in Collective Labor Agreement related to Work Health and Safety Code of Conduct, covering:
1. The worker shall observe the work health and safety rule.
2. The worker shall maintain the cleanliness, discipline, work health and safety.
3. The worker shall report in case of incidents that may injure the safety of employees and company.
4. Prohibition of smoking at work.
5. The worker shall inspect his/her equipment prior to and after working.
6. The company may request the worker to check up on his/her physical health if he/she is considered unhealthy.

In order to ensure the quality of health and safety of all stakeholders, the Bank has designed the following policies:
1. OR-00001-L3 on Business Continuity Management which functions to ensure all of main business resources are in good condition which are needed to support the critical business activities by:
   - Facilitating identification on prevention action for continuity risk that can be managed routinely by related parties at the Bank; and
   - Establishing a comprehensive Business Continuity Plan (BCP) of the organization to anticipate the consequences if all the precautions have failed.
2. QR-00014-L4 on Crisis Management policy which has direct systematic responses against unexpected events that threatens life, property, staff and continuation of operations of Bank OCBC NISP.
3. OR-00012-L4 on segregation principle which aims at ensuring that the Bank is able to manage the significant crisis and/or business process in case of crisis due to unavailability of critical resources (human, system, and physical resource) since they are located at the similar concentration point.

Level of Work Accident (G4-LA6)
The Bank has had the standard of procedures and management of work safety stipulated and agreed in order to minimize risks occured at any time when employees are carrying out their duties and responsibilities. In 2017, the Bank recorded zero accident that led to working accident ratio of 0%. The Bank’s success in achieving zero accident level was inseparable with the support of comprehensive and effective socialization process at all levels of the organization.

Business Continuity Plan
In order to guarantee the accomplishment of all work safety aspects, the Operation Risk Management Division is responsible to ensure that the Bank has had a proper and comprehensive Business Continuity Plan (BCP) even in anticipating the consequences if all the precautions have failed. The BCP is a set of recovery procedure, resources demand and employee activation plan to execute recovery strategy stipulated by the Work Unit. On regular basis, the Bank has scheduled the emergency training to prepare all employees in case of accident or disaster within the Bank.

Emergency Protection Procedure of the Employee
By issuing the procedure, it is expected to have equal treatment in giving response on emergency situation, both by the employees, Building Coordinator, Floor Commander, and all elements involved in the framework of emergency handling.
Implementation of CSR Activities in Work Safety in 2017

In 2017, the Bank’s Head Office has conducted a number of activities related to reminder of work safety aspect, among others:

1. Training of emergency response readiness simulation:
   Simulation training related to employees’ work safety:
   a) Re-fresh Floor Commander on October 30, 2017 with the following material:
      • Duties and responsibilities of floor commander in case of emergency
      • First Aid Basics
      • All Floor Commanders as the participants
   b) Test alarm for ONT emergency condition on December 16, 2017.
   c. Routine test of firefighters in November 2017 by replacing fire extinguisher, while the testing has not yet conducted by Jakarta Fire Department, and is planned to be run in January 2018.

2. The Bank routinely held blood donor activities in January, April, June, July and October every year. In 2017, the blood donor activities have been carried out as scheduled in the region of Jakarta and Bandung in which 1,596 employees of the Bank have participated.

Health Aspect (G4-LA2)

Medical Check-Up Facility
The Bank considers that health quality of the employees is one of key concerns in supporting the optimization of the entire company performance. Therefore, the Bank has provided medical check-up package routinely conducted every year by working closely with the appointed laboratory along with type of medical check-up. This benefit is only given to permanent employees.

Insurance Facility
The Bank provides health protection to each employee by giving health compensation to the employees and their nuclear family through the appointed insurance company. The health compensation given by the Bank to permanent employees consists of inpatient, outpatient, dental treatment, maternity benefit, give birth and miscarriage as well as glasses compensation and medical check-up benefit. Meanwhile, the non-permanent employees also receive health compensation including inpatient, surgery, outpatient and dental treatment.

Healthcare Social Security Agency
In addition, the Bank also enrolls the employees in Healthcare Social Security Agency, allowing the employees to have option aside from using insurance from the company, in case the health facility is required.

Employment Social Security Agency (G4-LA10)
The Bank also enrolls the employees in Employment Social Security Agency which consists of working accident security, death social security, old age and pension security. This benefit has met the regulations to ensure the security and certainty for employees to social economic risk. For retirement, the Bank provides Pension Fund to permanent employees. With this program, the employees are expected to obtain a better benefit when retired.

Responsibilities to Social and Community

Policy Related to Community Development
The Bank constantly maintains its commitment not merely for the sake of the company’s profit, but also to realize the welfare of the community and surroundings. Therefore, as a partner who supports the community to flourish continuously, the Bank attempts to conduct various CSR activities in terms of community welfare improvement. A number of CSR programs held in 2017 were addressed to improve the quality of community welfare in a holistic manner by keep referring to the Bank’s CSR implementation pillars. The CSR programs cover: Education Program, Entrepreneurship Program, Health Program and other philanthropies. (G4-DMA)

Impact of Activities (G4-EC7) (G4-SO1)
The Bank believes that a series of CSR activities held by the Bank every year can deliver sustainable benefits for the community, mostly in terms of quality improvement of education and quality life of community aspect as defined by the Bank on education as a life process in developing self-potential of each individual to continue their life.

Implementation of Activities in 2017
In 2017, the Bank has organized a number of CSR activities related to Education Program, Entrepreneurship Program, Health Program and other philanthropies as the Bank’s commitment to widen its contribution in the community, among others:
Education Program

The Bank considers that education aspect is one of the key factors to improve the quality of community life. Therefore, the Bank strives to open the access to higher education level and provides financial literacy education which is expected to support the community to enhance the opportunities in order to improve their quality of life.

1. Financial Literation Education (G4-FS16)
   The Bank as financial institution that carries out duty in managing the community fund, considers the urgency to support and make efforts in delivering financial management to the community. Therefore, as the Bank’s support to the Government in order to organize banking education to the community, the Bank has created education tools namely Smart Future, a financial literacy education tool which is expected to deliver fun and easy-learned financial management.

   During 2017, the Bank has given financial literacy education to 457 people reaching all of community segments, from vocational high school students, university students, employees, SMEs, housewives, up to journalists which scattered in four cities including Jakarta, Tangerang, Bandung, and Kupang.

2. Scholarship Program
   The Bank has scholarship program in collaboration with Karya Salemba Empat (KSE) which has run for around 16 years (since 2001), prioritizing to students from underprivileged family and are required to have good academic and non-academic records. The Bank provides education fund of Rp600,000 per month for a year (total Rp7,200,000 per year/student). Since 2016-2017, the Bank has donated 48 students from 10 Public Universities, among others University of Indonesia (UI), Bogor Institute of Agriculture (IPB), University of Andalas, university of Padjajaran (Unpad), Bandung Institute of Technology (IPB), University of Gajah Mada (UGM), Sepuluh November Institute of Technology, University of Sumatera Utara (USU), University of Diponegoro (Undip), and Public University of Jakarta. Statistically, the achievement progress of the scholarship has been improved every year as reflected in the data for the period of 2016-2017, indicating that academic achievement of the scholarship improved by 71%. Aside from partnering with KSE, the Bank also distributes scholarship to the Wives of Retired Indonesian Navy Union for their children.

Entrepreneurship Program

As the Bank with commitment to grow together with community by knowledge sharing, the Bank is also focused on young entrepreneurship coaching through YES program (Young Entrepreneurship Spirit). The YES program naturally aims at driving the college students and scholarship alumnus to create their own working field after graduation. The YES program also promotes the growth of new young entrepreneurs through the process of participants selection, business unit verification in various regions in Indonesia by conducting site visits directly to the business locations. The chosen participants will be provided debriefing through workshops with various materials both soft skill and hard skill. Furthermore, after debriefing, the YES participants will obtain mentoring from entrepreneur practitioners for 6 (six) months. During their business activities, the YES participants will earn revolving fund such as soft loans.

Health Program

As a part of community life quality improvement, the health aspect has become the main focus of the Bank. Since 2011, the Bank has distributed educational and health support to more than 750 children suffered from Thalassaemia in Indonesia. In 2017, the Bank strengthened its commitment to reach more Thalassaemia sufferers in the region of Tasikmalaya, Garut and Palembang.

1. Peduli Thalassaemia
   The Bank has committed to put special attention to the thalassaemia sufferers starting from children to teenagers. The Bank’s concern showed one of them by providing opportunities for employees to share and work closely to realize the children’s dreams particularly those who are underprivileged. This year, the Bank teamed up with Thalassaemia Sufferers Parents Union to distribute donation in the form of education and welfare fund to 100 thalassaemia sufferers in Tasikmalaya, Garut and Palembang.
2. Health Education to School Dropout Teenagers

Aside from showing its concern to thalassaemia sufferers, the Bank also provides health and motivational education to be a better person for 50 school dropout teenagers from Greater Jakarta and Bandung through 2 day bootcamp activities at OCBC NISP Learning Center in Bandung.

Lighting for 100 Residents of Girimukti (G4-EC7) (G4-SO1)

Electricity is an important source of energy to support the daily life. The Bank realizes that there are still many villages in Indonesia which are lack of electricity facility in the midst of rapid growth of technology, Girimukti Village in Bandung is an example. Therefore, through joint CSR program of Bank OCBC NISP and OCBC Group, the Bank carried out its role amidst the community to provide electricity facility and lighting for people in Girimukti Village which has 100 households, majority of them work as farm workers and fish cage keepers. In the implementation, such activity involved around 50 employees of Bank OCBC NISP and OCBC Group as volunteers to install the electricity and lighting at 100 houses. Bank OCBC NISP and OCBC Group provided donation of one LIMAR package in collaboration with Ukologi Foundation to each head of the family at the village. In addition, to support the lighting in residents’ houses, the Bank also provided genset, accu, and analog charger to Head of the Village as well as provided Creative Room specially designed for the children at Girimukti Village in order to motivate each child to love reading activity.

Other CSR Programs

The Bank also actively participates in distributing donation to the people in need through various CSR activities, such as:

1. Sharing (Berbagi Kasih)

An activity of giving food packages to people who live near the Bank’s offices, such as cleaning service, security, parking attendants, and others. These activities were held simultaneously at each office twice in a year, on Bank OCBC NISP Anniversary dated on April 4, 2017 and in the fasting month of Ramadhan 1438 H, 5 – 16 June, 2017.

2. Sharing of Cheap and Free Groceries

An activity of delivering 2,800 groceries packages in fasting month of Ramadhan 1438 H on 12 – 16 June, 2017, specially addressed to underprivileged people such as widows, orphans, civilian defense units and mosque and watchmen near the office. These activities were held in 6 cities/8 locations which were at OCBC NISP Tower Head Office – Jakarta, Gunung Sahari Jakarta Branch Office, Cibeunying Bandung Branch Office, Asia Afrika Bandung Branch Office, Surabaya Branch Office, Medan Branch Office, Palembang Branch Office and Makassar Branch Office.

3. Fast-Breaking Event

An activity of celebrating the holy month of Ramadhan 1438 H by giving donation for breakfasting held in June by people at 5 (five) locations near the office which were Jami’ Baitur Rahmah Mosque, Jami Raudatul Falah Mosque, Al Wustho Mosque, Al Syuhada Mosque, and Youth Organization at Karet Kuningan, Jakarta.

4. Sharing of 2,000 Snacks (Takjil)

In the holy month of Ramadhan 1438 H, the Bank distributes 2,000 snacks to people at Raya Bandung Mosque. The activity was held towards the fast-breaking time in June 2017.

5. Eid-Al Adha

The Bank provided its support at Eid-Al Adha Celebration by donating sacrificial animals to four mosques near the OCBC NISP Tower and Gunung Sahari. Each mosque received 2 (two) goats.

6. Homecoming (Mudik Asyik)

In order to welcome the Eid Mubarak 1438 H on 19 and 20 June 2017, the Bank held homecoming activities called Mudik Asyik 2017 in association with Sharia OCBC NISP. The activity was a free homecoming from 2 (two) cities, Jakarta and Bandung. On this occasion, the Sharia Business Unit sent off 220 participants to their home villages in several cities in Central Java. The participants were residents near the Bank’s office.

7. Sport Facility Repairment

Bank OCBC NISP also considers the public amenities, sport facilities in particular. OCBC NISP in Kupang gave assistance to repair the sport facilities such as Naka Futsal Field and Basketball Court as well as to provide trash cans at jogging track of Taman Nostalgia in Kupang.
### CSR BUDGET REALIZATION 2017

As a form of the Bank’s commitment to conduct CSR activities and programs throughout the year, the CSR budget realization in 2017 can be seen on the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Budget in million Rp</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational Program</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial Literation Education – Smart Future in Jakarta, Tangerang, Bandung and Kupang</td>
<td>Rp167</td>
</tr>
<tr>
<td></td>
<td>Scholarship</td>
<td>Rp1,294</td>
</tr>
<tr>
<td><strong>Entrepreneurship Program</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Young Entrepreneurship Spirit (YES)</td>
<td>Rp250</td>
</tr>
<tr>
<td><strong>Health Program</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thalassaemia</td>
<td>Rp294</td>
</tr>
<tr>
<td><strong>Public Amenities Refinement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Renovation of Sport Facilities (Futsal field and Basketball Court) in Kupang</td>
<td>Rp25</td>
</tr>
<tr>
<td><strong>Other Social Programs (Religious)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sharing of 2,800 free and cheap groceries packages during Ramadhan in Jakarta, Bandung, Surabaya, Palembang, Medan, Makassar</td>
<td>Rp379</td>
</tr>
<tr>
<td></td>
<td>Sharing of lunch box packages for community around the branch offices</td>
<td>Rp244</td>
</tr>
<tr>
<td></td>
<td>Eid Al-Adha Celebration Support</td>
<td>Rp28</td>
</tr>
<tr>
<td></td>
<td>Mudik Asyik (Homecoming)</td>
<td>Rp219</td>
</tr>
<tr>
<td><strong>Environmental Program</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lighting for 100 households at Girimukti Village, Bandung</td>
<td>Rp474</td>
</tr>
<tr>
<td><strong>Donation and Sponsorship</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Donation</td>
<td>Rp25</td>
</tr>
<tr>
<td></td>
<td>Sponsorship</td>
<td>Rp339</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>Rp3,738</td>
</tr>
</tbody>
</table>

**Complaint, Sanction, and Penalty (G4-S08)/(G4-S011)**

Throughout 2017, the Bank did not receive any complaints on business activities or anything considered to deliver negative impact on community.
RESPONSIBILITIES TO PRODUCT AND CUSTOMERS

The Bank always strives to deliver the best for its customers and ensures that each product and service given to the customers have met the existing regulations. The Bank constantly delivers clear and complete information through information labelling on each product and service. The information of products and services is also available on website www.ocbcnisp.com and each branch office. In addition, the Bank pays attention to the Customers’ privacy protection in conducting daily business activities as proven by no violations related to products and services information occurred that caused the customers’ losses during the reporting period. (G4-DMA)(G4-PR3)(G4-PR8)

Customers’ Complaint Handling Policy (G4-PR5)

With reference to Bank Indonesia Regulation No. 7/7/PBI/2005 on Customers Complaints Settlement as amended to Bank Indonesia Regulation No. 10/10/PBI/2008 on Customers Protection and FSA Regulation No. 1/PDKJ.03/2017 on Protection for Financial Services Customers, the Bank consistently attempts to settle each customers’ complaint. Such commitment is due to the Bank’s awareness of the importance of customers’ presence to sustain the Bank’s business activities as well as a strong commitment of the Bank to always deliver the best products and services for the customers every time. Such strong commitment is naturally reflected in the company’s culture called One PIC: OCBC NISP One, Professionalism, Integrity and Customer Focus. The last corporate culture namely Customer Focus has a meaning that the Bank’s elements always focused on the customers’ needs fulfillment and expectation in carrying out every action in order to deliver customer experience beyond their expectation.

Finally, the corporate culture also served as the fundamental for the Bank in handling customers’ complaints on products, services, process and channel. Through Service Quality & Contact Center Unit, the Bank continuously ensures that every customers’ complaints were handled and managed systematically and comprehensively in accordance with Bank Indonesia and FSA regulations summarized on Customer’s Complaint Handling Procedure which is always renewed regularly.

Impact of Activities

The Bank delivers the best services for the customers with due observance of easiness, comfort and security of transactions through services, product innovation and facilities.

Customer Complaint Facilities

To realize a reliable and trustworthy banking institution, the Bank facilitates the customers through complaints media, among others:

- Call OCBC NISP ready to serve 24 hours via the number 1500-999 or +62-21-26506300 from overseas
- Website: www.ocbcnisp.com on menu “Help & Support”, sub-menu “Enquiries, Complaints & Feedback”
- Email: callcenter@ocbcnisp.com
- Social media accounts: Twitter (username @bankocbcnisp), Instagram (username @ocbc_nisp) and Facebook named Bank OCBC NISP
- The readers’ column on mass media both print and electronic
- Official letter addressed to Bank OCBC NISP
- Site visit to Bank OCBC NISP branch offices throughout Indonesia

Mechanism of Customer Complaints Handling Process

Cycle of Customer Complaints Handling

In order to ensure the speed and accuracy of customer complaints settlement, the Service Quality & Contact Center Work Unit conducts monitoring through Customer Handling Management system which manages the customer complaints, starting from receiving complaints, recording, information progress, until the complaints settlement. The CHM system is continually developed in line with the banking products and services development. In 2017, the CHM system could be used to manage the customer request on the Bank’s features and services. It is also considered as quality improvement to the Customers in order to ensure that their requests have been administered and processed by the Bank. The customers’ current status of their request may also be tracked and expected to anticipate the customers complaints on their requests which have not yet or were not being processed. Automatically, the customers will be informed by short message service (SMS)/email on their complaints/request status which have been recorded in CHM system. With the newest CHM system, the inter-work unit within the Bank’s internal will synergize each other to follow-up the complaints, and to maintain the complaints settlement carried out in accordance with Service Level Agreement and prevailing regulations.
On regular basis, each working unit teams up each other to conduct the evaluation and analysis in detecting the problem root caused which then be followed up by recovery action and prevention effort through product development, refinement, and improvement program, process and services to customers in order to improve the satisfaction of customers with more dynamic needs.

In addition, the Bank also aligns the service development with customers’ protection effort realized in education activities and programs such as financial literation program, education program related to the necessity of maintaining confidentiality of customers’ data to avoid banking crimes mode as well as giving education program to employees continuously on risk understanding which aims at protecting the customers and the company. Such protection effort is carried out through various channels, such as events, website, branch offices, social media, SMS, letter/email, internet/Mobile Banking, ATM and others.

**Number of Customer Complaints, Complaints Handling Effort and Settlement Status in 2017**

As a manifestation of the Bank’s prime service principle to the customers, total customer complaints settlement according to Service Level Agreement reached 99.21% or rose 0.61% over the previous year as indicated by the following table:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Customer Complaints</td>
<td>6,662</td>
<td>7,559</td>
</tr>
<tr>
<td>Number of Customer Complaints Settlement</td>
<td>97.60%</td>
<td>98.21%</td>
</tr>
<tr>
<td>according to Service Level Agreement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Customer Satisfaction Survey**

As a sustainable effort to deliver services beyond the Customers’ expectation, the Bank conducts customer satisfaction survey on regular basis to get inputs for service quality improvement.

In 2017, the Bank conducted surveys to more than 8,000 customers throughout Indonesia with a focus on indicator of customers’ engagement.

The overall measurement result of customer satisfaction level in 2017 on the services of Bank OCBC NISP increased to 88% compared to 2016 which stood at 78%.

**Implementation of Activities in 2017**

In order to strengthen the relations between the Bank and customers, in 2017 the Bank has held 2x (two times) customer gatherings, the first event was called One Wealth on April 20, 2017 and Market Outlook on October 25, 2017. Those activities held by the Bank were considered as a vessel to educate the customers regarding the Bank’s products and services.

Market Outlook and Customer Gathering activities to deliver information to the Customers on the current financial condition as well as products and services education.