

# Sustainable Growth for Green Indonesia



## CONTRIBUTION TO COMMUNITY WELFARE

The company has taken significant steps by affirming its commitment to managing impacts on people and communities, as well as society at large. The focus on this aspect shows the company's strong commitment to managing the impact of its business activities on the welfare and development of society. By establishing people and community as one of the components in the ESG Roadmap, the company seeks not only to create economic value, but also to make a positive contribution to social development and welfare of communities around the company. This endeavor is in line with global societal trends that increasingly underscore the importance of sustainability and corporate social responsibility in carrying out business operations.

The company continues to strengthen its commitment to social and environmental responsibility through integration with the Sustainable Development Goals (SDGs) and the implementation of the Corporate Social Responsibility program. As a form of implementation of Regulation of Minister of SOE No. PER-1/MBU/03/2023 on Special Assignments and Social and Environmental Responsibility Programs for State-Owned Enterprises, the company has developed initiatives that focus on sustainable development goals and concern for the environment.

### MSME GO DIGITAL

On October 10 2023, the company organized MSME Go Digital Workshop and Exhibition in Jepara, Central Java. The event was attended by more than 250 MSME players in Jepara and the surrounding areas. In supporting the growth of MSMEs, the company invites MSME players to continue developing their businesses so they can adapt well. As a token of the support, the company has launched various programs, including establishing MSME Process Centers in various areas such as Medan, Brebes, Palembang, Palopo, and other cities. The company also facilitates MSMEs to make global market penetration. These steps demonstrate the company's commitment to supporting and expanding opportunities for MSMEs in Indonesia.














# CORPORATE SOCIAL RESPONSIBILITY (CSR)






[GRI 203-1, 203-2, 413-1] [OJK F.23, F.25, F.3]

Through the CSR program, the company aims to bring a positive impact on human life and the environment. The company's CSRL program is directed at empowering communities, improving the quality of life, and maintaining the sustainability of the surrounding ecosystem. In the company's Work Plan and Budget, CSR is one of the important pillars that drives the company to innovate and develop together with society. Therefore, by orienting towards the ISO 26000 standard, the company has designed a series of concrete programs to support the creation of community welfare, while providing a positive impact for the company itself. With these steps in place, the company continues to realize its strategic role in supporting sustainable development and creating positive value for all stakeholders. [GRI 3-3]

In 2023, the company realized the CSR program funds amounting to Rp79.99 billion.

## Realization of the CSR Program

| SDG   | 2023           | 2022           | 2021           |
|---|----------------|----------------|----------------|
|   | Total (Rp)     | Total (Rp)     | Total (Rp)     |
| <b>Social Pillar</b>  |                |                |                |
|    | 10,505,377,274 | 5,679,495,611  | 4,285,803,895  |
|    | 14,798,413,813 | 12,719,690,723 | 5,734,024,385  |
|   | 12,348,435,325 | 9,409,466,565  | 9,922,685,070  |
|  | 12,635,697,919 | 4,894,798,719  | 6,162,622,395  |
|  | -              | 30,000,000     | 176,808,900    |
| <b>Economic Pillar</b>  |                |                |                |
|  | 50,000,000     | 971,740,516    | 200,000,000    |
|  | 4,361,935,431  | 3,461,216,148  | 1,664,860,903  |
|  | 2,270,000,000  | 6,455,431,482  | 537,884,912    |
|  | 5,734,719,287  | 4,241,653,236  | 496,550,800    |
|  | 943,694,328    | 604,739,600    | 430,752,100    |
|  | 270,000,000    | 660,166,447    | 76,750,000     |
|  | 14,993,831,355 | 9,963,739,700  | 15,799,392,798 |

| SDG   | 2023                  | 2022                  | 2021                  |
|---|-----------------------|-----------------------|-----------------------|
|   | Total (Rp)            | Total (Rp)            | Total (Rp)            |
|  | -                     | -                     | -                     |
|  | -                     | 800,571,140           | 211,350,000           |
|  | -                     | 367,500,000           | 789,351,100           |
|  | 1,184,084,000         | 1,725,839,800         | 770,459,408           |
| <b>Legal and Governance Pillar</b>  |                       |                       |                       |
|  | -                     | -                     | 100,000,000           |
| <b>Total</b>  | <b>79,996,188,732</b> | <b>61,986,049,687</b> | <b>47,359,296,666</b> |

## Highlights of CSR Programs in 2023

### Social Pillar

Growing together with the community is one of the company's main goals which is pursued by holding a series of activities that contribute to improving the quality of social, cultural, religious, and social welfare life. This endeavor is in accordance with the achievements of SDG 1, 2, 3, 4 and 5.



#### BTN Organizes Ramadhan Berfaedah Event

President Director of BTN Nixon LP Napitupulu, along with BTN President Commissioner Chandra M Hamzah, symbolically provides educational assistance to outstanding students of Power Experts (TAD) employees during an event called Ramadan Berfaedah in Jakarta, Wednesday (12/4).

#### Gerak Srikandi BTN Berbagi

At the event called the Gerakan Amal dan Kreasi (Gerak) Srikandi, the company's President Director, Nixon LP Napitupulu, accompanied by Director of Assets Management Elisabeth Novie Riswanti, distributes packages of 6,000 basic necessities to employees of Power Experts (TAD) and representatives of the community around BTN Tower in Jakarta, Monday (17/4).



## Economic Pillar

To achieve quality and sustainable social economic growth, the company implements special programs to increase job opportunities and business opportunities that are expected to grow income and reduce poverty levels in society in accordance with SDG 7, 8, 9, 10, and 17.



### Millennial Developer Public Lecture

President Director of the company Nixon LP Napitupulu delivers a Public Lecture before 1,200 BTN Millennial Developer Training participants held at Syiah Kuala University (USK) Auditorium, in Banda Aceh, Friday (13/10/2023). BTN invites students to become property entrepreneurs or developers who have great business potential.

### BTN Santri Developer Training

The goal of this training is to provide education about the world of property business to Islamic boarding school alumni assisted by Islamic organization Nahdlatul Ulama. The event is opened with the symbolic giving of CSR assistance in the form of educational facilities and infrastructure by the President Director and the Finance Director of the Company to the Caretakers of Edi Mancoro Islamic Boarding School in Semarang regency, Central Java, Saturday (28/10)



## Environmental Pillar

Environmental preservation remains the company's top priority. To that end, the company carries out natural resources and environmental management activities that also aim to improve environmental awareness in society. This endeavor indirectly supports the achievement of SDG 6, 11, 12, 13, 14, and 15.



### BTN Revitalizes Parks in Residential Areas

BTN President Director Nixon LP Napitupulu symbolically hands over 1,000 Tabebuaya tree seedlings to the General Chair of the Human Settlement and Housing Development Association (HIMPERRA) and CEO of Delta Group Property Endang Kawidjaja, witnessed by Minister of SOE Erick Thohir during the 10,000 unit BTN House Ownership Credit Mass Agreement ceremony in Puri Delta Tigaraksa Housing, Tangerang, Banten, Tuesday, August 8, 2023.

On that occasion, Minister of SOE, along with the President Director and President Commissioner of the company, Chandra M Hamzah, Acting Governor of Banten AL Muktabar, Director General of Housing of Ministry of Public Works and Public Housing Iwan Suprijanto, Director General of Public Works and Housing Infrastructure Financing of Ministry of Public Works and Public Housing Herry Trisaputra Zuna and the Commissioner of BP Tapera (Public Housing Savings Management Agency) Adi Setianto take part in the tree-planting activity.



The Micro and Small Enterprise Funding Program is another component of the company's CSR Program. With the focus on increasing business competency, this program aims to promote the independence and economic empowerment of assisted micro and small businesses, which can improve the welfare of the people in their communities. The company provides funds through the MSE Funding Program to partners with small scale businesses that need investment and

productive working capital. The fund distribution process is decided based on business sector and geographic area. During the reporting year, the company provided loans amounting to Rp17.21 billion for the MSE Funding Program to 171 fostered partners managed by BTN and to be distributed through cooperation schemes with third parties.

## CHINA ASEAN EXPO

To support the government's program to bring MSMEs into the global market, the company contributes actively by facilitating one of its MSME partners Rumah BUMN BTN KC Yogyakarta to attend the China ASEAN EXPO 2023 at the Nanning International Conference and Exhibition on September 16-19, 2023. The event was Indonesia's commitment to trade and investment cooperation with China and ASEAN countries, in line with the results of the agreement at the 7th ASEAN China Summit in October 2003 within the China-ASEAN Free Trade Area (CAFTA) economic trade framework.



### Number of Foster Partners (Business Activities) and Funds Disbursed

| Note                                     | 2023  | 2022   | 2021   |
|--|-------|--------|--------|
| Number of Foser Partners                 | 170   | 378    | 256    |
| Amount of Fund Distribution (Rp million) | 9,211 | 18,386 | 10,994 |

\*) Excluding the distribution of cooperation schemes with third parties amounting to Rp8 billion

### Realization of MSE Funding Program Distribution Based on Business Type [SASB FN-CB-410a.1]

| No           | Business Sector   | 2023                |               | 2022                |               | 2021                |               |
|--------------|-------------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
|              |                   | Amount (Rp million) | %             | Amount (Rp million) | %             | Amount (Rp million) | %             |
| 1            | Industry          | 170                 | 1.85          | 904                 | 4.92          | 55                  | 0.50          |
| 2            | Trade             | 6,539               | 71.27         | 12,706              | 69.07         | 7,644               | 69.53         |
| 3            | Agriculture       | 95                  | 1.04          | 50                  | 0.27          | 85                  | 0.77          |
| 4            | Plantation        | 550                 | 6.00          | 25                  | 0.14          | -                   | -             |
| 5            | Animal Husbandry  | 95                  | 1.04          | 410                 | 2.23          | 475                 | 4.32          |
| 6            | Fishery           | 100                 | 1.09          | 108                 | 0.59          | 70                  | 0.64          |
| 7            | Service           | 1,622               | 17.70         | 4,184               | 22.78         | 2,665               | 24.24         |
| 8            | Creative Industry | -                   | -             | -                   | -             | -                   | -             |
| <b>Total</b> |                   | <b>9,162</b>        | <b>100.00</b> | <b>18,386</b>       | <b>100.00</b> | <b>10,994</b>       | <b>100.00</b> |

\*) Excluding the distribution of cooperation schemes with third parties amounting to Rp8 billion

### Realization of MSE Funding Program Distribution by Region

| NO           | Region                            | 2023                   |               | 2022                   |               | 2021                   |               |
|--------------|-----------------------------------|------------------------|---------------|------------------------|---------------|------------------------|---------------|
|              |                                   | Amount<br>(Rp million) | %             | Amount<br>(Rp million) | %             | Amount<br>(Rp million) | %             |
| 1            | Sumatera                          | 935                    | 10.20         | 3,070                  | 16.72         | 1,352                  | 12.30         |
| 2            | Jakarta Capital Special<br>Region | 788                    | 8.60          | 2,576                  | 14.03         | 1,190                  | 10.83         |
| 3            | Yogyakarta Special Region         | 115                    | 1.26          | 281                    | 1.53          | 270                    | 2.46          |
| 4            | West Java and Banten              | 1,882                  | 20.63         | 4,595                  | 25.02         | 2,568                  | 23.36         |
| 5            | Central Java                      | 1,002                  | 10.94         | 1,864                  | 10.15         | 1,050                  | 9.55          |
| 6            | East Java                         | 980                    | 10.70         | 2,290                  | 12.47         | 2,405                  | 21.88         |
| 7            | Bali                              | 60                     | 0.65          | 105                    | 0.57          | 50                     | 0.45          |
| 8            | East Nusa Tenggara                | 880                    | 9.60          | 146                    | 0.79          | 305                    | 2.77          |
| 9            | West Nusa Tenggara                | 525                    | 5.73          | 313                    | 1.70          | 160                    | 1.46          |
| 10           | Kalimantan                        | 780                    | 8.51          | 1,321                  | 7.19          | 634                    | 5.77          |
| 11           | Sulawesi                          | 970                    | 10.59         | 1,159                  | 6.20          | 680                    | 6.19          |
| 12           | Maluku                            | 245                    | 2.67          | 642                    | 3.50          | 225                    | 2.05          |
| 13           | Papua                             | -                      | -             | 25                     | 0.14          | 105                    | 0.96          |
| <b>Total</b> |                                   | <b>9,162</b>           | <b>100.00</b> | <b>18,386</b>          | <b>100.00</b> | <b>10,994</b>          | <b>100.00</b> |

\*) Excluding the distribution of cooperation schemes with third parties amounting to Rp8 billion

## INCLUSIVE AND SUSTAINABLE PRODUCTS

The company supports the government's efforts to increase public access to banking and financial services through its commitment to providing inclusive and sustainable products. The company implements financial literacy and inclusion programs in accordance with recommendations from Bank Indonesia and the Financial Services Authority (OJK) that specifically focus on improving financial services and facilitating access to banking services for wider groups of society. The company also provides various products that can help low-income people.

The following are the company's products that support the financial literacy program:

### Inclusive Home Ownership Credit

#### 1. Subsidized BTN Home Ownership Credit

BTN Subsidized Home Ownership Credit is a home ownership program offered by Ministry of Public Works and Public Housing of the Republic of Indonesia for low-income people with low interest rates and low installments for the purchase of landed public houses and public flats.

The following is the distribution value of Subsidized BTN Home Ownership Credit:

| Distribution Value (Rp million) |        |        |
|---------------------------------|--------|--------|
| 2023                            | 2022   | 2021   |
| 20,115                          | 19,941 | 15,149 |

Following up on Circular of Directorate General of Public Works Infrastructure Financing of Ministry of Public Works and Public Housing of the Republic of Indonesia No. PW.01.03-Dp/07 dated January 6, 2022 regarding Segmentation of Utilization of Housing Financing Liquidity Facilities, Savings-Based Housing Financing Assistance, and Public Housing Savings, the provisions for segmentation of the subsidized Home Ownership Credit process for Fiscal Year 2022 are as follows: