SMBC Indonesia (ESG Deposit)

Subject	:	Allocation of Proceeds Report
Period of Report	:	23 November 2024–21 November 2025
Date	:	20 January 2026

Introduction

PT Bank SMBC Indonesia Tbk (“SMBC Indonesia”) is a foreign exchange bank resulting from the merger of PT Bank Tabungan Pensiunan Nasional Tbk with PT Bank Sumitomo Mitsui Indonesia.

SMBC Indonesia focuses its business activities on efforts, among others, to reconcile economic and natural conservation interests, provide a process of economic transformation, and expand people's access to financial independence. This is achieved through a sustainable financial policy that expresses SMBC Indonesia’s concern for environmental and social issues, while continuing to increase SMBC Indonesia’s profitability for shareholders and other stakeholders.

This report constitutes SMBC Indonesia’s first allocation of proceed report to depositors and covers the allocation of proceeds from the portfolio of ESG Deposit by the portfolio of Sustainability Loan and Loan to Green Business Activities.

Eligible Portfolio

Our eligibility criteria categories are:

Clean Transportation SDGs 9, 11, 13	1. Transportation network upgrades to higher climate-resilient design standards. 2. Development, manufacture (including spare parts), or purchase of clean passenger vehicles, such as: a. Electric vehicles, including hybrid vehicles. b. Non-motorized transport. 3. Procurement, deployment, development, manufacture, purchase, or upgrades of clean public land transport and multi-modal transportation. 4. Acquisition, development, operation, and maintenance of supporting infrastructure for clean transport, including: a. Construction, extension, and/or improvement to core sustainable transport infrastructure. b. Construction and/or improvement to the auxiliary sustainable transport infrastructure.
Environmentally Sustainable Management of Living Natural Resources and Land Use SDGs 13, 15	1. Sustainable agriculture, which uses facilities, infrastructure, procedures and technology that do not interfere with environmental functions, whether biologically, mechanically, geologically or chemically, that meets third-party certifications, such as USDA Organic or EU Organic, including but not limited to the following activities: a. Green agrochemicals, such as green fertilizers, bio-stimulants, bio-pesticides, agricultural robots. b. Sustainable intensification, such as precision agriculture,

	perennial crops, gene editing, and controlled environment. c. Climate smart farm inputs, aligned with UN FAO, such as biological crop protection and organic fertilizer. d. Sustainable protein and fats such as production of plant-based, fermented or cultivated proteins and feed supplements. e. Environmentally sustainable animal husbandry. 2. Environmentally sustainable forestry including afforestation or reforestation, and preservation or restoration of natural landscapes. Forestry (FSC/PEFC/SFI certified) and smallholders should have sustainable forest management plans in place. Reforestation and preservation of natural landscapes that meet one of the following criteria: a. Reforestation/afforestation should use tree species that are well adapted to the site conditions. b. A sustainable management plan should be in place, preferably with FSC/PEFC/SFI certification. c. Measures should be in place to ensure protection, restoration and/or co-management of High Carbon Stock forests, peat lands and other areas identified as having High Conservation Value by competent, accredited assessors, as per the RSPO New Planting Procedure. High Carbon Stock forests are deemed to be compliant with the requirements of ‘no natural landscape conversion since 2010’. 3. Preservation or restoration of natural landscapes.

Allocation of ESG Deposit Proceeds

The proceeds of the ESG Deposit have been matched with portfolio from the two categories outlined in the Framework.

SMBC Indonesia had gathered Rp55.5 billion and US$5 million from the ESG Deposit to effectively matched with eligible loans, the proceeds were fully matched as of 21 November 2025. The loan balance that is used as underlying as of 21 November 2025 was Rp521.2 billion.

NO	Allocation of Proceed Category	Sub-Category	Loan Balance (in Rp billion)	Loan Balance
1	Clean Transportation	Electric Vehicle	100	19.2%
2	Environmentally Sustainable Management of Living Natural Resources and Land Use	Environmentally sustainable forestry	421.2	80.8%
			521.2	100%

Impact Report for Allocation of ESG Deposit

1. Environmental Impact

A. Clean Transportation

Funds allocated to the Clean Transportation sector are used to finance the adoption of electric mobility solutions, including electric cars and electric bikes across retail, corporate, and on-demand transportation segments. These activities are categorized as environmentally sustainable under OJK Sustainable Finance principles, as they contribute to climate change mitigation and reduction of greenhouse gas emissions.

Estimated CO_2 emissions reduction:
Based on conservative, industry-aligned assumptions comparing 152 units of electric cars and 2602 units of electric bike with conventional internal combustion engine alternatives, the clean transportation portfolio is estimated to deliver approximately 2,000 tons of CO_2 emissions reduced per year. This impact is driven primarily by high-utilization electric bikes used in on-demand mobility services.

The estimated emissions reduction reflects:
- Lower tailpipe emissions from electric vehicles.
- Improved energy efficiency relative to conventional vehicles.
- High operational intensity in urban transport use cases.

B. Environmentally Sustainable Management of Living Natural Resources and Land Use

Funds allocated to this sector support sustainable land use and responsible management of living natural resources, in line with OJK Sustainable Finance Taxonomy. The financed activities are supported by RSPO-certified operations with total certified area 15,803.22 (Ha), ensuring adherence to internationally recognized environmental and social standards.

Environmental impacts from this sector include prevention of deforestation, protection of biodiversity and high conservation value areas, implementation of sustainable plantation and forestry practices, and contribution to long-term ecosystem resilience. These activities support climate change mitigation and environmental protection objectives as outlined by OJK.

2. Social and Governance Impact

From a social perspective, financed activities promote fair labor practices, community engagement, and local economic development. Governance is strengthened through strict eligibility criteria, monitoring of use of proceeds, and alignment with internal risk management policies, ensuring transparency and accountability in accordance with OJK expectations.

3. Conclusion

Through the ESG Deposit product, the Bank demonstrates its commitment to Sustainable Finance by supporting projects that deliver measurable environmental benefits while maintaining sound governance practices. The product contributes to Indonesia’s sustainable development objectives and the Bank’s long-term ESG strategy.