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**Corporate  
Governance  
Report**

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# Implementation of CIMB Niaga's Good Corporate Governance



GCG principles are integrated into all of the Bank's decisions and strategies, resulting in an environment that promotes sustainable growth while maintaining stakeholder trust. CIMB Niaga's concrete steps demonstrate that GCG implementation is a solid foundation for achieving the Bank's long-term objectives.

In line with current economic and industrial developments, which are becoming increasingly complex, the implementation of Corporate Governance (GCG) has become an important foundation for being able to run operations and businesses in a prudent and sustainable manner, particularly in the banking industry. The implementation of GCG will result in professional management of the Bank based on the principles of transparency, accountability, responsibility, independence, fairness, and equality (TARIF).

As one of Indonesia's largest private banks, CIMB Niaga has set high standards for implementing and ensuring that GCG principles are applied in all aspects of the bank's operations. The implementation of GCG at CIMB Niaga not only ensures compliance with applicable laws and regulations but also lays the groundwork for a strong Bank culture.

The implementation of GCG is also required for CIMB Niaga to continue expanding its banking products and services, allowing it to serve banking needs in various regions of Indonesia and other ASEAN countries by collaborating with the CIMB Group network. In addition, as a bank that cares about the environment and future generations, CIMB Niaga consistently implements sustainability in its business operations by integrating environmental, economic, social, and governance aspects into the banking process.

CIMB Niaga is committed to continuing to improve and implement GCG in accordance with national and international guidelines and standards. This commitment was reflected in the completion and implementation of the Bank's GCG soft structure in 2023, which included the Vision and Mission, Core Values, Board of Commissioners and Board of Directors Charter, Internal Audit Charter, Integrity Pact Declaration, Code of Ethics and Code of Conduct, Corporate Governance Policy, and other policies and provisions.

## Basis, Guidelines and Objectives of GCG Implementation

CIMB Niaga implements GCG based on various laws and regulations, as follows:

1. Laws of the Republic of Indonesia relating to Capital Markets, Limited Liability Companies and Banking;
2. Financial Services Authority Regulations (POJK) and OJK Circular Letters (SEOJK), particularly those relating to Governance, Annual Reports, Risk Management and various POJK and SEOJK related to the implementation of governance;
3. Indonesian Corporate Governance Roadmap which was published in an OJK press release on 4 February 2014;
4. ASEAN Corporate Governance Scorecard (ACGS) issued by the ASEAN Capital Market Forum (ACMF);
5. General Guidelines for Indonesian Corporate Governance (PUGKI) 2021 published by the National Committee for Governance Policy (KNKG);
6. Company Articles of Association and Resolutions of the General Meeting of Shareholders (GMS); as well as
7. Bank's Corporate Governance Policy.

CIMB Niaga applies all GCG principles through processes and mechanisms that address the 4 (four) aspects of governance, including governance commitment, governance structure, governance process, and governance outcomes. As part of the Bank's commitment to GCG, CIMB Niaga has established an effective internal monitoring and control mechanism. This includes implementing a rigorous risk management system, conducting independent internal audits, and managing conflicts of interest responsibly.

GCG principles are integrated into all of the Bank's decisions and strategies, resulting in an environment that promotes sustainable growth while maintaining stakeholder trust. CIMB Niaga's concrete steps demonstrate that GCG implementation is a solid foundation for achieving the bank's long-term objectives.

## Stages of GCG Implementation

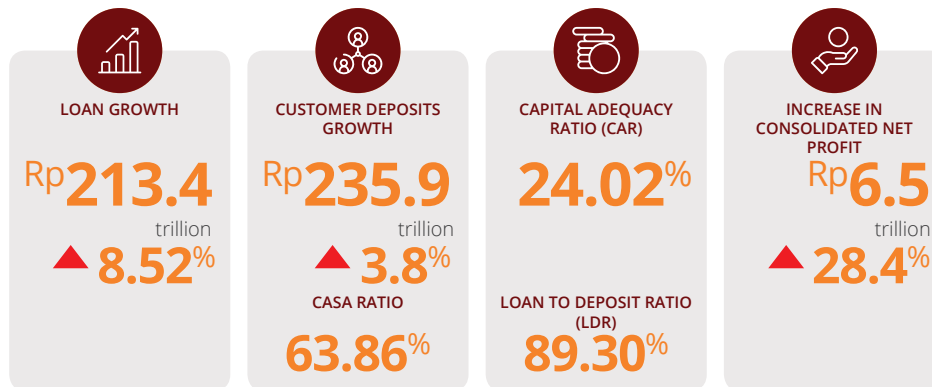
Since officially listing its shares on the stock exchange in 1955 and became a public company, CIMB Niaga has taken significant steps toward implementing GCG. GCG implementation is an important indicator for shareholders and related parties when assessing the Bank's performance. CIMB Niaga believes that by implementing GCG, the Bank can be managed effectively and appropriately while protecting the interests of its shareholders.

CIMB Niaga assesses GCG implementation on an annual basis in order to maintain and improve its quality. This evaluation is conducted in collaboration with independent institutions or using self-assessment methods. Suggestions and recommendations based on GCG assessment results become part of the evaluation process to improve GCG best practices and can be accessed or published on the Bank's official website.

## The Interrelation of GCG Implementation with Bank Performance

### 2023 PERFORMANCE ACHIEVEMENTS

In 2023, CIMB Niaga's commitment to implementing GCG had a positive impact on the Bank's performance achievements. Despite facing challenging economic conditions, CIMB Niaga managed to achieve a number of performance achievements, such as the following:



### 2023 GOVERNANCE AWARDS

CIMB Niaga received several awards in 2023 as a result of its commitment to GCG implementation. CIMB Niaga won the **2022 Annual Report Award (ARA) Grand Champion**, which was held on 27 November 2023. This is the Bank's first award after winning consecutively as first rank in the Listed Private Finance category in both 2018 and 2016. This award demonstrates that CIMB Niaga has always been a leader in implementing Good Corporate Governance (GCG) and Sustainability principles.



CIMB Niaga won several other awards, such as:

**1. TOP GRC Award 2023:**

- a. Platinum Star Trophy - 5 Star Predicate, for 5 consecutive years
- b. TOP GRC Awards 2023 #5 Stars
- c. Lani Darmawan – The Most Committed GRC Leader 2023

**2. GRC & Performance Excellence Award 2023:**

- a. The Greatest Champions of GRC Excellence Performance 2023 (Foreign Banking)
- b. The Best GRC for IT/Digital Transformation 2023 (Foreign Banking)

- c. Jeffrey Kairupan – The Best Commissioner for GRC Excellence 2023

- d. Fransiska Oei – The Best GRC Women Leader 2023

**3. 14<sup>th</sup> IICD CG Conference & Awards:**

- a. Leadership in Corporate Governance (after 4 consecutive years winning the title "Best Corporate Governance Overall")
- b. Top 50 Big Capitalisation

- 4. CIMB Niaga is in the top 10% (Top Decile) above other financial institutions in ASEAN, based on the results of the 3<sup>rd</sup> Organizational Health Index (OHI) Survey in 2023.

## 2023 GCG Quality Improvement

CIMB Niaga remains committed to implementing and improving the quality of GCG implementation in all processes carried out by the bank in accordance with applicable Indonesian, ASEAN, and international best practices. GCG implementation is carried out at all levels, including the Board of Commissioners, the Board of Directors, and employees. In 2023, in order to improve the quality of GCG implementation, CIMB Niaga implemented several initiatives, including the following:

- 1. Addition of 1 (one) female Independent Commissioner, namely Farina J. Situmorang.
- 2. SNI ISO 37001 Certification – Anti-Bribery Management System (ABMS) at Strategic Procurement and Admin Property Management SubDir.
- 3. Refinement and issuance of several Human Resources (HR) Policies, including the Code of Ethics and Code of Conduct; Know Your Employee (KYE) Policy; Remuneration Policy for the Board of Commissioners, Board of Directors, Sharia Supervisory Board, and Committees; Employee Security and Work Safety Risk Management Policy; and others.
- 4. Digitalization of Human Resources: addition of new features in Arjuna (integrated platform features), including: Flexible Benefits, Push messages, Chatbot, Employee profile, and EPICC Feedback & Recognition;

addition of 167 new modules to LoG, bringing the total LoG learning modules to date to 1,767 modules; addition of 2 VR Corners (Bintaro and Surabaya); therefore, the Bank has a total of 6 VR Corners, 3 VR Hubs, and VR Headsets spread across 325 branch offices throughout Indonesia.

- 5. The Internal Audit Unit (IA) involves 15 guest auditors in the Guest Auditor Program and 6 auditors in the Attachment Program in business/support units. A detailed explanation is provided in the IA sub-chapter.
- 6. Improvement of the Whistleblowing System: Monitoring of Service-Level Agreements (SLA) providing responses and handling of Whistleblowing reports by sending email reminders to the Whistleblowing Officer via the Bank's internal application; and the Whistleblowing System module on the LoG, which must be completed by all employees (mandatory).
- 7. Addition of an agenda for Financial Performance and Information Technology risks/constraints at Risk Oversight Committee meetings.
- 8. Development of 3 new modules in the ReCom (Regulatory Compliance Management System) system: Periodic Monitoring Review, Unit Review and Compliance Risk Rating.

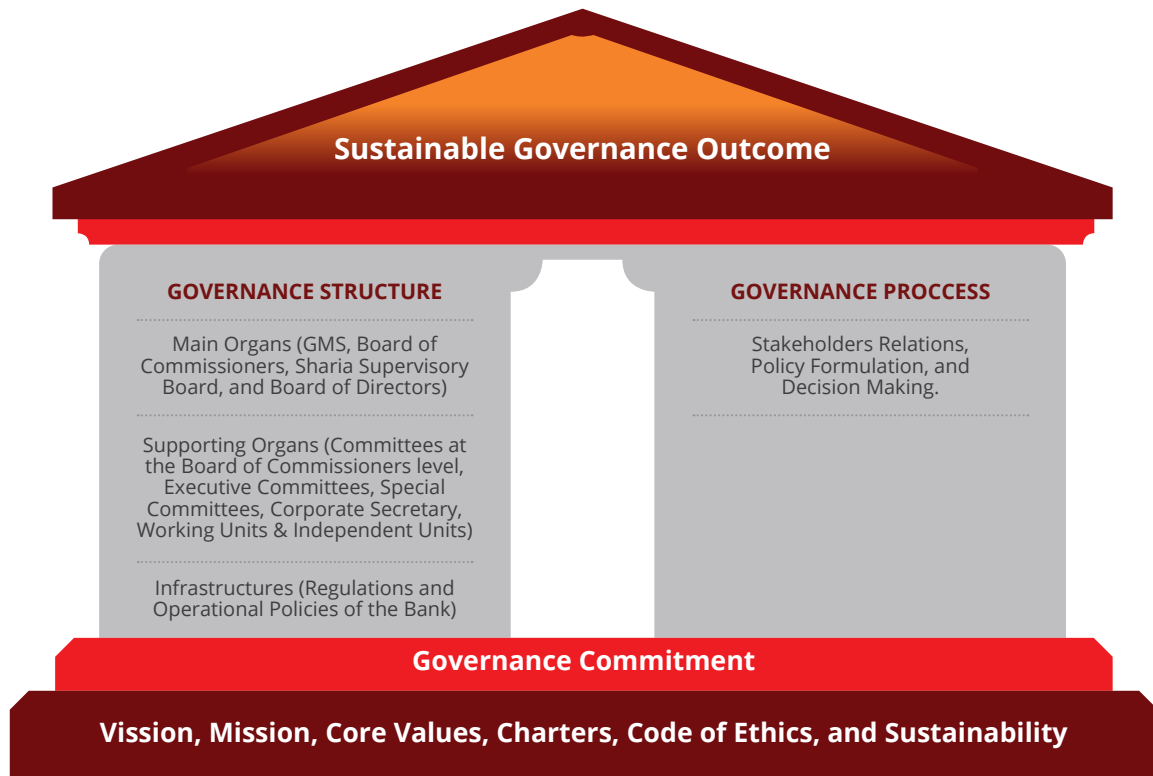
# Milestone of CIMB Niaga's GCG

<p>01</p> <p>Establishment of the Bank (incorporated)</p> <p><b>1955</b></p>	<p>02</p> <p>Become a foreign exchange bank</p> <p><b>1974</b></p>	<p>03</p> <p>Go Public</p> <p><b>1989</b></p>	<p>04</p> <p>Rebranding and mergers</p> <p><b>2008</b></p>
<p>05</p> <p>Set the infrastructure and implementation of GCG (GCG Charter, Board of Commissioners Charter, Board of Directors Charter, Committee Charter, Code of Ethics, and Employee Behavior), as gained recognition from IICG, IICD, and ARA</p> <p><b>2010 - 2011</b></p>	<p>06</p> <p>Align and refine the Bank's GCG practices with the Indonesian Corporate Governance Roadmap issued by the regulator and the ASEAN CG Scorecard principles, including ensuring that there is a minimum of 1 (one) female Independent Commissioner on the Board of Commissioners.</p> <p><b>2013</b></p>	<p>07</p> <p>The full implementation of the ASEAN CG Scorecard principles has brought CIMB Niaga to be selected as one of two listed companies in Indonesia to receive the "Top 50 Public Listed Company" at the ASEAN level based on the ASEAN CG Scorecard in 2015.</p> <p><b>2014</b></p>	
<p>08</p> <ol style="list-style-type: none"> <li>1. Improve the Bank's GCG implementation to align with the latest OJK regulations and to manifest GCG into the Bank's culture "A Better CIMB Niaga/ABC"</li> <li>2. Implementation of Integrated Governance and Integrated Risk Management by establishing the Integrated Governance Committee and the Integrated Risk Management Committee</li> </ol> <p><b>2015</b></p>	<p>09</p> <ol style="list-style-type: none"> <li>1. Refinement of the GCG Charter as outlined in the Corporate Policy Manual.</li> <li>2. Refinement of the Conflict Management Policy, which also governs insider trading.</li> <li>3. Assessment of the performance of the Board of Commissioners, the Board of Directors, and the Committees at the Board of Commissioners level.</li> </ol> <p><b>2016</b></p>		
<p>10</p> <ol style="list-style-type: none"> <li>1. The establishment of a GCG unit responsible for improving the Bank's GCG implementation.</li> <li>2. Appointment of PT Deloitte Consultant Indonesia as an independent party to manage the Whistleblowing System services since December 2017 to improve the transparency and professionalism.</li> <li>3. Provide job opportunities for disabilities people by working as Bank employees as part of CIMB Niaga's CSR initiatives.</li> </ol> <p><b>2017</b></p>	<p>11</p> <ol style="list-style-type: none"> <li>1. Became Indonesia's first public company to conduct e-voting at the 2018 GMS.</li> <li>2. The constantly improved of GCG implementation, resulted in recognition and awards from leading independent institutions, including "Top 50 ASEAN" and "Top 3 Indonesia" at the 2018 ASEAN Corporate Governance Awards from ASEAN Corporate Governance and ASEAN Capital Markets Forum, and "Top 50 and The Best Overall 2018" for the Large Capitalization Public Company category in Indonesia from the Indonesian Institute for Corporate Directorship.</li> <li>3. Revamping the Bank's website, particularly the GCG and Investor Relations sections.</li> <li>4. Renew the Audit Committee and Integrated Governance Committee Charters, as well as completing and/or improving several other internal policies related to other GCG.</li> </ol> <p><b>2018</b></p>		
<p>12</p> <ol style="list-style-type: none"> <li>1. Appointment of one of the Independent Commissioners as Senior Independent Commissioner.</li> <li>2. Use of third-party services (search firm) in the process of searching for candidates to be members of Commissioners and Directors.</li> <li>3. Issuance of Anti-Corruption Policy.</li> <li>4. Implementation of the orientation program for new members of the Board of Commissioners and the Board of Directors Implementation of the through the e-Learning application (LoG).</li> <li>5. Development of ReCoM (Regulatory Commitment Monitoring) system.</li> <li>6. Successfully maintained the achievement of First Place in ARA 2019 in the Private Financial Institution Listed category, "The Best Corporate Governance Overall 2019" and "Top 50 Issuers" in the Large Capitalization Public Company category in Indonesia from IICD. As well as receiving awards at the 2019 TOP GRC event as "TOP GRC," "The Most Committed GRC Leader," and "The High Performing Corporate Secretary on GRC."</li> </ol> <p><b>2019</b></p>	<p>13</p> <ol style="list-style-type: none"> <li>1. Signing of the Integrity Pact Declaration, Code of Ethics &amp; Anti-Corruption Commitment by the Board of Commissioners and the Board of Directors.</li> <li>2. Issuance of Corporate Governance Policy consisting of the CIMB Indonesia Financial Conglomerate Integrated Governance Policy and the CIMB Niaga Corporate Governance Policy &amp; Framework for the Subsidiaries.</li> <li>3. Issuance of CIMB Indonesia Financial Conglomerate Corporate Charter.</li> <li>4. Top 3 Indonesian and ASEAN Asset Class from the ASEAN Capital Markets Forum at the 2019 ACGS Award.</li> <li>5. Convene online AGMS, EGMS &amp; Annual Public Expose using video conference, e-Voting and e-Proxy technology.</li> </ol> <p><b>2020</b></p>		
<p>14</p> <ol style="list-style-type: none"> <li>1. Gained special Golden Star Trophy award for achieving the highest category #5Stars, for three consecutive years at the TOP GRC Awards.</li> <li>2. Implementation of "Hybrid Working Arrangement" or "HyWork" as a new work style, allowing employees to work both at home and in the office (hybrid).</li> <li>3. Improvements in holding the online GMS (e-GMS) by using the eASY.KSEI application (eASY.KSEI e-Voting feature and live streaming of the GMS).</li> <li>4. The application of Artificial Intelligence (AI) in the Bank's internal audit process by the Internal Audit Unit (IA) in 2021 which deemed to be among the most advanced in the Indonesian and ASEAN banking industries based on the assessment of independent consultants.</li> <li>5. Gradually implemented e-Signatures for the Bank agreement documents with debtors/customers, and other third parties.</li> </ol> <p><b>2021</b></p>	<p>15</p> <ol style="list-style-type: none"> <li>1. The only public company in Indonesia that has successfully entered the ASEAN Top 20 PLCs category, as well as becoming Indonesia's Top 3 PLCs and ASEAN Asset Class PLCs at the 2021 ACGS Award.</li> <li>2. Refinement of the anti-corruption and fraud policy into an Anti-Bribery and Corruption Policy.</li> <li>3. Issuance of CIMB Niaga's Human Rights Policy.</li> <li>4. Implementation of an Anti-Bribery Management System (ABMS).</li> <li>5. Changes to the term of office of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors to three years following the ACGS criteria.</li> <li>6. Refinement of the Vendor Code of Ethics as well as the Vendor Integrity Pact.</li> </ol> <p><b>2022</b></p>		
<p>16</p> <ol style="list-style-type: none"> <li>1. Grand Champion of the Annual Report Award (ARA) for the 2022 financial year report assessment.</li> <li>2. Addition of 1 (one) female Independent Commissioner, namely Farina J. Situmorang.</li> <li>3. SNI ISO 37001 Certification - Anti-Bribery Management System (ABMS) at SubDir. Strategic Procurement and Admin Property Management.</li> </ol> <p><b>2023</b></p>			

# GCG Structure and Mechanism of the Bank

CIMB Niaga implements GCG or Governance through a framework of 4 (four) pillars of Good Corporate Governance, which include governance commitment, governance structure, governance process, and governance outcome.

These four pillars are incorporated into the Bank Governance structure, which includes the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors. According to the Articles of Association and any applicable laws and regulations, each organ has its own role, duties, and responsibilities.



## GOVERNANCE COMMITMENT

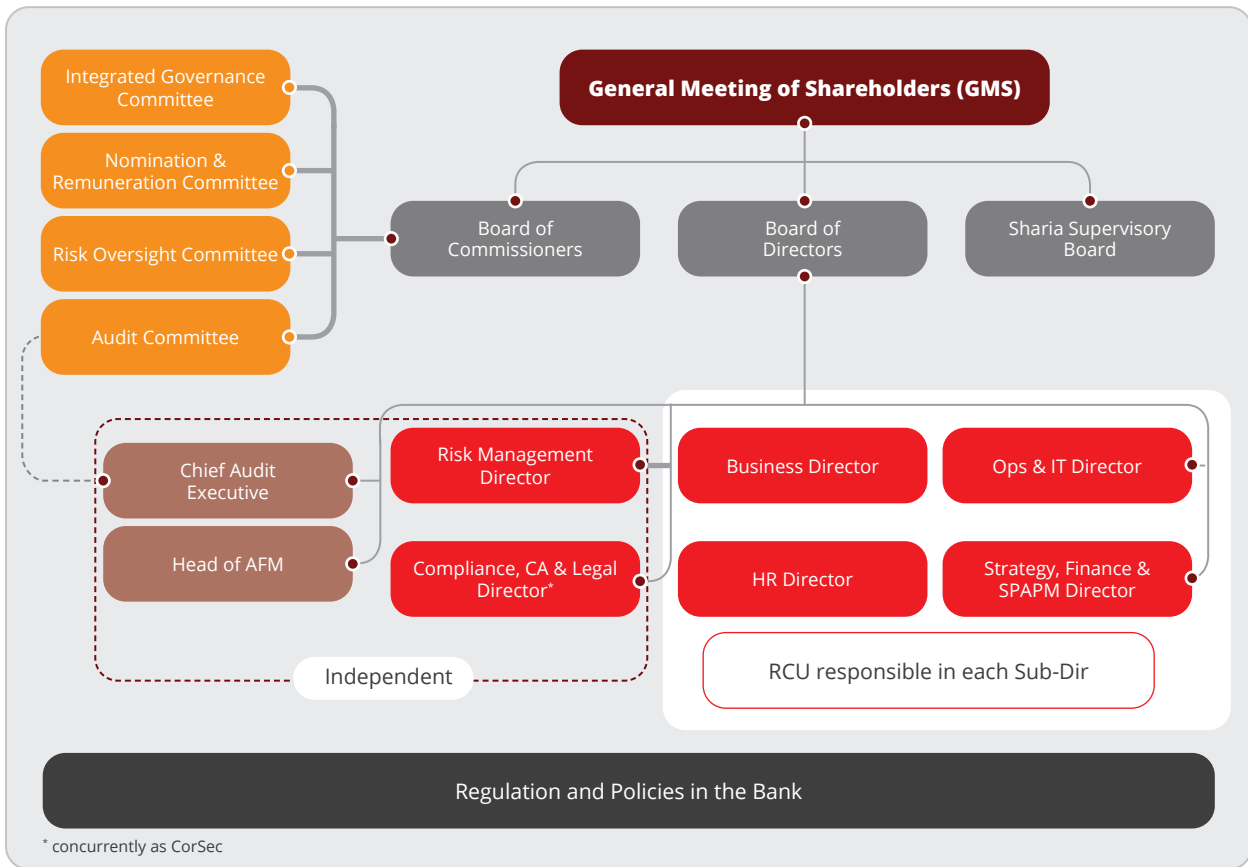
In order to ensure the success of consistent and sustainable implementation of GCG, the Bank's Board of Commissioners, Board of Directors, work units, and employees are committed to incorporating and upholding GCG principles into all Bank activities and becoming part of the company's culture, including through the development of a Vision, Mission, and Core Values. The commitment to implementing GCG is also reflected in the development of a Code of Ethics and Code of Conduct, Charter, the implementation of Risk Management and Whistleblowing Systems, and the implementation of programs and activities based on sustainability principles. CIMB Niaga reviews and updates GCG practices on a regular basis to ensure in accordance with best practices, macroeconomic and banking industry dynamics, and applicable laws and regulations.

## GOVERNANCE STRUCTURE

The governance structure of CIMB Niaga consists of main organs including the General Meeting of Shareholders, the Board of Commissioners, and the Board of Directors, as well as supporting organs such as Committees of the Board of Commissioners, Committees of the Board of Directors, Corporate Secretary, Business Units/Support Units, as well as an Independent Unit (including Risk Management, Compliance, Legal, Internal Audit (IA), and Anti Fraud Management (AFM)). The Bank's Governance Structure is arranged to establish clarity and separation of duties and responsibilities, as well as mechanisms and flows of decision-making and reporting within CIMB Niaga's organs in accordance with applicable laws and regulations. An adequate governance structure will facilitate the process of implementing GCG principles, resulting in outcomes that meet stakeholder expectations.



### GCG Structure



### GOVERNANCE PROCESS

The governance process is carried out using structured and systematic procedures and mechanisms. This is also supported by an adequate Bank’s governance structure and infrastructure to generate outcomes that meet stakeholders’ expectations.

### GOVERNANCE OUTCOMES

CIMB Niaga employs governance commitment, governance structure, and governance processes to achieve good and sustainable governance outcomes. In 2023, CIMB Niaga continued to achieve various satisfactory operational and financial achievements despite economic challenges. CIMB Niaga believes that in the long run, the implementation of GCG will have a positive impact on value creation and the long-term sustainability of the Bank’s business, in line with stakeholders’ expectations.

# GCG Implementation Assessment

GCG assessments, help ensure that CIMB Niaga adheres to applicable business ethics standards, regulations, and policies, resulting in a high level of transparency in the Bank's decisions and actions. GCG assessments also help to build and maintain stakeholder trust, forming the foundation for strong relationships between the Bank and the various parties involved. CIMB Niaga evaluates the quality of GCG implementation both independently (self-assessment) and collaboratively with third parties to obtain more objective assessment results.

## SELF-ASSESSMENT

### PROCEDURE

Every semester, a self-assessment on the implementation of governance principles is carried out in accordance with the provisions of OJK Regulation 17 of 2023 and OJK Circular Letter No. 13/POJK.03/2017 on Governance Implementation for Commercial Banks. The assessment is comprehensive and structured, focusing on the implementation of governance principles in 3 (three) aspects: Structure, Process, and Outcome.

#### 1. Governance Structure

The Bank assesses the adequacy of the Bank's Governance structure and infrastructure in generating results (outcomes) that meet the expectations of stakeholders.

#### 2. Governance Process

The Bank assesses the effectiveness of the process of implementing Good Governance principles, which is supported by the adequacy of the Bank's governance structure and infrastructure, in order to generate outcomes that meet the expectations of stakeholders.

#### 3. Governance Outcome

The Bank assesses the quality of Governance outcomes (both qualitative and quantitative), which are the result of the process of implementing Good Governance principles, which is supported by the adequacy of the Bank's Governance structure and infrastructure.

## ASSESSMENT CRITERIA

There are 11 (eleven) governance assessment factors for self-assessment, including:

1. Implementation of the duties and responsibilities of the Board of Directors.
2. Implementation of the duties and responsibilities of the Board of Commissioners.
3. Completeness and implementation of the Committee's duties.
4. Managing conflict of interest.
5. Implementation of the Bank's compliance function.
6. Implementation of the internal audit function.
7. Implementation of the external audit function.
8. Implementation of risk management, including internal control system.
9. Providing funds to related parties and large exposure.
10. Transparency of the Bank's financial and non-financial conditions, GCG implementation report, and internal reporting.
11. Bank's strategic plan.

The assessment is also conducted on other relevant and significant aspects to Governance implementation. The final outcomes of the assessment of the implementation of Bank Governance are based on the results of a questionnaires distributed to selected respondents, and incorporates findings from within the Bank based on questionnaire results. These findings are compiled from various units in the Bank, including Internal Audit, Anti Fraud Management, Risk Management, Human Resources, Compliance, and others, as well as finding from the regulators.

## PARTIES CONDUCTING THE ASSESSMENT

Self-assessment requires the Bank's Board of Commissioners, Board of Directors, Independent Parties, and Executive Officers to provide a comprehensive and structured assessment of the effectiveness of its governance. The self-assessment is also performed on the implementation of governance within subsidiaries in accordance with regulations in the financing and capital markets sectors. The results of subsidiaries' self-assessments are consolidated using internal methodology based on materiality and significance.

## ASSESSMENT RESULT

The results of individual and consolidated Bank GCG self-assessments for Semesters I and II of 2023:

GCG Implementation Self-Assessment Results		
Entity	Rating	Rating Definition
Bank CIMB Niaga (Individually)	2	Bank Governance Rating is 2 (GOOD), which reflects that Bank management has adequately applied the GCG principles.
CIMB Niaga Auto Finance (CNAF)	2	CNAF Governance Rating is 2 (GOOD), which reflects that CNAF has generally complied with the GCG provisions and principles.
CIMB Niaga Sekuritas (CNS)	2	CNS Governance Rating is 2 (GOOD), which reflects that CNS has generally applied the GCG provisions and principles.
Consolidated	2	Consolidated Governance Rating is 2 (GOOD), which reflects that management of the Bank and subsidiaries have adequately applied the GCG principles.

Each subsidiary, CNAF and CNS, have also conducted a GCG self-assessment in accordance with OJK Governance provisions applicable to its business activities as a Financing and Securities Company.

### RECOMMENDATIONS AND FOLLOW-UP

CIMB Niaga's GCG implementation in 2023, both for bank-only and in a consolidated manner, achieved a rating of 2 (Good). Based on this assessment, the Bank and its subsidiaries are deemed adequate in implementing governance principles. Despite several governance-related identifiable weaknesses, the Bank's management and subsidiaries can complete and carry out follow-up actions normally. The Bank is committed to incorporating governance principles into its activities in order to achieve long-term business sustainability.

Recommendations for the 2023 self-assessment include strengthening the governance process to support an effective internal control system and maintaining risk governance. The Bank and its subsidiaries will follow up on these recommendations.

### EXTERNAL ASSESSMENT

#### ASEAN CORPORATE GOVERNANCE SCORECARD

One of the external assessments conducted on CIMB Niaga's governance practices in recent years was based on the ASEAN Corporate Governance Scorecard (ACGS) criteria, which adopt the corporate governance principles issued by the Organization for Economic Cooperation and Development (OECD). ACGS is one of the ASEAN Capital Market Forum's (ACMF) initiatives to improve governance practices among ASEAN listed companies, which is supported by the Asian Development Bank (ADB).

### ASSESSMENT PROCEDURE

The ACGS assessment procedure involves a review of English-language documents and information provided by the Bank to the public, such as information contained in the Annual Report, website, and announcements and reports issued by listed companies.

The assessment methodology comprises **2 (two) levels** :

- Level 1:** Minimum standard items expected to be implemented in each ASEAN member country, such as prevailing laws and regulations and OECD principles.
- Level 2:** bonus items demonstrating practices beyond minimum standard expectations, as well as penalty items indicating poor governance.



#### DOMESTIC ASSESSMENT

Assessment within the respective country



#### PEER REVIEW

Assessment made among ASEAN member countries



#### FINALIZATION

Verification of certain items and a final evaluation for "ASEAN Asset Class," "ASEAN Top 20," and "Top 3" in respective countries

## ASSESSMENT CRITERIA

The new ACGS assessment criteria issued on October 2023 includes aspects such as Rights and Equitable Treatment of Shareholders, Sustainability Resilience, Disclosure and Transparency, dan Responsibilities of the Board.

## PARTIES CONDUCTING THE ASSESSMENT

The ACMF conducts the assessment through the Domestic Ranking Body (DRB), which is appointed as a representative in each participating country by the respective regulator. The DRB conducts national assessments for further peer review by DRBs from other ASEAN member countries. Since 2016, OJK has appointed PT RSM Indonesia Konsultan (RSM) as the DRB to conduct assessments in Indonesia. Additionally, the Indonesian Institute for Corporate Directorship (IICD) also conducts ACGS assessments in Indonesia.

## ASSESSMENT RESULTS

ACMF postponed the ACGS assessment in 2023 due to changes in criteria/standards, and it will be resumed in 2024 using the most recent criteria/standards.

However, CIMB Niaga was assessed by the IICD used the previous version of the criteria which sourced from the Bank's 2022 Annual Report and the website, resulting in a score of **119.76**.

Based on this assessment, and after 4 (four) consecutive years of receiving the title "Best Corporate Governance Overall," the Bank's compliance level performance based on ACGS criteria in 2023 received the "**Leadership in Corporate Governance**" award, which is a new additional category in 2023 and is only given to 2 (two) public companies that are considered to be leaders in implementing ACGS standards in Indonesia. Mrs. Fransiska Oei, Compliance, Corporate Affairs and Legal Director, received this award directly on 18 September 18 2023, at the 14th IICD Corporate Governance Conference & Award.

## RECOMMENDATIONS AND FOLLOW-UP

CIMB Niaga's recommendations and follow-up actions regarding the assessment of the Bank's GCG implementation based on ACGS are as follows:

Recommendation	Follow Up
Nomination and Remuneration Committee comprised of a majority or entirely of independent party.	The current composition of the Bank's Nomination and Remuneration Committee members is in accordance with OJK regulations. Therefore, the Bank unable to proceed with the recommendation.
Disclose performance measurement standards that align the Board of Directors' performance-based remuneration with the company's long-term interests.	Disclosures will be refined in the 2023 Annual Report.

# General Meeting of Shareholders

The General Meeting of Shareholders (GMS) is the highest organ in the Bank Governance structure. The GMS has authority that is not delegated to the Board of Directors (BOD) or the Board of Commissioners (BOC) as regulated under the applicable laws and regulations and/or the Bank's Articles of Association.

CIMB Niaga holds an Annual GMS (AGMS) once a year and an Extraordinary GMS (EGMS) at any time as needed. The AGMS and EGMS hold the highest levels of authority within the Bank Governance structure. CIMB Niaga held a GMS in accordance with Law No. 40 of 2007 on Limited Liability Companies, Financial Services Authority Regulations (POJK) on GMS Implementation, and the Bank's Articles of Association, and in accordance with the ASEAN Corporate Governance Scorecard.

## SHAREHOLDERS

The GMS is a forum where shareholders can make decisions and exercise their rights to express opinions and obtain information related to the bank. The GMS makes decisions in a fair and transparent manner that are in the best interests of the Bank. Shareholders are individuals or legal entities who legally own Bank shares. Shareholders do not intervene in the functions, duties, and authority of the BOC and BOD. As of 31 December 2023, the composition of CIMB Niaga's shareholders is as follows:

Name of the Shareholder	Number of Shares (unit)	Ownership Percentage (%)
CIMB Group Sdn Bhd	22,991,336,581	91.48
PT Commerce Kapital	255,399,748	1.02
Public (<5%)*	1,884,870,514	7.50

\* Including Treasury Shares and Shares of Members of the Board of Commissioners and Board of Directors

## RIGHTS, AUTHORITY AND RESPONSIBILITIES OF SHAREHOLDERS

Based on the Bank's Articles of Association, Bank Shareholders are consisting of Class A and Class B, both of whom have equal rights, with each share entitled to 1 (one) vote. Shareholder rights include, among others, the following:

1. Attend the GMS and cast 1 (one) vote;
2. Opportunity to propose the GMS agenda and nominate the candidates for members of the BOC and BOD by 1 (one) or more shareholders representing at least 1/20 (one twentieth) of the total number of shares with voting rights;
3. Opportunity to grant power of attorney to other parties if shareholders are unable to attend the GMS. The power of attorney form is available on the Bank's website;
4. Obtain and study the GMS materials no later than 28 (twenty-eight) days prior to the GMS, allowing shareholders to vote on the proposed resolutions in the GMS agenda;
5. Opportunity to raise questions in every agenda discussion and every resolution on the GMS agenda;
6. Opportunity to vote agree, against or abstain on each proposed decision on the GMS agenda; and
7. Receive consistently fair treatment from CIMB Niaga.

Shareholders also have additional authority, among others: (i) appoint and dismiss members of the BOC and BOD, (ii) evaluate the performance of the BOC and BOD, (iii) temporarily suspend the BOD members, (iv) approve amendments to the Bank's Articles of Association, (v) approve the Annual Report, (vi) approve the remuneration of the BOC and BOD, and (vii) approve the proposed allocations for the Bank's profits including dividend payments. The Bank's Articles of Association regulate Shareholders' rights, authority, and responsibilities and can be accessed through the Bank's website.

## IMPLEMENTATION OF CIMB NIAGA GMS IN 2023

In 2023, CIMB held the AGMS on 10 April 2023, and received GMS approval to hold a series of 2 (two) EGMS with the same agenda and/or subject, namely the First EGMS on 9 October 2023, and the Second EGMS on 19 October 2023. The AGMS and EGMS were held electronically (e-RUPS), while the GMS was physically held at the CIMB Niaga office. All participants, whether attending the e-GMS or physically, are welcome to participate actively. The GMS resolution have been reported to the OJK and announced on the Bank's website ([www.cimbniaga.co.id](http://www.cimbniaga.co.id)), IDX website ([www.idx.co.id](http://www.idx.co.id)), and KSEI website ([www.ksei.co.id](http://www.ksei.co.id))

## ANNUAL GMS (AGMS) ON 10 APRIL 2022

The Bank's AGMS on 10 April 2023 was held electronically using the Electronic General Meeting System Application of PT Kustodian Sentral Efek Indonesia ("eASY.KSEI Application") and comply with OJK Regulation No. 16/POJK.04/2020 on Implementation of Electronic General Meeting of Shareholders of Public Companies ("OJK Regulation No. 16/POJK.04/2020") and the provisions of the Bank's Articles of Association.

Day, Date and Time	Monday, 10 April 2023, Time: 2.23 p.m. - 3.42 p.m Western Indonesian Time
Venue	Graha CIMB Niaga - 15 <sup>th</sup> Floor, 14 <sup>th</sup> Floor and M Floor Jl. Jend. Sudirman Kav. 58, South Jakarta-12190
Quorum	The AGMS was attended by shareholders and/or proxies of shareholders representing 23,757,453,312 shares, or approximately 95.2647% of the total number of shares with valid voting rights issued by the Company (excluding Treasury Shares). Thus, the decision-making quorum requirements for the Meeting Agenda have been met, with more than half of the total number of shares issued by the Company having valid voting rights.
AGMS Chairman	Didi Syafruddin Yahya as President Commissioner
Attendance of member of the BOC including the President Commissioner	Didi Syafruddin Yahya as President Commissioner, with all other BOC members were present, both physically and via video conference
Attendance of member of the BOD including the President Director	Lani Darmawan as President Director, with all other BOD members were present, both physically and via video conference
Attendance of member of Sharia Supervisory Board (SSB)	Prof. Dr. M. Quraish Shihab, MA as Chairman, with all other SSB members, attended via video conference.
Attendance of member of Audit Committee including the Audit Committee Chairman	Jeffrey Kairupan, Chairman, and all other members of the Audit Committee attended via video conference.
Attendance of NRC Chairwoman	Sri Widowati as Chairwoman attended via video conference
Attendance of ROC Chairman	Glenn M. S. Yusuf as Chairman attended via video conference
Attendance of IGC Chairman	Jeffrey Kairupan as Chairman attended via video conference
Number of shareholders who raised questions and/or express opinions	All shareholders are given the opportunity to raise questions and/or express opinions for each agenda of the AGMS, however, none of the Shareholders or the proxies/representatives of Shareholders raised questions and/or expressed opinions at the AGMS.

## IMPLEMENTATION STAGES OF AGMS ON 10 APRIL 2023

Activity	Implementation Date	Description
Notification of the AGMS Plan and Agenda to Regulator	16 February 2023	Submitted to the OJK, PT Indonesia Stock Exchange (IDX) and PT Kustodian Sentral Efek Indonesia (KSEI) 5 (five) working days prior to the AGMS Announcement.
AGMS Announcement	23 February 2023	<ol style="list-style-type: none"> <li>Conducted 14 (fourteen) days prior to the AGMS Invitation/Notice, excluding the date of the AGMS Announcement and Invitation/Notice.</li> <li>Published in Bahasa and English through the Bank's website, IDX's website and KSEI's website.</li> <li>Report of the announcement was submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK &amp; IDX-Net).</li> </ol>
Recording Date of the List of Shareholders who are entitled to attend the AGMS	9 March 2023	Recorded 1 (one) working day prior to the AGMS Invitation/Notice
Invitation/Notice including explanation of each AGMS Agenda	10 March 2023	<ol style="list-style-type: none"> <li>Conducted 28 (twenty-eight) days prior to the AGMS, excluding the date of AGMS Invitation/Notice and AGMS;</li> <li>Publish in Bahasa and English through: <ol style="list-style-type: none"> <li>"Investor Daily" newspaper;</li> <li>The Bank's website, IDX's website, and KSEI's website.</li> </ol> </li> <li>Proof of advertisement and AGMS Invitation/Notice report were submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK &amp; IDX-Net).</li> </ol>
AGMS Implementation	10 April 2023	The Meeting was held electronically using the eASY.KSEI Application and complying with OJK Regulation No. 16/POJK.04/2020 on the Implementation of General Meeting of Shareholder of Public Company Electronically in conjunction with Article 12 paragraph 12 of the Company's Article of Association. In addition, the AGMS was also held physically, where all participants, either present physically or electronically, can attend and actively participate in the AGMS.
Summary of Minutes (Results) of the AGMS	10 April 2023	Publication of the AGMS Resume (notarial) and the Summary of Minutes (Results) of the AGMS, including the voting results for each agenda, were uploaded in Bahasa and English on the Bank's website, IDX's website, and KSEI's website. The AGMS Summary of Minutes (Results) Report was submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK & IDX-Net).
Deed of Minutes of AGMS	8 May 2023	The Deed of Minutes of the AGMS was submitted to OJK and IDX no later than 15 (fifteen) working days or 28 (twenty eight) calendar days after the AGMS was held and uploaded in Bahasa and English on the Bank's website, IDX's website, and KSEI's website. The Deed of Minutes of the AGMS was submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK& IDX-Net).



## ELECTRONIC VOTING (E-VOTING) AND COUNTING MECHANISM

The AGMS decision-making mechanism is based on deliberation to reach a consensus. In order to ensure that deliberation to reach consensus is achieved while maintaining the independence and confidentiality of shareholders in the process of granting voting rights, decision making is carried out using closed voting.

AGMS decisions are made in accordance with the AGMS quorum, and voting takes place on each AGMS agenda item. Shareholders and/or their proxies who are physically present vote individually and electronically ("e-Voting") at the AGMS location ("e-Voting at the Meeting Venue") using a Smartphone or other Mobile Device (tablets, etc.) or Touch Screen Monitors provided by the Bank, ensuring that Shareholders' votes remain confidential. Shareholders and/or proxies who attend electronically can complete the eASY.KSEI e-Voting process. Meanwhile, shareholders who use the e-Proxy mechanism to provide power of attorney are deemed to have exercised their voting rights through eASY.KSEI and are not permitted to carry out the e-Voting process at the Meeting Venue.

The Rules of Conduct of the AGMS, which are announced/ uploaded on the Bank's website alongside the AGMS Invitation/Notice and read by the Corporate Secretary before the AGMS begins, fully disclose the e-Voting procedures used at the AGMS venue. Aside from being stated in the Rules of Conduct of the AGMS, the procedures for e-voting at the AGMS venue are also uploaded on the website in the form of an illustrative video.

## INDEPENDENT PARTY TO CALCULATE VOTES

At the AGMS on 10 April 2023, CIMB Niaga appointed independent parties, namely (i) Notary Ashoya Ratam, S.H., M.Kn., as Public Notary, and (ii) PT Bima Registra as Securities Administration Bureau, to perform calculations, validation, and voting at the AGMS.

## AGMS RESOLUTION ON 10 APRIL 2023

The AGMS resolution is contained in Deed No. 20 dated 10 April 2023, made in the presence of Ashoya Ratam S.H., M.Kn., Notary in the Administrative City of South Jakarta. The resolution to approve changes to the composition of the Company's Board of Commissioners by appointing Farina J. Situmorang as Company Commissioner has been restated in Deed No. 21 dated 10 April 2023, which was made in the presence of the Notary and received notification from the Minister of Law and Human Rights of the Republic of Indonesia (Menkumham) via Letter No. AHU-AH.01.09-0112273 dated 18 April 2023.

Details of the AGMS resolution on 10 April 2023 are as follows:

1 <sup>st</sup> Agenda	Approval of the Annual Report and Ratification of the Company's Consolidated Financial Statements for the Financial Year Ended on 31 December 2022		
Voting Result	Total Majority Votes: 23,757,375,200 Shares or 99.9997% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,752,623,600 Shares (99.9797%)	78,112 Shares (0.0003%)	4,751,600 Shares (0.0200%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approve the Company's Annual Report for the financial year ending 31 December 2022;</li> <li>Ratify the Company's Consolidated Financial Statements for the financial year ending 31 December 2022, which were audited by the Public Accounting Firm "TANUDIREJA, WIBISANA, RINTIS &amp; REKAN" (a member firm of the PricewaterhouseCoopers Global Network) as stated in its report dated 17 February 2023, with the opinion "The Consolidated Financial Statements presented fairly, in all material respects." The consolidated financial position of PT Bank CIMB Niaga Tbk and its subsidiaries as of 31 December 2022, as well as the performance of consolidated financials and consolidated cash flows for the year ending on that date, in accordance with Indonesian Financial Accounting Standards";</li> <li>Ratify the Supervisory Duties Report of the Company's Board of Commissioners and SSB for the financial year ending 31 December 2022.</li> <li>Provide full release and discharge of responsibility ("<i>volledig acquit et décharge</i>") to members of the Company's Board of Commissioners, Board of Directors, and SSB for management and supervision actions performed in the financial year 2022, as long as the actions are reflected in the Company's Annual Report for the financial year ending 31 December 2022.</li> </ol>		
Realization	It has been realized in 2023.		

2 <sup>nd</sup> Agenda	Determination on the Use of Company Profits for the Financial Year Ending 31 December 2022.		
Voting Result	Total Majority Votes: 23,757,375,200 Shares or 99.9997% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,909,900 Shares (99.9977%)	78,112 Shares (0.0003%)	465,300 Shares (0.0020%)
AGMS Resolution	<p>Approved the use of Net Income (exclusive to the Company) for the Financial Year ending 31 December 2022 in the amount of Rp4,786,402,977,175 ("the Company Net Income for Financial Year 2022"), for:</p> <ol style="list-style-type: none"> <li>Distributed as a final cash dividend of up to 60% of the Company's Net Income for the financial year 2022, or a maximum of Rp2,871,841,786,305 (gross), according to the following schedule: <ul style="list-style-type: none"> <li>Cum dividends in regular and negotiated markets : 18 April 2023</li> <li>Ex dividend in regular and negotiated markets : 26 April 2023</li> <li>Cum Dividends on Cash Market : 27 April 2023</li> <li>Recording date for eligible shareholders : 27 April 2023</li> <li>Ex Dividend on Cash Market : 28 April 2023</li> <li>Dividend Payment for Financial Year 2022 : 10 May 2023</li> </ul> </li> <li>Reserve not set aside, considering the minimum statutory reserve requirements as regulated in Article 70 of Law No. 40 of 2007 concerning Limited Liability Companies ("Company Law") have been met.</li> <li>To record the remaining Company's Net Income for the Financial Year 2022, after subtracting out dividend distributions, as retained earnings totaling Rp1,914,561,190,870 to fund the Company's business operations.</li> </ol> <p>and authorize the Board of Directors to determine cash dividend distribution procedures in compliance with capital market regulations.</p>		
Realization	It has been realized in 2023		

3 <sup>rd</sup> Agenda	Appointment of a Public Accountant and Public Accounting Firm for the 2023 Financial Year and Determination of Honorarium and Other Requirements relating to the Appointment.		
Voting Result	Total Majority Votes: 23,757,375,200 Shares or 99.9997% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,892,600 Shares (99.9976%)	78,112 Shares (0.0003%)	482,600 Shares (0.0020%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approved the appointment of JIMMY PANGESTU and the Public Accounting Firm "TANUDIREDA, WIBISANA, RINTIS &amp; REKAN" (member firms of the PricewaterhouseCoopers Global Network) which are respectively registered with the OJK as Public Accountants and Public Accounting Firms, or other Public Accountants in the same Public Accounting Firm in the event that the person concerned is permanently unable to audit the Company's Consolidated Financial Statements for the 2023 Financial Year</li> <li>Approve the delegation of authority to the Company's Board of Commissioners to appoint a Public Accountant and/or another Public Accounting Firm in the event that the appointed Public Accountant and/or Public Accounting Firm is unable to complete the provision of audit services or is permanently unable to audit the Company's Consolidated Financial Statements for the financial year 2023. The following provisions govern the delegation of authority: <ol style="list-style-type: none"> <li>The Company's Board of Commissioners must appoint another Public Accounting Firm from one of the big four groups of Public Accounting Firm in Indonesia</li> <li>The appointment must also be based on the Audit Committee's recommendation.</li> <li>Honorarium and appointment requirements for other Public Accounting Firms must be determined competitively and fairly;</li> <li>No objection from OJK; and</li> <li>Appointment does not conflict with applicable laws and regulations.</li> </ol> </li> <li>Approved the Public Accounting Firm's annual audit fees honorarium for the Company's Consolidated Financial Statements for the 2023 Financial Year amounting to Rp9,920,754,000, which includes the additional application of 2 (two) new PSAK 71 models (excluding VAT, OPE, and the new model of PSAK 71 other than the two mentioned above).</li> <li>Approved the delegation of authority to the Company's Board of Directors to carry out matters deemed necessary in connection with the appointment of Public Accountants and Public Accounting Firms, including but not limited to holding meetings and signing letters of appointment for Public Accountant and Public Accounting Firm</li> </ol>		
Realization	It has been realized in 2023		

4 <sup>th</sup> Agenda	Reappointment of DIDI SYAFRUDDIN YAHYA as President Commissioner of the Company.		
Voting Result	Total Majority Votes: 23,741,215,976 Shares or 99.9317% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,740,743,776 Shares (99.9297%)	16,237,336 Shares (0.0683%)	472,200 Shares (0.0020%)
AGMS Resolution	Approved the re-appointment of DIDI SYAFRUDDIN YAHYA as President Commissioner of the Company, with an effective term of office beginning with the close of the Meeting and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of his appointment, without prejudice to the AGMS's right to dismiss him at any time in accordance with the provisions of Article 119 of the Company Law.		
Realization	It has been realized in 2023		





Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

<b>5<sup>th</sup> Agenda</b>	<b>Reappointment of SRI WIDOWATI as Independent Commissioner of the Company.</b>		
<b>Voting Result</b>	Total Majority Votes: 23,741,215,976 Shares or 99.9317% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,740,742,276 Shares (99.9297%)	16,237,336 Shares (0.0683%)	473,700 Shares (0.0020%)
<b>AGMS Resolution</b>	Approved the re-appointment of SRI WIDOWATI as Independent Commissioner of the Company, with an effective term of office beginning with the close of the Meeting and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of her appointment, without prejudice to the GMS's right to dismiss her at any time in accordance with the provisions of Article 119 of the Company Law.		
<b>Realization</b>	It has been realized in 2023		

<b>6<sup>th</sup> Agenda</b>	<b>Reappointment of PROF. DR. M. QURAIISH SHIHAB, MA as Chairman of the Company's Sharia Supervisory Board.</b>		
<b>Voting Result</b>	Total Majority Votes: 23,757,349,100 Shares or 99.9996% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,878,000 Shares (99.9976%)	104,212 Shares (0.0004%)	471,100 Shares (0.0020%)
<b>AGMS Resolution</b>	Approved the re-appointment of PROF. DR. M. QURAIISH SHIHAB, MA, as Chairman of the Company's Sharia Supervisory Board, with an effective term of office beginning with the close of the Meeting and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of his appointment, without prejudice to the GMS's right to dismiss him at any time in accordance with the provisions of Article 20 paragraph 20.2 of the Company's Articles of Association.		
<b>Realization</b>	It has been realized in 2023		

<b>7<sup>th</sup> Agenda</b>	<b>Reappointment of PROF. DR. FATHURRAHMAN DJAMIL, MA as Member of the Company's Sharia Supervisory Board.</b>		
<b>Voting Result</b>	Total Majority Votes: 23,757,368,700 Shares or 99.9996% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,897,000 Shares (99.9977%)	84,612 Shares (0.0004%)	471,700 Shares (0.0020%)
<b>AGMS Resolution</b>	Approved the re-appointment of PROF. DR. FATHURRAHMAN DJAMIL, MA, as a Member of the Company's Sharia Supervisory Board, with an effective term of office beginning with the close of the Meeting and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of his appointment, without prejudice to the GMS's right to dismiss him at any time in accordance with the provisions of Article 20 paragraph 20.2 of the Company's Articles of Association.		
<b>Realization</b>	It has been realized in 2023		

<b>8<sup>th</sup> Agenda</b>	<b>Reappointment of DR. YULIZAR DJAMALUDDIN SANREGO, M.EC. as Member of the Company's Sharia Supervisory Board.</b>		
<b>Voting Result</b>	Total Majority Votes: 23,757,368,700 Shares or 99.9996% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,896,500 Shares (99.9977%)	84,612 Shares (0.0004%)	472,200 Shares (0.0020%)
<b>AGMS Resolution</b>	Approved the re-appointment of DR. YULIZAR DJAMALUDDIN SANREGO, M.EC., as Member of the Company's Sharia Supervisory Board, with an effective term of office beginning with the close of the Meeting and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of his appointment, without prejudice to the GMS's right to dismiss him at any time in accordance with the provisions of Article 20 paragraph 20.2 of the Company's Articles of Association.		
<b>Realization</b>	It has been realized in 2023		

<b>9<sup>th</sup> Agenda</b>	<b>Approval of Changes to the Composition of the Company's Board of Commissioners by appointing FARINA J. SITUMORANG, as Independent Commissioner of the Company.</b>		
<b>Voting Result</b>	Total Majority Votes: 23,757,375,200 Shares or 99.9997% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,893,000 Shares (99.9976%)	78,112 Shares (0.0003%)	482,200 Shares (0.0020%)
<b>AGMS Resolution</b>	<p>1. Approved changes to the composition of the Company's Board of Commissioners by appointing FARINA J. SITUMORANG, as Independent Commissioner of the Company, with an effective term of office beginning with the date specified in the Meeting that appointed her and subject to the OJK approval and/or fulfillment of the requirements stipulated in the approval letter from the OJK ("Effective Date") and ending with the close of the 3rd (third) Annual GMS following the Effective Date of appointment without prejudice to the GMS right to dismiss her at any time in accordance with the provisions of Article 119 of the Company Law.</p> <p>In the event that the OJK does not approve the appointment or the OJK's requirements are not met, the appointment will be null and void, with no need for GMS approval.</p> <p>Thus, the Company's Board of Commissioners is composed of the following:</p> <p><b>BOARD OF COMMISSIONERS</b></p> <p>President Commissioner : DIDI SYAFRUDDIN YAHYA  Vice President Commissioner (Independent) : GLENN MUHAMMAD SURYA YUSUF  Independent Commissioner : JEFFREY KAIRUPAN  Independent Commissioner : SRI WIDOWATI  Independent Commissioner : FARINA J. SITUMORANG*  Commissioner : DATO' ABDUL RAHMAN AHMAD  Commissioner : VERA HANDAJANI</p> <p><sup>*)</sup> Effective as of the date specified in the GMS that appointed him and subject to the approval from the OJK and/or fulfillment of the requirements stipulated in the approval from the OJK.</p> <p>2. Approve the delegation of authority to the Company's Board of Directors with the right of substitution, to restate the decision regarding the Change in the Composition of the Company's Board of Commissioners in a notarial deed and notify the competent authorities, and to do everything necessary in accordance with statutory regulations.</p>		
<b>Realization</b>	It has been realized in 2023		
<b>10<sup>th</sup> Agenda</b>	<b>Determination of the amount of salary or honorarium and other allowances for the Board of Commissioners and Sharia Supervisory Board, as well as salaries, allowances and bonuses for the Company's Board of Directors.</b>		
<b>Voting Result</b>	Total Majority Votes: 23,680,087,062 Shares or 99.6743% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,678,153,762 Shares (99.6662%)	77,366,250 Shares (0.3257%)	1,933,300 Shares (0.0081%)
<b>AGMS Resolution</b>	<p>1. Approve and determine the amount of salary or honorarium and other allowances for the Board of Commissioners in the financial year 2023 at a maximum of Rp24,075,000,000 (gross), and authorize the Company's President Commissioner to determine the amount of salary or honorarium and other allowances for each member of the Company's Board of Commissioners, taking into consideration the recommendations of the Nomination and Remuneration Committee ("NRC");</p> <p>2. Approve and determine the amount of salary or honorarium and other allowances for SSB in the 2023 financial year at a maximum of Rp2,993,000,000 (gross), and authorize the President Commissioner of the Company to determine the amount of salary or honorarium and other allowances for each member of the Company's SSB, taking into consideration the recommendations of the Nomination and Remuneration Committee ("NRC"); All members of the Board of Commissioners (including Independent Commissioners) and SSB receive no tantiem/bonuses;</p> <p>3. Approved the amount of tantiem/bonus for the 2022 financial year, which was paid in 2023 to the Company's Board of Directors in the amount of Rp79,879,000,000 (gross), including the provision of variable remuneration in the form of shares or share-based instruments issued by The Company, and authorizes the Company's Board of Commissioners to determine the amount of tantiem/bonus for each member of the Company's Board of Directors, taking into consideration the recommendations of the Nomination and Remuneration Committee ("NRC");  The provision of variable remuneration in the form of shares or share-based instruments is in compliance with OJK Regulation No. 45/POJK.03/2015 on Implementing Governance in Providing Remuneration for Commercial Banks and Company Policy ("POJK No. 45/POJK.03/2015").</p> <p>4. Approved the use of a portion of the Company's remaining treasury shares from the share-based loyalty program in the form of the Management and Employee Stock Ownership Program (MESOP) to provide variable remuneration to Management members who fall into the Company's Material Risk Takers (MRT) category, which will be paid in 2024 and 2025 in accordance with POJK No. 45/POJK.03/2015;</p> <p>5. Approved the delegation of authority to the Company's Board of Commissioners to determine the amount of salary, holiday allowances, and other allowances for each member of the Company's Board of Directors for the financial year 2023, as well as the terms and conditions for providing variable remuneration to Management members who fall into the Company's MRT category, based on NRC's recommendations. The amount of salaries, holiday allowances, and other allowances paid to the Company's Board of Directors for the financial year 2023 will be disclosed in the Company's Annual Report.</p>		
<b>Realization</b>	It has been realized in 2023		

11 <sup>th</sup> Agenda	Approval of the Company's Resolution Plan and Updating of the Company's Recovery Plan.		
Voting Result	Total Majority Votes: 23,757,375,200 Shares or 99.9997% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,756,899,100 Shares (99.9977%)	78,112 Shares (0.0003%)	476,100 Shares (0.0020%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approve the Company's Resolution Plan, which was submitted to the Indonesia Deposit Insurance Corporation ("IDIC") on 28 November, 2022, and includes, among other things, Resolution Options that the Company can use if the Company is declared a failed bank by the Regulator.</li> <li>Approved the updated Recovery Plan that the Company submitted to the OJK on 25 November, 2022, which includes, among other things, updated trigger levels to adjust the conditions and provisions that are currently in force; and</li> <li>Approved the delegation of power and authority to the Company's Board of Commissioners and Board of Directors to carry out any and all necessary actions in connection with the Company's Resolution Plan and the updating of the Company's Recovery Plan, each with due observance of IDIC Regulation No.1 2021 concerning Resolution Plans for Commercial Banks and OJK Regulation No. 14/POJK.03/2017 concerning Recovery Plan for Systemic Banks and other related regulations.</li> </ol>		
Realization	It has been realized in 2023		

Description: Blank/No Votes:

<sup>#</sup> In accordance with the provisions of article 13 paragraph 13.4 of the Company's Articles of Association, "shareholders of shares with valid voting rights who are present at the GMS but abstain (not voting) are deemed to have cast the same vote as the majority of vote holders who cast votes." All with the provision that shareholders who vote as stated above agree to comply with and respect the decisions made for the relevant GMS agenda."

12 <sup>th</sup> Agenda	Others
Report to the AGMS	<p><b>a. The Company's Sustainable Financial Action Plan (RAKB) Report.</b></p> <ol style="list-style-type: none"> <li>The realization of the Sustainable Financial Action Plan (RAKB) for 2022 and RAKB 2023 has been submitted to the OJK Bank Supervisory on 25 November 2022;</li> <li>RAKB 2023 is part of RAKB 2019-2023 which was submitted to OJK in 2018 and reported to the AGMS held in 2019;</li> <li>RAKB 2023 contains the realization of the Company's action plan for 2022 and the action plan that will be implemented by the Company in 2023, including: <ol style="list-style-type: none"> <li>development of sustainable financial products and/or portfolios;</li> <li>capacity development program;</li> <li>internal adjustments;</li> <li>sustainable Corporate Social Responsibility program.</li> </ol> </li> </ol> <p><b>b. Report on Changes in Members of the Company's Audit Committee.</b></p> <ol style="list-style-type: none"> <li>Pay attention to: <ol style="list-style-type: none"> <li>The Company's Audit Committee Charter;</li> <li>NRC Recommendation No. 014/NOMREM/KP/X2022 dated 26 September 2022 which was approved based on of the Board of Commissioners Circular Resolution No. 017/DEKOM/KP/X/2022 dated 10 October 2022 and Board of Directors Circular Resolution No. 005/SIR/DIR/X/2022 dated 21 October 2022; and</li> <li>NRC Recommendation No. 003/NomRem/KP/I/2023 dated 16 January 2023 which was approved based on the Board of Commissioners Circular Resolution No. 002/DEKOM/KP/I/2023 and Board of Directors Circular Resolution No. 001/SIR/DIR/I/2023, both dated 20 January 2023;</li> </ol> <p>The Company reports to the Meeting regarding changes to the Company's Audit Committee Members by appointing:</p> <ul style="list-style-type: none"> <li>GLENN MUHAMMAD SURYA YUSUF, as Member of the Company's Audit Committee, with assignment period 2022-2024;</li> <li>ANGELIQUE DEWI DARYANTO, as Member of the Company's Audit Committee, with assignment period 2022-2025;</li> <li>RIATU MARIATUL QIBTHIYYAH, as Member of the Company's Audit Committee, with assignment period 2023-2024</li> </ul> <p>without prejudice to the right of the Company's Board of Commissioners to dismiss them at any time.</p> <p>Meanwhile, RONALD T. A. KASIM is no longer serves as a member of the Company's Audit Committee, effective since being appointed as a member of the Company's Risk Oversight Committee on 20 January 2023.</p></li> </ol> <ol style="list-style-type: none"> <li>Thus, the composition of the Company's Audit Committee is as follows: <ol style="list-style-type: none"> <li>JEFFREY KAIRUPAN, as Chairman and Member;</li> <li>GLENN MUHAMMAD SURYA YUSUF, as Member;</li> <li>ENDANG KUSSULANJARI S., as Member;</li> <li>ANGELIQUE DEWI DARYANTO, as Member; and</li> <li>RIATU MARIATUL QIBTHIYYAH, as Member.</li> </ol> </li> </ol>
Realization	It has been realized in 2023

As of 31 December 2023, there were no unrealized resolutions of the AGMS.



Supporting Business Review



Corporate Governance Report



Corporate Social Responsibility



Other Corporate Data



Consolidated Financial Report

## FIRST EXTRAORDINARY GMS (EGMS) ON 9 OCTOBER 2023

The Bank's First EGMS on 9 October 2023 was held electronically using the eASY.KSEI Application and considering OJK Regulation No. 16/POJK.04/2020 as well as the provisions of the Bank's Articles of Association.

Day, Date, Time	Monday, 9 October 2023, opening and closing at 2.33 p.m. Western Indonesian Time.
Venue	Graha CIMB Niaga - 15 <sup>th</sup> Floor, 14 <sup>th</sup> Floor and M Floor Jl. Jend. Sudirman Kav. 58, South Jakarta-12190
Not Quorum	The EGMS on the First Agenda was attended by independent shareholders and/or proxies from independent shareholders representing 754,897,148 independent shares, or approximately 44.8477% of the total number of independent shares issued by the Company (excluding Treasury Shares). The Second Agenda was attended by shareholders and/or proxies of shareholders representing 24,001,633,477 shares (independent and non-independent), or approximately 96.2270% of the total number of independent shares issued by the Company (excluding Treasury Shares).
EGMS Chairman	Didi Syafruddin Yahya as President Commissioner.
Attendance of members of the BOC, including the President Commissioner	Didi Syafruddin Yahya, President Commissioner, and all other members of the BOC were present both physically and via video conference, with the exception of Sri Widowati, who was on an official trip.
Attendance of member of the BOD, including the President Director	Lani Darmawan, President Director, and all other members of the BOD were present both physically and via video conference, with the exception of Rusly Johannes, who was on annual leave.
Attendance of member of the SSB	Prof. Dr. M. Quraish Shihab, MA, Chairman, and all other members of the SSB attended via video conference.
Attendance of member of the Audit Committee, including Audit Committee Chairman	Jeffrey Kairupan, Chairman, and all other members of the Audit Committee attended via video conference.
Attendance of NRC Chairwoman	Sri Widowati, Chairwoman, was not present due to on an official trip.
Attendance of ROC Chairman	Glenn M. S. Yusuf, Chairman, attended via video conference.
Attendance of IGC Chairman	Jeffrey Kairupan, Chairman, attended via video conference.

## STAGES OF IMPLEMENTATION OF THE FIRST EGMS ON 9 OCTOBER 2023

Activity	Implementation Date	Description
Notification of AGMS Plans and Agenda to Regulators	16 August 2023	Submitted to OJK, Indonesia Stock Exchange (IDX) and Indonesia Central Securities Depository (KSEI) 5 (five) working days prior to the EGMS Announcement.
EGMS Announcement	24 August 2023	<ol style="list-style-type: none"> <li>Conducted 14 (fourteen) days prior to the EGMS Invitation/Notice, excluding the date of the EGMS Announcement and Invitation/Notice.</li> <li>Published in Bahasa and English on the Bank's website, IDX's website and KSEI's website.</li> <li>The announcement report is submitted to the OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK &amp; IDXNet).</li> </ol>
Recording Date of the List of Shareholders entitled to attend the EGMS	7 September 2023	It is recorded 1 (one) working day prior to the EGMS Invitation/Summon
The Invitation/Summon includes an explanation of each EGMS Agenda Item	8 September 2023	<ol style="list-style-type: none"> <li>Conducted 28 (twenty-eight) days prior to the EGMS, excluding the date of the EGMS Invitation/Summon and EGMS.</li> <li>Published in Bahasa and English on: <ol style="list-style-type: none"> <li>"Investor Daily" newspaper;</li> <li>Bank's website, IDX's website, and KSEI's website.</li> </ol> </li> <li>Proof of advertisement and report on AGMS Invitation/Summon submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK &amp; IDXNet).</li> </ol>
EGMS Implementation	9 October 2023	The EGMS was held (i) electronically using the eASY.KSEI Application and considering OJK Regulation No.16/POJK.04/2020 concerning the Implementation of Electronic General Meetings of Shareholders of Public Companies in conjunction with Article 12 paragraph 12.1 of the Company's Article of Association; and (ii) physically, where all EGMS participants who are present physically or electronically can take part and actively participate in the EGMS.
Summary of Minutes (Results) of the EGMS	9 October 2023	Publication of EGMS Resume (notaril) and Summary of Minutes EGMS (Results) are uploaded in Bahasa and English on the Bank's website, IDX's website and KSEI's website. The Summary of Minutes EGMS (Results) is submitted to the OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK & IDXNet).
Deed of Minutes of EGMS	25 October 2023	The Deed of Minutes of EGMS is submitted to OJK and IDX within 12 (twelve) working days or 16 (sixteen) calendar days after the EGMS is held, and uploaded in Bahasa and English on the Bank's website, IDX's website and KSEI's website. The Deed of Minutes EGMS Report is submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK & IDXNet).

## ELECTRONIC VOTING (E-VOTING) AND COUNTING MECHANISMS

The EGMS' decision-making mechanism is based on deliberation to reach a consensus. In order to ensure that deliberation



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

to reach consensus is achieved while maintaining the independence and confidentiality of shareholders in the process of granting voting rights, decision making is carried out using closed voting.

EGMS resolutions are made in accordance with the quorum, and voting is conducted on each EGMS agenda item. Shareholders and/or their proxies who are physically present vote individually and electronically (e-Voting) at the AGMS (e-Voting at the Meeting Venue) using a Smartphone or other Mobile Device (tablet, etc.-other) or Touch Screen Monitor provided by the Bank, ensuring that shareholders' votes are kept confidential. Shareholders and/or proxies who attend electronically can complete the eASY.KSEI e-Voting process. Meanwhile, shareholders who use the e-Proxy mechanism to provide power of attorney are deemed to have exercised their voting rights through eASY.KSEI and are not permitted to vote electronically at the Meeting Venue.

The Rules of Conduct of the EGMS, which are announced/uploaded on the Bank's website alongside the Invitation to the EGMS and read by the Corporate Secretary before the EGMS begins, provide a complete outline of the e-Voting procedures carried out at the EGMS venue. Aside from being outlined in the Rules of Conduct of the EGMS, the procedures for e-voting at the EGMS venue are also uploaded on the website in the form of an illustrative video.

#### INDEPENDENT PARTY TO CALCULATE VOTES

At the EGMS on 9 October 2023, CIMB Niaga appointed independent parties, namely (i) Yumna Shabrina SH., MKn., replacement for Notary Ashoya Ratam, S.H., M.Kn.,

as Public Notary and (ii) PT Bima Registra as Bureau Securities Administration, to carry out calculations, validation, and voting at the EGMS

#### FIRST EGMS RESOLUTIONS ON 9 OCTOBER 2023

The EGMS resolution was included in Deed No. 6 dated 9 October 2023, made in the presence of Yumna Shabrina SH., M.Kn., Notary in the South Jakarta Administrative City.

The EGMS's First and Second Agendas are interrelated. Due to the failure to meet the quorum for attendance on the EGMS's first agenda, the EGMS has no right or authority to discuss and make legal and binding decisions on the entire agenda. Therefore, no meeting decisions have been made and must be implemented at the EGMS on 9 October 2023.

#### SECOND EXTRAORDINARY GMS (EGMS) ON 19 OCTOBER 2023

The Bank's Second EGMS, held on 19 October 2023, was conducted electronically using the eASY.KSEI Application and in accordance with POJK No. 16/POJK.04/2020 and the Bank's Articles of Association.

The EGMS on 19 October 2023, is the second EGMS held in response to the first EGMS on 9 October 2023, which failed to meet the quorum requirements.

Day, Date and Time	Thursday, 19 October 2023, opening and closing a
Venue	Graha CIMB Niaga - M Floor Jl. Jend. Sudirman Kav. 58, South Jakarta -12190

Not Quorum	The EGMS on the First Agenda was attended by independent shareholders and/or their proxies, totaling 756,063,779 independent shares, or approximately 44.7360% of the Company's total number of independent shares issued (excluding Treasury Shares). The Second Agenda was attended by shareholders and/or proxies of shareholders representing 24,002,800,108 shares (independent and non-independent), or approximately 95.5084% of the total number of independent shares issued by the Company (excluding Treasury Shares).
AGMS Chairman	Didi Syafruddin Yahya as President Commissioner.
Attendance of member of the BOC, including the President Commissioner	Didi Syafruddin Yahya, President Commissioner, and all other members of the BOC were present both physically and via video conference, with the exception of Sri Widowati, who was on an official trip.
Attendance of member of the BOD, including the President Director	Lani Darmawan, President Director, and all other members of the BOD were present both physically and via video conference.
Attendance of member of the SSB	Prof. Dr. M. Quraish Shihab, MA, Chairman, and all other members of SSB attended via video conference.
Attendance of member of the Audit Committee, including Audit Committee Chairman	Jeffrey Kairupan, Chairman, and all other members of the Audit Committee were present via video conference, with the exception of Endang Kussulanjari S., who was on Umrah pilgrimage.
Attendance of NRC Chairman	Sri Widowati as Chairwoman was not present due to on an official trip
Attendance of ROC Chairman	Glenn M. S. Yusuf as Chairman attended via video conference.
Attendance of IGC Chairman	Jeffrey Kairupan as Chairman attended via video conference.

#### STAGES OF IMPLEMENTATION OF THE SECOND EGMS ON 19 OCTOBER 2023

Activity	Implementation Date	Description
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Notification of EGMS Plans and Agenda to Regulators	-	The Regulator does not require notifications for the Second GMS. Considering that the attendance quorum at the First EGMS (9 October 2023) was not met, the Bank did not submit Notification to the Regulator for the Second EGMS (19 October 2023).
EGMS Announcement	10 October 2023	<ol style="list-style-type: none"> <li>Carried out 2 (two) days prior to the EGMS summon</li> <li>Published in Bahasa and English on the Bank's website, IDX's website and KSEI's website</li> <li>The announcement report is submitted to the OJK and IDX on the same day and date (hardcopy and e-reporting via SPE OJK &amp; IDXNet).</li> </ol>
Recording Date of the List of Shareholders entitled to attend the EGMS	11 October 2023	Recorded 1 (one) working day prior to the EGMS Invitation/Notice.
The Invitation/ Notice includes an explanation of each EGMS Agenda Item	12 October 2023	<ol style="list-style-type: none"> <li>Conducted 7 (seven) days prior to the Second EGMS, excluding the date of the EGMS Invitation/Notice and EGMS.</li> <li>Published in Bahasa and English on: <ol style="list-style-type: none"> <li>"Investor Daily" newspaper;</li> <li>Bank and IDX websites, as well as the eASY.KSEI Application.</li> </ol> </li> <li>Proof of advertisement and Invitation/Notice report submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK &amp; IDX-Net).</li> </ol>
EGMS Implementation	19 October 2023	The EGMS was held (i) electronically using the eASY.KSEI Application and considering OJK Regulation No.16/POJK.04/2020 concerning the Implementation of Electronic General Meetings of Shareholders of Public Companies in conjunction with Article 12 paragraph 12.1 of the Company's Article of Association; and (ii) physically, where all EGMS participants who are present physically or electronically can take part and actively participate in the EGMS.
Summary of Minutes (Results) of the EGMS	19 October 2023	Publication of EGMS Resume (notaril) and Summary of Minutes (Results) of the EGMS are uploaded in Bahasa and English on the Bank's website, IDX website and KSEI website. The Summary of Minutes (Results) of the EGMS report is submitted to the OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK & IDXNet).
Deed of Minutes of EGMS	1 November 2023	Deed of Minutes of EGMS is submitted to OJK and IDX within 9 (nine) working days or 12 (twelve) calendar days after the EGMS is held, and uploaded in Bahasa and English on the Bank's website, IDX website and KSEI website. Deed of Minutes of EGMS Report is submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE OJK & IDXNet).

## ELECTRONIC VOTING (E-VOTING) AND COUNTING MECHANISMS

The EGMS decision-making mechanism is based on deliberation to reach a consensus. In order to ensure that deliberation to reach consensus is achieved while maintaining the independence and confidentiality of shareholders in the process of granting voting rights, decision making is carried out using closed voting.

EGMS decisions are made in accordance with the quorum, and voting is conducted on each EGMS agenda item. Shareholders and/or their proxies who are physically present vote individually and electronically (e-Voting) at the AGMS (e-Voting at the Meeting Venue) using a Smartphone or other Mobile Device (tablet, etc.-other) or Touch Screen Monitor provided by the Bank, ensuring that shareholders' votes are kept confidential. Shareholders and/or proxies who attend electronically can complete the eASY.KSEI e-Voting process. Meanwhile, shareholders who use the e-Proxy mechanism to provide power of attorney are deemed to have exercised their voting rights through eASY.KSEI and are not permitted to vote electronically at the Meeting Venue.

The Rules of Conduct of the EGMS, which are announced/uploaded on the Bank's website alongside the Summon to the EGMS and read by the Corporate Secretary before the EGMS begins, provide a complete outline of the e-Voting procedures carried out at the EGMS venue. Aside from being outlined in the Rules of Conduct of the

EGMS, the procedures for e-voting at the EGMS venue are also uploaded on the website in the form of an illustrative video.

### INDEPENDENT PARTY TO CALCULATE VOTES

At the EGMS on 19 October 2023, CIMB Niaga appointed independent parties, namely (i) Yumna Shabrina SH., MKn., replacement for Notary Ashoya Ratam, S.H., M.Kn., as Public Notary and (ii) PT Bima Registra as Bureau Securities Administration, to perform calculations, validation, and voting.

### SECOND EGMS RESOLUTION ON 19 OCTOBER 2023

The EGMS decision was incorporated into Deed No. 17 dated 19 October 2023, made in the presence of Yumna Shabrina SH., MKn., Notary in the South Jakarta Administrative City.

The EGMS's First and Second Agendas are interrelated. Due to the failure to meet the quorum for attendance on the EGMS's first agenda, the EGMS has no right or authority to discuss and make legal and binding decisions on the entire agenda. Therefore, no meeting decisions have been made and must be implemented at the EGMS on 19 October 2023.

### THIRD EXTRAORDINARY GMS (EGMS) ON 11 JANUARY 2024

Following the failure to meet the attendance quorum at the First EGMS on 9 October 2023 and the Second EGMS on 19 October 2023, the Bank held the Third EGMS on 11 January 2024, where the Bank obtained approval from Shareholders (Independent and Non-Independent) to the same agenda as the First and Second EGMS. Details of the Bank's Third EGMS can be accessed on the Bank's website, and the Bank will also include information about the Third EGMS in the next Annual Report of the Bank.

### DECISIONS AND REALIZATION OF PREVIOUS GMS RESULTS

All AGMS decisions are contained in Deed No. 13 dated 8

April 2022, made in the presence of Ashoya Ratam S.H., M.Kn., Notary in the South Jakarta Administrative City. The decision to approve changes to the Bank's Articles of Association (AA) has also been restated, and all provisions of the Bank's Article of Association have been formulated in Deed No. 14 dated 8 April 2022, which was made in the presence of the Notary and received notification from the Minister of Law and Human Rights of the Republic of Indonesia via Letter No. AHU-AH.01.03-0227633 dated 19 April 2022.

All agendas and decisions made at the AGM on 8 April 2022, have been implemented in 2022, and there are no GMS decisions that have not been implemented in the current financial year or 1 (one) year prior. The specifics of the 8 April 2022 resolutions are as follows.

1 <sup>st</sup> Agenda	Approval of the Annual Report and Ratification of the Company's Consolidated Financial Statements for the Financial Year Ending 31 December 2021.		
Voting Result	Total Majority Votes: 23,961,738,702 shares or 99.9792% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,961,409,502 shares (99.9778%)	4,991,212 shares (0.0208%)	329,200 shares (0.0014%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approve the Company's Annual Report for the financial year ending 31 December 2021;</li> <li>Ratify the Company's Consolidated Financial Report for the financial year ending 31 December 2021 which has been audited by the Public Accounting Firm "Tanudiredja, Wibisana, Rintis &amp; Rekan" (a member firm of PricewaterhouseCoopers Global in Indonesia) as stated in its report dated 17 February 2022, with the opinion "The Consolidated Financial Statements present fairly, in all material respects. The consolidated financial position of PT Bank CIMB Niaga Tbk and its subsidiaries as of 31 December 2021, as well as their consolidated financial performance and cash flows for the year ended on that date, in accordance with Financial Accounting Standards in Indonesia";</li> <li>Ratify the Supervisory Duties Report of the Board of Commissioners and Sharia Supervisory Board (DPS) of the Company for the financial year ending 31 December 2021; and</li> <li>Provide full release and discharge of responsibility ("<i>valledig acquit et décharge</i>") to members of the Company's Board of Commissioners, Board of Directors and SSB (including members of the Board of Commissioners and Board of Directors who have resigned in 2021), for the management and supervision carried out in 2021 book, as long as the management and supervision actions are reflected in the Company's Annual Report for the financial year ending 31 December 2021</li> </ol>		
Realization	It has been realized in 2022		

2 <sup>nd</sup> Agenda	Determination of the Use of Company Profits for the Financial Year Ending 31 December 2021.		
Voting Result	Total Majority Votes: 23,966,688,102 shares or 96.9998% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,966,363,802 shares (99.9985%)	41,812 shares (0.0002%)	324,300 shares (0.0014%)
AGMS Resolution	<p>Approved the use of the Company's Net Profit for the Financial Year ending 31 December 2021 amounting to Rp3,909,476,308,045 ("Company Net Profit for the 2021 Financial Year"), for:</p> <ol style="list-style-type: none"> <li>Distributed as a final cash dividend of a maximum of 60% of the Company's Net Profit for the 2021 Financial Year or maximum Rp2,345,685,784,827 (gross), with the following schedule: <ul style="list-style-type: none"> <li>Cum Dividends in Regular and Negotiated Markets : 19 April 2022</li> <li>Ex Dividend in Regular and Negotiated Markets : 20 April 2022</li> <li>Cum Dividends on the Cash Market : 21 April 2022</li> <li>Recording date for eligible shareholders : 21 April 2022</li> <li>Ex Dividend on Cash Market : 22 April 2022</li> <li>Dividend Payment for Financial Year 2021 : 28 April 2022</li> </ul> </li> <li>and authorize the Board of Directors to determine the procedures for distributing cash dividends in accordance with applicable provisions in the capital market sector;</li> <li>Reserves not set aside, considering the minimum statutory reserve requirements as regulated in Article 70 of Law No. 40 of 2007 concerning Limited Liability Companies ("Company Law") has been fulfilled;</li> <li>To record the remaining Company's Net Profit for the 2021 Financial Year, after subtracting out dividend distribution, as retained profit amounting to Rp1,563,790,523,218 to finance the Company's business activities.</li> </ol>		
Realization	It has been realized in 2022		

3 <sup>rd</sup> Agenda	Appointment of a Public Accountant and Public Accounting Firm for the 2022 Financial Year and Determination of Honorarium and Other Requirements relating to the Appointment.		
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Voting Result	Total Majority Votes: 23,961,691,666 shares or 99.9790% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,961,367,466 shares (99.9792%)	5,038,248 shares (0.0210%)	324,200 shares (0.0014%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approved the appointment of IRHOAN TANUDIREDA and the Public Accounting Firm "TANUDIREDA, WIBISANA, RINTIS &amp; REKAN" (member firm of PricewaterhouseCoopers Global in Indonesia) which are respectively registered with the OJK as Public Accountants and Public Accounting Firms, or other Public Accountants in the same Public Accounting Firm, in the event that the person concerned is permanently unable to audit the Company's Consolidated Financial Statements for the 2022 Financial Year;</li> <li>Approve the delegation of authority to the Company's Board of Commissioners to appoint a Public Accountant and other Public Accounting Firm, in the event that the appointed Public Accountant and/or Public Accounting Firm is unable to complete the provision of audit services or is permanently unable to audit the Company's Consolidated Financial Statements for the 2022 Financial Year. The following provisions apply to the delegation of authority: <ol style="list-style-type: none"> <li>The other Public Accounting Firm appointed by the Company's Board of Commissioners must be one of the big four groups of Public Accounting Firms in Indonesia;</li> <li>The appointment must be based on the recommendation of the Company's Audit Committee;</li> <li>The amount of honorarium and other appointment requirements for other Public Accounting Firms must be determined competitively and fairly;</li> <li>No objection from OJK; and</li> <li>The appointment does not conflict with applicable laws and regulations;</li> </ol> </li> <li>Approved the determination of the Public Accounting Firm annual audit fees honorarium for the Company's Consolidated Financial Statements for the 2022 Financial Year at a maximum of Rp9,226,700,000 (excluding VAT and OPE);</li> <li>Approved the delegation of authority to the Company's Board of Directors to carry out matters deemed necessary in connection with the appointment of Public Accountants and Public Accounting Firms, including but not limited to the process of holding meetings and signing letters of appointment for Public Accountants and Public Accounting Firms.</li> </ol>		
Realization	It has been realized in 2022		

4 <sup>th</sup> Agenda	Reappointment of LEE KAI KWONG as Director of the Company		
Voting Result	Total Majority Votes: 23,964,504,502 shares or 99.9907% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,964,172,002 shares (99.9894%)	2,225,412 shares (0.0093%)	332,500 shares (0.0014%)
AGMS Resolution	Approved the re-appointment of LEE KAI KWONG, as Director of the Company, with an effective term of office beginning with the close of the AGMS and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of his appointment without prejudice to the GMS right to dismiss him at any time in accordance with the provisions of Article 105 of the Company Law.		
Realization	It has been realized in 2022		

5 <sup>th</sup> Agenda	Reappointment of JOHN SIMON as Director of the Company		
Voting Result	Total Majority Votes: 23,964,504,502 shares or 99.9907% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,960,595,602 shares (99.9744%)	2,225,412 shares (0.0093%)	3,908,900 shares (0.0163%)
AGMS Resolution	Approved the re-appointment of JOHN SIMON, as Director of the Company, with an effective term of office beginning with the close of the AGMS and ending with the close of the 3 <sup>rd</sup> (third) Annual GMS following the effective date of his appointment without prejudice to the right of the GMS to dismiss him at any time in accordance with the provisions of Article 105 of the Company Law.		
Realization	It has been realized in 2022		

6 <sup>th</sup> Agenda	Approval of Changes to the Composition of the Company's Board of Directors by Appointing NOVIADY WAHYUDI as Director of the Company.		
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Voting Result	Total Majority Votes: 23,964,601,202 shares or 99.9911% (Agree)																						
	Agree	Against	Abstain/No Votes <sup>#</sup>																				
	23,964,268,702 shares (99.9898%)	2,128,712 shares (0.0089%)	332,500 shares (0.0014%)																				
AGMS Resolution	<p>1. Approved changes to the composition of the Company's Board of Directors by appointing NOVIADY WAHYUDI, as Director of the Company, with an effective term of office starting from the date specified in the GMS that appointed him and subject to approval from the OJK and/or fulfillment of the requirements stipulated in the approval letter from the OJK ("Effective Date") until the closing of the 3rd (third) Annual GMS following the Effective Date of appointment without prejudice to the GMS right to dismiss him at any time in accordance with the provisions of Article 105 of the Company Law.</p> <p>In the event that the OJK does not approve the appointment or the requirements set by the OJK are not met, then the appointment will be null and void without the need for GMS approval.</p> <p>Thus, the composition of the Company's Board of Directors is as follows:</p> <p><b>BOARD OF DIRECTORS</b></p> <table> <tr> <td>President Director</td> <td>: LANI DARMAWAN</td> </tr> <tr> <td>Direktur</td> <td>: LEE KAI KWONG</td> </tr> <tr> <td>Director</td> <td>: JOHN SIMON</td> </tr> <tr> <td>Director concurrently Compliance Director</td> <td>: FRANSISKA OEI</td> </tr> <tr> <td>Director</td> <td>: PANDJI P. DJAJANEGARA</td> </tr> <tr> <td>Director</td> <td>: TJJOE MEI TJUEN</td> </tr> <tr> <td>Director</td> <td>: HENKY SULISTYO</td> </tr> <tr> <td>Director</td> <td>: JONI RAINI</td> </tr> <tr> <td>Director</td> <td>: RUSLY JOHANNES*</td> </tr> <tr> <td>Director</td> <td>: NOVIADY WAHYUDI**</td> </tr> </table> <p><sup>*)</sup> Appointed at the Extraordinary GMS on 17 December 2021 and effective after obtaining OJK approval and/or fulfilling the requirements stipulated in the OJK approval.</p> <p><sup>**)</sup> Effective from the date specified in the GMS that appointed it and subject to approval from the OJK and/or fulfillment of the requirements stipulated in the approval letter from the OJK.</p> <p>2. Approve the delegation of authority to the Company's Board of Directors with the right of substitution, to restate the decision regarding the Change in the Composition of the Company's Board of Directors in a notarial deed and notify the competent authorities and in connection with this matter to do everything deemed necessary in accordance with statutory regulations.</p>			President Director	: LANI DARMAWAN	Direktur	: LEE KAI KWONG	Director	: JOHN SIMON	Director concurrently Compliance Director	: FRANSISKA OEI	Director	: PANDJI P. DJAJANEGARA	Director	: TJJOE MEI TJUEN	Director	: HENKY SULISTYO	Director	: JONI RAINI	Director	: RUSLY JOHANNES*	Director	: NOVIADY WAHYUDI**
President Director	: LANI DARMAWAN																						
Direktur	: LEE KAI KWONG																						
Director	: JOHN SIMON																						
Director concurrently Compliance Director	: FRANSISKA OEI																						
Director	: PANDJI P. DJAJANEGARA																						
Director	: TJJOE MEI TJUEN																						
Director	: HENKY SULISTYO																						
Director	: JONI RAINI																						
Director	: RUSLY JOHANNES*																						
Director	: NOVIADY WAHYUDI**																						
Realization	It has been realized in 2022																						

7 <sup>th</sup> Agenda	Determination of the amount of salary or honorarium and other allowances for the Board of Commissioners and Sharia Supervisory Board, as well as salaries, allowances and bonuses for the Company's Board of Directors.		
Voting Result	Total Majority Votes: 23,966,682,902 shares or 99.9998% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,965,734,702 shares (99.9959%)	47,012 shares (0.0002%)	948,200 shares (0.0040%)
AGMS Resolution	<p>1. Approve and determine the amount of salary or honorarium and other allowances for the Board of Commissioners in the 2022 financial year at a maximum of Rp19,470,000,000 (gross), and authorize the President Commissioner of the Company to determine the amount of salary or honorarium and other allowances for each member of the Company's Board of Commissioners, considering the recommendations of the Nomination and Remuneration Committee ("NRC");</p> <p>2. Approve and determine the amount of salary or honorarium and other allowances for SSB in the 2022 financial year at a maximum of Rp2,287,106,000 (gross), and authorize the President Commissioner of the Company to determine the amount of salary or honorarium and other allowances for each member of the Company's SSB, considering the NRC's recommendations. All members of the Board of Commissioners (including Independent Commissioners) and SSB do not receive bonuses/bonuses;</p> <p>3. Approved the amount of tantiem/bonus for the 2021 financial year which was paid in 2022 to the Company's Board of Directors in the amount of Rp63,447,192,000 (gross), including the provision of variable remuneration in the form of shares or share-based instruments issued by The Company, and authorizes the Company's Board of Commissioners to determine the amount of tantiem/bonus for each member of the Company's Board of Directors, considering the NRC's recommendations. The provision of variable remuneration in the form of shares or share-based instruments is in accordance with OJK Regulation No. 45/POJK.03/2015 concerning Implementation of Governance in Providing Remuneration for Commercial Banks and Company Policy; and</p> <p>4. Approved the delegation of authority to the Company's Board of Commissioners to determine the amount of salary, holiday allowances and other allowances for each member of the Company's Board of Directors for the 2022 financial year, considering the NRC's recommendations. The amount of salaries, holiday allowances and other allowances for the Company's Board of Directors for the 2022 financial year was disclosed in the Company's 2022 Annual Report.</p>		
Realization	It has been realized in 2022		

8 <sup>th</sup> Agenda	Approval of Amendments to the Company's Articles of Association		
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Voting Result	Total Majority Votes: 23,966,316,602 shares or 99.9983% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,965,989,202 shares (99.9969%)	413,312 shares (0.0017%)	327,400 shares (0.0014%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approve changes to the Company's Articles of Association, namely several provisions in Article 3 concerning Purpose, Objectives and Business Activities; Article 4 concerning Capital; Article 5 concerning Shares; Article 10 concerning Transfer of Rights to Shares; Article 11 concerning GMS; Article 12 concerning Venue, Summon and Chairman of the GMS; Article 13 concerning Quorum, Voting Rights and GMS Resolutions; Article 14 concerning Directors; Article 15 concerning Duties and Authorities of the Board of Directors; Article 16 concerning Board of Directors Meetings; Article 17 concerning the Board of Commissioners; Article 18 concerning Duties and Authorities of the Board of Commissioners; Article 19 concerning Board of Commissioners Meetings; and Article 20 concerning the Sharia Supervisory Board; in order to adapt to the latest laws and regulations as well as to improve editorial and consistency between articles; Details of changes to the Company's Articles of Association have been fully presented at the AGMS.</li> <li>Approved the delegation of authority to the Company's Board of Directors with the right of substitution, to restate decisions regarding changes to the Company's Articles of Association in a notarial deed, to notify the competent authorities, and in connection with this matter to do everything deemed necessary in accordance with statutory provisions.</li> </ol>		
Realization	It has been realized in 2022		

9 <sup>th</sup> Agenda	Approval of the Company's Updated Recovery Plan.		
Voting Result	Total Majority Votes: 23,966,316,602 shares or 99.9983% (Agree)		
	Agree	Against	Abstain/No Votes <sup>#</sup>
	23,965,989,202 shares (99.9969%)	413,312 shares (0.0017%)	327,400 shares (0.0014%)
AGMS Resolution	<ol style="list-style-type: none"> <li>Approved the updated Recovery Plan that the Company had prepared and submitted to the OJK on 26 November 2021 and the revised Recovery Plan that the Company had submitted to the OJK on 25 February 2022, including, among other things, containing changes to trigger levels in order to comply with the current stipulated provisions;</li> <li>Approved the delegation of power and authority to the Company's Board of Commissioners and Board of Directors to carry out any and all necessary actions in connection with updating the Company's Recovery Plan by considering OJK Regulation No. 14/POJK.03/2017 concerning Recovery Plans for Systemic Banks, and other related regulations.</li> </ol>		
Realization	It has been realized in 2022		

Description - Abstain/No Vote#:

<sup>#</sup> In accordance with the provisions of article 13 paragraph 13.4. Articles of Association of the Company: "Shareholders of shares with valid voting rights who are present at the GMS but abstain (not voting) are deemed to have cast the same vote as the vote of the majority of voting holders who cast votes, provided that shareholders who cast such votes are obliged to comply and respect the decisions that have been taken for the relevant GMS agenda."

10 <sup>th</sup> Agenda	Others: Report on the Company's Sustainable Financial Action Plan (RAKB).		
Report to the AGMS	<ol style="list-style-type: none"> <li>The realization of the 2021 Sustainable Financial Action Plan (RAKB) and 2022 RAKB was submitted to the OJK Bank Supervisory on 26 November 2021;</li> <li>The 2022 RAKB is part of the 2019-2023 RAKB which was submitted to the OJK in 2018 and reported to the AGMS held in 2019;</li> <li>RAKB 2022 contains the realization of the Company's action plan for 2021 and the action plan that the Company implemented in 2022, including: <ol style="list-style-type: none"> <li>development of sustainable financial products and/or portfolios;</li> <li>capacity development programs;</li> <li>internal adjustments; And</li> <li>sustainable Corporate Social Responsibility program.</li> </ol> </li> </ol>		
Realization	It has been realized in 2022		



# Board of Commissioners

The Board of Commissioners is one of the Bank's governance organs, and it is responsible for general and/or specific supervision in accordance with the Articles of Association, as well as ensuring that the Bank conducts business in accordance with the specified goals and objectives, providing advice to the Board of Directors, and ensuring that the Bank implements GCG principles at all levels of the organization. Furthermore, the Board of Commissioners ensures that the Bank's business activities are consistent with its stated goals and objectives, as well as in compliance with all applicable regulations and legislation.

## LEGAL BASIS

The legal basis for the establishment and appointment of the Bank's Board of Commissioners is pursuant to several provisions, including:

1. Laws of the Republic of Indonesia concerning Limited Liability Companies and Banking;
2. Financial Services Authority (OJK) Regulations, OJK Circular Letter, Bank Indonesia (BI) Regulations, and BI Circular Letter on the implementation and organization of Corporate Governance;
3. Bank's Articles of Association; and
4. Deed of General Meeting of Shareholders Resolution No. 53 dated 17 December 2021 as notified to the Minister of Law and Human Rights of the Republic of Indonesia (Menkumham RI) through Notification Receipt Letter No. AHU-AH.01.03-0490516 dated 24 December 2021.

## CHARTER OF THE BOARD OF COMMISSIONERS

In carrying out its duties and responsibilities, the Board of Commissioners shall refer to the guidelines and procedures as stated in the Board of Commissioners Charter. The Board of Commissioners charter is evaluated and updated regularly, pursuant to the prevailing rules and regulations in Indonesia. This charter contains binding guidelines and procedures for each Board of Commissioners member, enabling the Board of Commissioners to perform its oversight function in an efficient, effective, transparent, independent, and accountable manner. The Board of Commissioners Charter has been updated on 20 June 2023, and uploaded to the Bank's website.

The legal basis for preparing the Board of Commissioners Charter are as follow:

1. Law No. 40 of the Republic of Indonesia on Limited Liability Companies;
2. OJK Regulations and OJK Circular Letters on the implementation and structure of Corporate Governance;

3. The Bank's Articles of Association;
4. General Guidelines of GCG in Indonesia issued by National Committee on Governance Policy (KNKG); and
5. ASEAN Corporate Governance Scorecard.

The Board of Commissioner Charter sets forth the following matters:

1. Accountability;
2. Structure and Membership;
3. Requirements and Appointment;
4. Duties and Responsibilities;
5. Conflicts of Interest;
6. Transparency;
7. Work Ethics and Working Hours;
8. Meetings;
9. Term of Office;
10. Resignation; and
11. Performance Assessment and Accountability.

## STRUCTURE, NUMBER, AND COMPOSITION OF THE BOARD OF COMMISSIONERS IN 2023

The structure, number, and composition of members of the CIMB Niaga Board of Commissioners in 2023 have complied with the applicable provisions as regulated in the Board of Commissioners Charter, namely:

1. The number of members of the CIMB Niaga Board of Commissioners is at least 3 (three) people and at most the same as the number of members of the Board of Directors, which is 7 (seven) members of the Board of Commissioners.
2. CIMB Niaga's Board of Commissioners is led by the President Commissioner.
3. One member of the Board of Commissioners is appointed as Vice President Commissioner, namely Glenn M. S. Yusuf.
4. At least 1 (one) member of the Board of Commissioners must be domiciled in Indonesia. CIMB Niaga has 5 (five) members of the Board of Commissioners who are domiciled in Indonesia.
5. 4 (four) out of 7 (seven) people, or 57% (fifty seven percent) of the members of the CIMB Niaga Board of Commissioners are Independent Commissioners.
6. 6 (six) out of 7 (seven) people, or 85% (eighty five percent) of the members of the CIMB Niaga Board of Commissioners are Indonesian citizens.
7. The replacement and/or appointment of members of the CIMB Niaga Board of Commissioners has considered the recommendations of the Nomination and Remuneration Committee and obtained approval from the GMS and OJK.

8. All the members of CIMB Niaga Board of Commissioners do not have family relationships up to the second degree with fellow members of the Board of Commissioners and/or Board of Directors or Controlling Shareholders.
9. All members of the Bank's Board of Commissioners have passed the Fit and Proper Test, where 1 (one) Independent Commissioner as of 31 December 2023 is still in the Fit and Proper Test process and has been declared effective in office on 25 January 2024.

In line with the principles of the ASEAN Corporate Governance Scorecard, the number and composition of CIMB Niaga's Board of Commissioners consist of the following:

1. 3 (three) members of the Board of Commissioners are women, of which 2 (two) serve as Independent Commissioners.
2. More than 50% (fifty percent) of the members of the Board of Commissioners are Independent Commissioners, namely 4 (four) Independent Commissioners out of a total of 7 (seven) members of the Board of Commissioners.
3. In terms of expertise, the majority of members of the Board of Commissioners have work experience in the banking sector.
4. Appointment of one of the Independent Commissioners as Senior Independent Commissioner, namely Jeffrey Kairupan.

No.	Name	Position	Term of Office
1	Didi Syafruddin Yahya	President Commissioner	2023-2026
2	Glenn M. S. Yusuf	Vice President Commissioner (Independent)	2020-2024
3	Jeffrey Kairupan	Independent Commissioner	2020-2024
4	Sri Widowati	Independent Commissioner	2023-2026
5	Dato' Abdul Rahman Ahmad	Commissioner	2020-2024
6	Vera Handajani	Commissioner	2021-2025
7	Farina J. Situmorang*	Independent Commissioner	2023-2026

\*<sup>1)</sup> Appointed as Independent Commissioner at the AGMS 10 April 2023 and effective as of 25 January 2024.

## TERM OF OFFICE OF THE BOARD OF COMMISSIONERS

1. The term of office for a member of the Board of Commissioners is from the date of appointment by the GMS until the closing of the 3<sup>rd</sup> (third) Annual GMS (AGMS), without prejudice to the right of the GMS to dismiss the member at any time in accordance with the applicable Articles of Association and provisions. The term of office was changed to 3 (three) years at the 2022 AGMS.
2. The appointment of members of the Board of Commissioners will be effective after obtaining OJK approval or fulfilling the requirements stipulated in the OJK approval letter in relation to the fit and proper test and other relevant authorities (if any), and has been approved by the shareholder through the GMS.
3. The term of office for an Independent Commissioner is 2 (two) consecutive terms, or a maximum of 9 (nine) years.
4. The term of office for a member of the Board of Commissioners ends if:
  - a. The term of office ends in accordance with the provisions of the Bank's Articles of Association;
  - b. Resign in accordance with applicable provisions;
  - c. No longer meets statutory requirements;
  - d. Passed away;
  - e. Dismissed based on GMS decision;
  - f. Declared bankrupt or placed under guardianship based on a court decision;
  - g. Involved in financial crime.
5. Members of the Board of Commissioners whose terms of office have ended may be reappointed by considering the applicable provisions.

## FIT AND PROPER ASSESSMENT

Prospective members of the Board of Commissioners are required to obtain approval from the OJK before carrying out their actions, duties, and functions as the Board of Commissioners. This is in line with OJK Regulation No. 27/POJK.03/2016 concerning Capability and Conformity Assessment for Main Parties of Financial Services Institutions. Members of the Bank's Board of Commissioners are required to have adequate integrity, competence, and financial reputation, as shown in the table below:

No.	Name	Position	Regulator	Legal Basis of Appointment	BI/OJK Approval	Effective Date	Reappointment
1	Didi Syafruddin Yahya	President Commissioner	OJK	AGMS 9 April 2020	No. SR-188/PB.12/2020 dated 7 July 2020	7 July 2020	AGMS 10 April 2023
2	Glenn M. S. Yusuf	Vice President Commissioner (Independent)	OJK	AGMS 9 April 2020	No. SR-308/PB.12/2020 dated 16 September 2020	16 September 2020	-
3	Jeffrey Kairupan	Independent Commissioner	OJK	AGMS 15 April 2016	No. SR-183/D.03/2016 dated 14 September 2016	14 September 2016	AGMS 9 April 2020
4	Sri Widowati	Independent Commissioner	OJK	AGMS 15 April 2019	No. SR-309/PB.12/2019 dated 20 November 2019	20 November 2019	AGMS 10 April 2023
5	Dato' Abdul Rahman Ahmad	Commissioner	OJK	EGMS 25 September 2020	No. SR-122/PB.12/2021 dated 28 April 2021	29 April 2021	-
6	Vera Handajani	Commissioner	OJK	EGMS 17 December 2021	No. SR-310/PB.12/2021 dated 1 December 2021	17 December 2021	-
7	Farina J. Situmorang	Independent Commissioner	OJK	AGMS 10 April 2023	No. SR-27/PB.02/2024 dated 18 January 2024	25 January 2024	-

## DUTIES, RESPONSIBILITIES AND AUTHORITIES OF THE BOARD OF COMMISSIONERS

The Board of Commissioners acts and is responsible collegially, assisted by the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and Integrated Governance Committee in accordance with their respective fields. The duties, responsibilities, and authority of the Board of Commissioners apply to each member of the Board of Commissioners as follows:

- Each member of the Board of Commissioners must act based on the decision of the Board of Commissioner rather than independently
- The Board of Commissioners is obliged to ensure the implementation of Good Corporate Governance in every Bank business activity at all levels of the organization at least through:
  - Implementation of the duties and responsibilities of the Board of Commissioners and Board of Directors;
  - Completeness and implementation of the duties of committees and work units that carry out the Bank's internal control function;
  - Implementation of compliance, internal auditors and external auditors' functions;
  - Implementation of risk management, including internal control systems;
  - Providing funds to related parties and providing large funds;
  - Bank strategic plan;
  - Transparency of the Bank's financial and non-financial conditions;
  - Approve and periodically review the Bank's vision, mission and main values.
- The Board of Commissioners is tasked with supervising management policies, the running of management in general and is responsible for this supervision as well as providing advice to the Board of Directors.
- In carrying out supervision as referred to in numbers 2 and 3 above, the Board of Commissioners is obliged to direct, monitor and evaluate the implementation of the Bank's strategic policies in accordance with regulations.
- The Board of Commissioners ensures the harmony of environmental, social economic and governance aspects in the preparation of business strategies and implementation of business activities by the Board of Directors, as a form of implementing sustainable banking business.
- In the event that there is only one member of the Board of Commissioners due to the absence of other members, all duties and authorities granted to the President Commissioner or other members of the Board of Commissioners in the Bank's Articles of Association shall apply to him as well.
- The Board of Commissioners is prohibited from being involved in making decisions on the Bank's operational activities, except:
  - Provision of funds to related parties as regulated in OJK provisions regarding the Legal Lending Limit for Commercial Bank; and
  - Other matters stipulated in the Bank's Articles of Association or applicable laws and regulations.

8. Decision making by the Board of Commissioners as referred to in number 7 above, is part of the supervisory duties of the Board of Commissioners so that it does not negate the responsibility of the Board of Directors for the implementation of Bank management.
9. The Board of Commissioners approves and supervises the implementation of the Strategy, Business Plan and several Bank Policies in accordance with applicable regulations, including the determination and implementation of Anti-Fraud strategies, Anti-Money Laundering and Counter-Terrorism Financing (AML-CTF) procedures, Whistleblowing, Integrated Governance, Affiliated Transactions, Legal Lending Limits (LLL), and other Bank strategies in accordance with applicable regulations.
10. The Board of Commissioners is obliged to evaluate, direct and monitor the Bank's strategic plans and implementation of Information Technology (IT) governance in accordance with applicable regulations.
11. Without intervening, supervise the selection and assessment of prospective members of the Board of Commissioners and Board of Directors through the Nomination and Remuneration Committee.
12. The Board of Commissioners is obliged to ensure that the Board of Directors has followed up on audit findings and recommendations from the Bank's internal audit work unit, external auditors, OJK supervision results and/or supervision results from other authorities.
13. The Board of Commissioners is obliged to notify OJK no later than 7 (seven) working days after the discovery of:
  - a. Violation of laws and regulations in the financial and banking sector; and
  - b. Circumstances or predicted conditions that could endanger the continuity of the Bank's business.
14. In order to support the effective implementation of its duties and responsibilities, the Board of Commissioners is obliged to form at least:
  - a. Audit Committee;
  - b. Risk Oversight Committee; and
  - c. Nomination and Remuneration Committee.
15. The Board of Commissioners is obliged to supervise the Committee that has been formed as referred to in number 14 to carry out its duties effectively, and is obliged to carry out evaluations and/or assessments of the performance of the said Committee at least at the end of each fiscal year.
16. The Board of Commissioners, in collaboration with the President Director, approves the annual audit plan and budget allocation for the implementation of the internal audit function and charter, taking the recommendations of the Audit Committee into account.
17. The Board of Commissioners is obliged to carry out active supervision of the Compliance Function by:
  - a. Evaluate the implementation of the Bank's Compliance Function at least twice a year.
  - b. Provide suggestions in order to improve the quality of implementation of the Bank's Compliance Function.
18. Based on number 17, the Board of Commissioners submits suggestions in order to improve the quality of the implementation of the Compliance Function to the President Director.
19. The Board of Commissioners is responsible for ensuring the implementation of risk management in accordance with the characteristics, complexity and risk profile of the Bank by:
  - a. Approve the risk management policy including the risk management framework strategy determined in accordance with the Bank's risk appetite and risk tolerance.
  - b. Evaluate risk management policies and strategies at least once a year or more frequently if there are changes in factors that significantly influence the Bank's business activities.
20. In implementing the internal audit function, the Board of Commissioners is responsible for:
  - a. Ensure that the Board of Directors develops and maintains an adequate, effective and efficient internal control system;
  - b. Review the effectiveness and efficiency of the internal control system based on information obtained from the Bank's Internal Audit Work Unit (IA) at least once a year;
  - c. Appoint an independent quality controller from an external party to review IA's performance, considering the recommendations of the Audit Committee.
21. The Board of Commissioners and the President Director are responsible for ensuring that the implementation of internal audits in the Bank's subsidiaries is carried out using the Bank's audit standards, with due regard to the size, characteristics and complexity of the subsidiary's business.
22. The Board of Commissioners communicates with the internal audit function of the Bank's Controlling Shareholders to ensure that the latter prepares the audit scope and conducts internal audit activities within the Bank with adequate coverage, all with due regard to the provisions of applicable laws and regulations.
23. The Board of Commissioners and President Director approves the appointment or dismissal of the Chief Audit Executive, with due regard to the recommendations of the Audit Committee.
24. A member of the Board of Commissioners appointed by the Board of Commissioners is obliged to chair the GMS. In the event that all members of the Board of Commissioners are absent or unable to attend for any reason, that does not need to be proven to a third party, the GMS will be chaired by the President Director.



25. In carrying out its duties, the Board of Commissioners is entitled to seek the assistance of experts within a limited period of time.
26. Based on the resolution of the Board of Commissioners Meeting, the Board of Commissioners has the authority to temporarily dismiss members of the Board of Directors by stating the reasons. In the event that a member of the Board of Directors is temporarily dismissed, the Board of Commissioners must hold a GMS no later than 90 (ninety) days after the date of the temporary dismissal, to revoke or confirm the decision on the temporary dismissal.
27. The Board of Commissioners may undertake the Bank management action under certain circumstances and for a certain period of time. In such cases, all provisions regarding the rights, authority and obligations of the Board of Directors towards the Bank and third parties will apply.
28. The Board of Commissioners, at all time within office working hours, entitled to enter buildings and grounds or other premises used or controlled by the Bank, and is entitled to examine all accounts, letters and other evidence, to audit and verify the cash and other financial conditions, as well as to ascertain all actions taken by the Board of Directors.
29. The Board of Commissioners is entitled to obtain explanations on all matters relating to the operations of the Bank and its subsidiaries as well as matters relating to the Bank's ethical standards.
30. The Board of Commissioners must ensure that the Board of Directors possesses and implements Financial Literacy and Financial Inclusion activity plans.
31. The Board of Commissioners must prepare succession plans for the Chief Executive Officer (CEO)/President Director and key management to ensure sustainable regeneration of the Bank's future leadership.
5. Ensure that the implementation of the Board of Commissioners' responsibilities is carried out according to procedures.
6. In collaboration with the President Director, sign the report on the appointment or dismissal of the Chief Audit Executive and the report on the results of an independent external review of the Bank's IA performance, to be submitted to the OJK.
7. Ensure that the Board of Commissioners meetings carry out effective decision making based on accurate and complete information, including ensuring that:
  - a. All strategic and important issues are taken into consideration by the Board of Commissioners;
  - b. Existing problems are discussed carefully and thoroughly;
  - c. All members of the Board of Commissioners are given the opportunity to contribute effectively;
  - d. Each Commissioner receives timely relevant information and is properly briefed on the issues to be discussed at the Board of Commissioners meeting; and
  - e. Board of Commissioners meetings produce clear resolutions that are stated in the meeting minutes.
8. Ensure that the Board of Commissioners behaves in accordance with the Board of Commissioners Charter.
9. Lead the efforts to meet the development needs of the Board of Commissioners.
10. Carry out other responsibilities assigned by the Board of Commissioners, from time to time, and
11. Conduct a final evaluation of the results of the collegial performance assessment of the Board of Commissioners and its committees, as well as the individual performance assessment of each member of the Board of Commissioners and members of their committees, with due regard to the recommendations of the Nomination and Remuneration Committee.

### **DUTIES AND RESPONSIBILITIES OF THE PRESIDENT COMMISSIONER**

The President Commissioner of CIMB Niaga has the following duties and responsibilities:

1. Coordinate the implementation of the duties and responsibilities of the Board of Commissioners.
2. Propose to hold the Board of Commissioners meetings, including the meeting agendas.
3. Invitation and chair the Board of Commissioners meeting.
4. Submit a supervisory report to obtain AGMS approval for the implementation of the duties and supervision of the Board of Commissioners.

### **DUTIES AND AUTHORITIES OF SENIOR INDEPENDENT COMMISSIONERS**

1. Act as coordinator and leader of Board of Commissioners Meetings for agendas that have the potential to have a conflict of interest with affiliated parties.
2. Act as a liaison to the Board of Commissioners if there are matters that need to be conveyed regarding Controlling Shareholders.
3. Act as an independent channel/means for whistleblowers regarding Controlling Shareholders.

## DELEGATION OF DUTIES OF MEMBERS OF THE BOARD OF COMMISSIONERS

In line with their respective competencies and fields, several members of the Board of Commissioners carry out duties and hold concurrent positions as chairs of committees under the Board of Commissioners, with the following details:

Committee	Committee Membership by Members of the Board of Commissioners
Audit Committee	1. Jeffrey Kairupan (Chairman concurrently member) 2. Glenn M. S. Yusuf (Member)
Risk Oversight Committee	1. Glenn M. S. Yusuf (Chairman concurrently member) 2. Didi Syafruddin Yahya (Member) 3. Jeffrey Kairupan (Member) 4. Vera Handajani (Member)
Nomination and Remuneration Committee	1. Sri Widowati (Chairwoman concurrently member) 2. Glenn M. S. Yusuf (Member) 3. Didi Syafruddin Yahya (Member)
Integrated Governance Committee	Jeffrey Kairupan (Chairman concurrently member)

## INDEPENDENCE OF THE BOARD OF COMMISSIONERS

The independence of the Board of Commissioners, as stated in the Board of Commissioners Charter is as follows:

- The Board of Commissioners and their families and other parties affiliated with them are not allowed to take loans from the Bank.
- The Board of Commissioners may not take advantage of information obtained from the Bank to make decisions for personal, family and affiliated parties' benefit and interests.
- The Board of Commissioners is not allowed to receive personal income or profits from the Bank other than remuneration and other facilities as set forth in the Bank policy and approved by the GMS.
- The Board of Commissioners is obliged to prioritize the interests of the Bank by implementing professionalism and integrity principles, as well as working and behaving to the highest standard.
- The Board of Commissioners is not allowed to store and duplicate documents or control Bank assets for personal interests.
- Unless otherwise regulated in the applicable laws and regulations and the Bank's Articles of Association, the Board of Commissioners has no right to represent the Bank even when authorized by the Board of Directors, unless due to the failure of the Board of Directors to function, the Board of Commissioners takes over the role of the Board of Directors.
- All members of the Board of Commissioners are not allowed to receive, give or offer anything from/to State Officials and business partners. None of the members of the Bank's Board of Commissioners received any shares or bonuses.

## CONCURRENT POSITION OF BOARD OF COMMISSIONERS

The concurrent positions of the Bank's Board of Commissioners are regulated in the Board of Commissioners Charter, whereby members of the Board of Commissioners may only hold concurrent positions as:

- Members of the Board of Commissioners, members of the Sharia Supervisory Board, Board of Directors or

- Executive Officers at 1 (one) non-financial institution/company, whether domiciled at home or abroad; or
- Member of committee on a maximum of 5 (five) committees in Banks or public companies where the person concerned also serves as a member of the Board of Commissioners or Board of Directors.

Excluding concurrent positions as referred to above if:

- Members of the Board of Commissioners, Board of Directors or Executive Officers who carry out supervisory functions in 1 (one) non-Bank subsidiary company controlled by the Bank.
- Non-independent members of the Board of Commissioners carry out the functional duties for the Bank shareholders in the form of legal entities in their business groups; and/or
- Members of the Board of Commissioners hold positions in non-profit organizations or institutions.

As long as the person concerned does not fail to carry out their duties and responsibilities as a member of the Bank's Board of Commissioners. All members of the CIMB Niaga Board of Commissioners do not have concurrent positions in CIMB Niaga subsidiaries. The Company Profile Chapter of this Annual Report lists the concurrent positions held by members of the Board of Commissioners in other agencies/companies/institutions/organizations in 2023.

## CONFLICT OF INTEREST OF THE BOARD OF COMMISSIONERS

Throughout 2023, no member of the Board of Commissioners has a conflict of interest with the Bank, either actual or potential. The Board of Commissioners is committed to avoiding potential conflicts of interest in any situation, as stated in the Board of Commissioners Charter. If a conflict of interest arises, the Board of Commissioners is prohibited from taking any action that could harm or reduce the Bank's profits, and it is required to disclose the potential conflict of interest in all decisions.





In the event of a conflict of interest, members of the Board of Commissioners must follow the procedures outlined below:

1. Required to immediately report in writing to the Board of Commissioners regarding all matters that have the potential to create and/or contain conflicts of interest that have a significant financial and reputational impact for CIMB Niaga, the Board of Commissioners and the Board of Directors.
2. It is not permitted to participate in the assessment process for all activities that contain a conflict of interest.
3. May participated in meetings, but are not allowed to take part in decision making.

### **POLICY ON THE PROVISION OF LOAN TO THE BOARD OF COMMISSIONERS**

As regulated in the Board of Commissioners Charter, CIMB Niaga has a policy that Independent Commissioners, and their families, and other parties affiliated with them are not permitted to take loans from the Bank. Meanwhile, Non-Independent Commissioners and their families, and other parties affiliated with them are allowed to take loans by following the normal price policies and conditions as offered to non-related parties (arm's length).

Loans by the Board of Commissioners will be calculated in line with CIMB Niaga's Legal Lending Limit in accordance with PBI No. 8/13/PBI/2006.

### **FOCUS OF SUPERVISION OF THE BOARD OF COMMISSIONERS IN 2023**

In 2023, the Board of Commissioners' supervision focus covered several important aspects, including:

1. Analyze, provide feedback, and in collaboration with the Board of Directors approve the Bank Business Plan (RBB) including reviewing and approving amendments to the RBB to be submitted to the OJK in accordance with the time set by the OJK.
2. Supervision of RBB implementation which is reported to OJK periodically through RBB supervision reports.
3. Monitor, analyze and provide feedback on the Bank's strategic plans.
4. Regularly review the Bank's financial performance at Board of Commissioners and committee meetings, including inviting business units to present their performance.
5. In accordance with applicable regulations, actively supervise risk management, including conducting a self-assessment of the Bank's health level using the Risk-Based Bank Rating (RBBR). In 2023, through the Risk Oversight Committee, monitor risk management, asset quality, Bank health status, and stress test results, as well as review the Bank's required risk management policies, including the Funding Contingency Plan policy, to assess the suitability of risk management policies for policy implementation.

6. Ensure that the Board of Directors has followed up on audit findings and recommendations from the Internal Audit Work Unit (IA), including improvements to the audit findings of external auditors and regulators.
7. Regarding liquidity in both Rupiah and US Dollars, the Board of Commissioners receives the Board of Directors' Reports on a regular basis to gain a clear picture of the Bank's funding and liquidity structure, as well as its funding strategy.
8. Review: (i) monitoring reports every semester, (ii) GCG assessment reports, and (iii) related party transactions and approve several internal policies that require approval up to the Board of Commissioners level.
9. Receive the most recent report on investments and achievements related to operations and information technology that have been implemented in 2023.
10. Monitor the Bank's operational risks which include Non-Performing Loans (NPL), impaired loans and fraud.
11. Review and approve the Resolution Plan and updated Recovery Plan which was submitted to the OJK at the end of November 2022 and ensure that the Resolution Plan and updated Recovery Plan also require approval from Shareholders at the 2023 AGMS.
12. In 2023, the Board of Commissioners has approved the recommendations of the Nomination and Remuneration Committee to be submitted to the GMS, namely: (a) reappointment of (i) Didi Syafruddin Yahya as President Commissioner (ii) Sri Widowati as Independent Commissioner (iii) Prof. Dr. M. Quraish Shihab, MA as Chairman of the Company's Sharia Supervisory Board (iv) Prof. Dr. Fathurrahman Djamil, MA as Member of the Company's Sharia Supervisory Board (v) Dr. Yulizar Djameluddin Sanrego, M.Ec. as Member of the Company's Sharia Supervisory Board; and (b) changes made in the composition of the Company's Board of Commissioners by appointing Farina J. Situmorang as Independent Commissioner of the Bank.
13. In terms of human resources, the Board of Commissioners supervises the implementation of risk management pertaining to outsourcing and monitor manpower policies and HR management functions that carry risks and have a significant impact on the Bank through the Nomination and Remuneration Committee.
14. Reviews financial statements, including their presentation, accounting treatment, and compliance with generally accepted accounting principles, through the Audit Committee. Review the adequacy of reports that are published and submitted to authorities, as well as the evaluating the effectiveness of the Bank's implementation of the compliance function.

15. The Risk Oversight Committee has been in charge of carrying out the risk monitoring function and provides recommendations to the Board of Commissioners in order to assist them carry out their risk management-related duties and responsibilities in an effective manner.
16. Monitors and implements Integrated Governance (IG) in the CIMB Indonesia Financial Conglomeration through the IG Committee, including evaluating IG implementation by assessing the adequacy of internal controls and integrating the compliance function.
17. Analyze, provide feedback and approve the 2024 Sustainable Financial Action Plan (RAKB) and the realization of the 2023 RAKB to be submitted to the OJK.
7. Regularly discuss macroeconomic, industrial conditions, and new banking regulations, as well as the impact on the Bank's business and follow-up actions.
8. Provide recommendations to the Board of Directors through committees at the Board of Commissioners level as stated in the Report on the Implementation of Duties of the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and Integrated Governance Committee in the Corporate Governance Report Chapter of this Annual Report.
9. In accordance with the Bank's Articles of Association, the Board of Commissioners approves proposals for action on non-performing loan, restructuring and write-off of loan above certain limits as determined in Bank policy. In addition, the Board of Commissioners provides loan approval to parties related to the Bank in accordance with the provisions of the applicable authorities.

## RECOMMENDATION OF THE BOARD OF COMMISSIONERS

In 2023, important recommendations that have been issued by the Board of Commissioners include:

1. Provide feedback and approve Corporate Action plans throughout 2023, including holding the Annual GMS and distributing dividends.
2. Provide approval for amendments to the 2023 RBB, 2024 Recovery Plan, 2024 RAKB and realization of the 2023 RAKB and provide approval for the Bank's strategic & business plans for 2024.
3. Review and provide feedback on the Bank's Risk Appetite Statement.
4. Provide feedback regarding the Bank's financial targets, including Net Interest Margin, NPL and Watchlist Accounts, Loan to Deposit Ratio, Asset Quality, market productivity and competition.
5. Provide feedback on how to improve the growth of low-cost deposits (CASA) and the Bank's fee-based income through developing Bank services for ease of transactions, such as Transaction Banking, Value Chain products, and enhanced Sharia Banking business services with dual banking leverage, as well as developing branchless banking facilities provided by the Bank to customers to improve their transactional experience, Information Technology and Data governance, cyber protection and security, reviewing the effectiveness of fraud prevention, detection and investigation.
6. Provide feedback and recommendations on cost management efficiency and discipline in order to continue to reduce cost ratios and increase bank revenues, IT transformation programs, and productivity for both front-line and back-office employees, as well as granting authority in the approval process, which has an impact on improving customer service.

## POLICY AND IMPLEMENTATION OF MEETING FREQUENCY

### PROVISIONS FOR BOARD OF COMMISSIONERS MEETINGS AND JOINT BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS MEETINGS

1. The Board of Commissioners must prepare a schedule for Board of Commissioners meetings as well as joint Board of Commissioner and Board of Directors meetings by inviting the Board of Directors for the next financial year before the end of the financial year and upload it on the Bank's website.
2. Board of Commissioners meetings must be held periodically at least once every 2 (two) months or at any time if deemed necessary. Meanwhile, joint Board of Commissioners and Board of Directors meetings must be held at least once every 4 (four) months.
3. Meetings can be held in-person or via telepresence technology, which allows participants to hear and see each other.
4. All members of the Board of Commissioners must physically attend meetings of the Board of Commissioners at least twice a year. In the event that a Non-Independent Commissioner is unable to physically attend the Meeting, the Meeting can be attended via teleconference or telepresence technology.
5. A proposal to hold a meeting may be made by the President Commissioner or more than 2 (two) members of the Board of Commissioners, at a meeting of the Board of Directors, or by written request from one or more shareholders who (collegially) own at least 1/10 (one tenth) of the total number of shares with valid voting rights issued by the Bank in accordance with the Articles of Association and applicable provisions.
6. All member of the Board of Commissioners is required to attend at least 75% (seventy five percent) of the Board of Commissioners' meetings in a year.



7. The minutes of the meeting must state the presence of each member of the Board of Commissioners, both physically and via teleconference/telepresence. Attendance at a teleconference/telepresence meeting must be accompanied by audio/visual recording of the meeting.
  8. The Corporate Secretary and other parties designated by the Board of Commissioners may attend meetings, as may other invited parties from the Bank's internal and external networks.
  9. Invitation and materials for Board of Commissioners meetings must be delivered to participants 5 (five) working days before the meeting. If a Board of Commissioners meeting is held outside of the previously planned schedule, the meeting materials are distributed to the Board of Commissioners meeting participants no later than the meeting date.
  10. The meeting invitation must be signed by the President Commissioner or other members of the Board of Commissioners or the Corporate Secretary, including the date, time, place and agenda of the meeting.
  11. A member of the Board of Commissioners may only be represented by another member of the Board of Commissioners at a meeting based on a special power of attorney made for the purposes of the meeting, provided that:
    - a. The physical absence of the person concerned can be counted in the frequency of physical presence at the meeting;
    - b. The physical absence of the person concerned does not prejudice the right to vote in decision making in accordance with the power granted, provided that the voting rights are taken into consideration when determining meeting quorum.
  12. Meetings must be held in the territory of Indonesia, but if they are held outside the territory of Indonesia, the meeting decisions are considered valid if attended by all members of the Board of Commissioners or their representatives based on a special power of attorney.
  13. A meeting is valid and has the right to make binding decisions if it is attended/represented by at least 2/3 (two thirds) of the total number of members of the Board of Commissioners.
  14. Meeting decisions are taken based on deliberation to reach consensus. In the event that a decision based on deliberation to reach consensus is not reached, the decision is taken by voting based on the affirmative votes of more than 2/3 (two thirds) of the total members of the Board of Commissioners present.
  15. Voting is generally carried out orally, but under certain conditions and according to mutual agreement voting can be carried out by means of a closed letter.
  16. Members of the Board of Commissioners who are present at a meeting, but who are not in the meeting room at the time of decision making for some reason, will have their voting rights considered blank.
  17. All member of the Board of Commissioners who is present has the right to cast 1 (one) vote and an additional 1 (one) vote for another member of the Board of Commissioners he or she represents.
  18. Members of the Board of Commissioners who are unable to attend the meeting must notify the reason for their absence to the President Commissioner.
  19. The meeting is chaired by the President Commissioner, in the event that the President Commissioner is unable to attend or is absent, which does not require verification to a third party, the meeting will be chaired by a member of the Board of Commissioners who is present and selected by the Meeting.
  20. Minutes of meetings are prepared by the Corporate Secretary or other party appointed by the Board of Commissioners and are properly documented.
  21. If the meeting is held via teleconferencing technology, it must be followed up by preparing minutes of the meeting which are signed by all members of the Board of Commissioners present.
  22. Minutes of meetings of the Board of Commissioners must be signed by all members of the Board of Commissioners present and submitted to all members of the Board of Commissioners.
  23. In the event that a member of the Board of Commissioners does not sign the minutes of the meeting, the person concerned is obliged to state the reasons in writing in a separate letter attached to the minutes of the meeting.
  24. If there are dissenting opinions that occur at the meeting, they must be stated clearly in the minutes of the meeting along with the reasons for the dissent.
  25. The Board of Commissioners may also take legal and binding decisions without convening a meeting as long as every member of the Board of Commissioner signs the proposed resolution indicating their approval. Decisions made in this manner are just as legally binding as those made at a Board of Commissioners meeting.
  26. In the event that the minutes of the meeting are prepared bilingually and there are differences in interpretation, the Indonesian version shall apply.
  27. Minutes of meetings are valid evidence for members of the Board of Commissioners and third parties regarding the decisions taken at the meeting.
- In 2023, meetings of the Board of Commissioners and joint Board of Commissioners and Board of Directors meetings were held physically, virtually, and hybrid (physical and virtual), in accordance with the Bank's new way of working, HyWork (Hybrid Working, Happy Working), which has been implemented since 2021.
- The schedule for the Board of Commissioners meetings and joint Board of Commissioners and Board of Directors meetings throughout 2023 has been prepared and uploaded to the Bank's website at the end of 2022.

## AGENDA FOR THE BOARD OF COMMISSIONERS MEETING IN 2023

The discussion on the permanent agenda at the annual Board of Commissioners meeting is as follows:

1. Confirmation to obtain approval for the Minutes of the previous Board of Commissioners Meeting;
2. Follow-up report from the Minutes of the Board of Commissioners Meeting and discussion of unresolved issues from the previous Board of Commissioners Meeting;
3. Summary of approval of the previous month's loan proposal;
4. Financial Performance Report; and
5. Reports from Committees at the Board of Commissioners level, namely the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and Integrated Governance Committee.

The Board of Commissioners meeting also discussed other agendas in addition to the permanent agenda mentioned above, including the following:

No	Date	Agenda	Participants
1	28 February 2023	<ol style="list-style-type: none"> <li>1. Dividend Payment FY 2022 Performance</li> <li>2. Free Float Requirements Fulfillment Plan and Treasury Stock Sale</li> <li>3. 4Q 2022 Sustainability Update</li> <li>4. Update on Octomobile Upgrade</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Dato' Abdul Rahman Ahmad</li> <li>5. Vera Handajani</li> </ol>
2	31 March 2023	Benchmarking Update 4Q 2022	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> </ol>
3	31 May 2023	<ol style="list-style-type: none"> <li>1. Financial Performance Highlights as of April 2023 including LAR Comparison Update</li> <li>2. Draft Revision of Bank Business Plan 2023</li> <li>3. Update on Free Float Fulfillment Plan</li> <li>4. Cyber Resilience Update</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> <li>7. Farina J. Situmorang<sup>*)</sup></li> </ol>
4	6 July 2023	<ol style="list-style-type: none"> <li>1. Escalated Critical Operational Risk Event - Failure of Liveness Check for Online Credit Card Application</li> <li>2. Anzu Project Update</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> <li>7. Farina J. Situmorang<sup>*)</sup></li> </ol>
5	30 August 2023	<ol style="list-style-type: none"> <li>1. EGM Update</li> <li>2. Update on Next Generation BizChannel (NGB)</li> <li>3. Project Arjuna Update</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Farina J. Situmorang<sup>*)</sup></li> </ol>
6	29 September 2023	<ol style="list-style-type: none"> <li>1. 2Q 2023 Benchmarking Update</li> <li>2. Update on Treasury Stock Sale &amp; Non-Pre-emptive Rights (NPR)</li> <li>3. CNS Business Update</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> <li>7. Farina J. Situmorang<sup>*)</sup></li> </ol>
7	30 November 2023	<ol style="list-style-type: none"> <li>1. 3Q 2023 Benchmarking Financial Performance</li> <li>2. Fireman Project Update</li> <li>3. Cyber Security and IT (Threat Prevention and Recovery) Update</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> <li>7. Farina J. Situmorang<sup>*)</sup></li> </ol>
8	14 December 2023	<ol style="list-style-type: none"> <li>1. CNS Strategy and Business Update</li> <li>2. EGMS 2023 and AGMS 2024 Update</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Farina J. Situmorang<sup>*)</sup></li> </ol>

<sup>\*)</sup> Appointed as Independent Commissioner at the AGMS 10 April 2023 and effective as of 25 January 2024 – Attendance at meetings held prior to 25 January 2024 is an invitation to the meeting and is not counted as attendance at the meeting.

## AGENDA FOR JOINT MEETINGS OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS IN 2023

No	Date	Commissioners in Attendance	Directors in Attendance	Agenda
1	27 January 2023	1. Didi Syafruddin Yahya 2. Glenn M. S. Yusuf 3. Jeffrey Kairupan 4. Sri Widowati 5. Dato' Abdul Rahman Ahmad 6. Vera Handajani	1. Lani Darmawan 2. Lee Kai Kwong 3. John Simon 4. Fransiska Oei 5. Tjioe Mei Tjuen 6. Rusly Johannes 7. Henky Sulisty 8. Joni Raini 9. Noviady Wahyudi	1. H2 2022 Bank Business Plan (RBB) Realization and Supervisory Report 2. 2022 Key Risk Theme
2	8 May 2023	1. Didi Syafruddin Yahya 2. Glenn M. S. Yusuf 3. Jeffrey Kairupan 4. Sri Widowati 5. Dato' Abdul Rahman Ahmad 6. Vera Handajani 7. Farina J. Situmorang <sup>*)</sup>	1. Lani Darmawan 2. Lee Kai Kwong 3. John Simon 4. Pandji Djajanegara 5. Fransiska Oei 6. Tjioe Mei Tjuen 7. Rusly Johannes 8. Henky Sulisty 9. Joni Raini 10. Noviady Wahyudi	1. 1Q2023 Benchmarking Update 2. Corporate Banking Update
3	25 July 2023	1. Didi Syafruddin Yahya 2. Glenn M. S. Yusuf 3. Jeffrey Kairupan 4. Sri Widowati 5. Dato' Abdul Rahman Ahmad 6. Vera Handajani 7. Farina J. Situmorang <sup>*)</sup>	1. Lani Darmawan 2. Lee Kai Kwong 3. John Simon 4. Fransiska Oei 5. Tjioe Mei Tjuen 6. Rusly Johannes 7. Henky Sulisty 8. Joni Raini 9. Noviady Wahyudi	1. H1 2023 RBB Realization & Supervisory Report 2. Free Float Fulfillment Plan 3. Update on Sustainable CASA Towards 10mn Customers through Partnership 4. Sustainability Update
4	26 October 2023	1. Didi Syafruddin Yahya 2. Glenn M. S. Yusuf 3. Jeffrey Kairupan 4. Sri Widowati 5. Dato' Abdul Rahman Ahmad 6. Vera Handajani 7. Farina J. Situmorang <sup>*)</sup>	1. Lani Darmawan 2. Lee Kai Kwong 3. John Simon 4. Pandji Djajanegara 5. Fransiska Oei 6. Tjioe Mei Tjuen 7. Rusly Johannes 8. Henky Sulisty 9. Joni Raini 10. Noviady Wahyudi	1. 2024 Bank Business Plan (for discussion) 2. Project Neo Update 3. Recovery Plan Update 2024 4. 2023 Sustainability Financial Action Plan (RAKB) Realization & 2024 RAKB
5	8 November 2023	1. Didi Syafruddin Yahya 2. Glenn M. S. Yusuf 3. Jeffrey Kairupan 4. Ibu Sri Widowati 5. Dato' Abdul Rahman Ahmad 6. Vera Handajani 7. Farina J. Situmorang <sup>*)</sup>	1. Lani Darmawan 2. Lee Kai Kwong 3. John Simon 4. Fransiska Oei 5. Tjioe Mei Tjuen 6. Rusly Johannes 7. Henky Sulisty 8. Joni Raini 9. Noviady Wahyudi	Project Neo

<sup>\*)</sup> Appointed as Independent Commissioner at the AGMS 10 April 2023 and effective as of 25 January 2024 – Attendance at meetings held prior to 25 January 2024 is an invitation to the meeting and is not counted as attendance at the meeting.

## MEETING FREQUENCY AND ATTENDANCE OF THE BOARD OF COMMISSIONERS IN 2023

No	Name	Board of Commissioners Meetings			Joint Meetings of Board of Commissioners and Board of Directors			AGMS		
		Attendance Frequency	Attendance Rate	Average Attendance Rate	Attendance Frequency	Attendance Rate	Average Attendance Rate	Attendance Frequency	Attendance Rate	Average Attendance Rate
1	Didi Syafruddin Yahya	8/8	100%	94%	5/5	100%	100%	3/3	100%	100%
2	Glenn M. S. Yusuf	8/8	100%		5/5	100%		3/3	100%	
3	Jeffrey Kairupan	8/8	100%		5/5	100%		3/3	100%	
4	Sri Widowati	7/8	88%		5/5	100%		3/3	100%	
5	Dato' Abdul Rahman Ahmad	8/8	100%		5/5	100%		3/3	100%	
6	Vera Handajani	6/8	75%		5/5	100%		3/3	100%	

## BOARD OF COMMISSIONERS COMPETENCY DEVELOPMENT PROGRAM

The Board of Commissioners competency development program is held, among other things, to assist the Board of Commissioners in carrying out its duties of supervising the Bank's effective management by the Board of Directors. CIMB Niaga facilitates the development of member competencies for the Board of Commissioners through training programs that are aligned with the evolving industry and governance.

## TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

As a manifestation of the Bank's commitment to assisting the Board of Commissioners in carrying out its supervisory function, the Bank facilitates competency development for the Board of Commissioners through training programs for members of the Board of Commissioners. This commitment is evident in the training received by each member of the Board of Commissioners, which is detailed in the Company Profile Chapter of this Annual Report.

## RISK MANAGEMENT CERTIFICATION

As of 31 December 2023, all serving members of the Board of Commissioners have Risk Management Certification and/or have completed the Risk Management Refreshment program, as stated in the Company Profile Chapter of this Annual Report. The Risk Management Certification and/or Refreshment program for the Board of Commissioners is in accordance with OJK Regulation No. 24 of 2022 on the Development of the Quality of Human Resources for Commercial Banks and OJK Circular No. 28/SEOJK.03/2022 on Risk Management Certification for Commercial Bank Human Resources.

## INDUCTION PROGRAM FOR NEW COMMISSIONERS

The Induction Program for new members of the Board of Commissioners is held with the goals of providing a comprehensive overview of the Bank's business activities, future plans, work guidelines and other matters under the responsibility of the Board of Commissioners.

With this induction program, new members of the Board of Commissioners are expected to work in harmony with other Bank governance organs. CIMB Niaga organizes this induction program through documents prepared by the Corporate Affairs work unit, which include:

1. Bank's Vision and Mission.
2. Bank's Employee Code of Ethics & Code of Conduct.
3. Bank's Organizational Structure.
4. Bank's Articles of Association.
5. Corporate Policy Manual.
6. Charter of the Board of Commissioners and Committees of the Board of Commissioners level.
7. Applicable regulations related to Banking and Capital Markets.

8. Bank's Annual Report.

9. Bank's Business Plan.

CIMB Niaga has also integrated induction program materials into the Bank's digital learning (e-Learning) platform, specifically the Learning on the Go (LoG) application, which prospective Commissioners can access from anywhere at any time. This application aims to improve the quality and effectiveness of the induction program.

## PERFORMANCE ASSESSMENT OF COMMITTEES AT THE BOARD OF COMMISSIONERS LEVEL

### PERFORMANCE ASSESSMENT POLICY AND PROCEDURE FOR COMMITTEES AT THE BOARD OF COMMISSIONERS LEVEL

Performance assessments of each Committee at the Board of Commissioners level are conducted annually (at least once a year), which include:

1. Collegial performance assessment of Committees at the Board of Commissioners level;
2. Individual performance assessment of each member of Committees at the Board of Commissioners level; and
3. Performance assessment of the Chairman of Committees at the Board of Commissioners level.

Every 3 years, the performance assessment will be conducted by third party.

In 2023, CIMB Niaga independently assessed the performance of Committees at the Board of Commissioners level using a survey method given to each member of the Committees at the Board of Commissioners level. The result of this performance assessment would provide input for improving the committees' performance at the Board of Commissioners level in the future.

### PERFORMANCE ASSESSMENT CRITERIA OF COMMITTEES AT THE BOARD OF COMMISSIONERS LEVEL

The performance assessment criteria of Committees at the Board of Commissioners level include:

1. Collegial Performance Assessment of Committees at the Board of Commissioners level
  - a. Structure and Composition of the Committees
  - b. Effectiveness of Committee Meetings
  - c. Effectiveness of Duty Implementation of the Committee
2. Individual Performance Assessment of Each Member of Committees at the Board of Commissioners level
  - a. Competency and Capability of Committee Members
  - b. Effectiveness of Duty Implementation of the Committee
3. Performance assessment of the Chairman of Committees at the Board of Commissioners level.
  - a. Effectiveness in Implementing Duties and Responsibilities
  - b. Leadership within the Committees

## PARTIES CONDUCTING PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS' COMMITTEES

The parties that conducted the performance assessment of the Committees at the Board of Commissioners level are as follows:

No.	Performance Assessment	Assessment Conducted by
1	The Committees Collegially	Each Committee member on the Committee's performance
2	Committee Member Individually	Each Committee member provides an assessment of other members
3	Committee Chairman	Each Committee member regarding performance of the respective Committee Chairman

All responses provided by the parties mentioned above were submitted directly through an online survey. The performance assessment results are confidential and anonymous and are submitted to the Nomination and Remuneration Committee. The Nomination and Remuneration Committee then submits and discusses all the performance assessment results at the Board of Commissioners meeting. The discussion results are followed up in the form of improvements or action plans (if deemed necessary).

## PERFORMANCE ASSESSMENT RESULT FOR COMMITTEES AT THE BOARD OF COMMISSIONERS LEVEL IN 2023

The collegial performance assessment of the Committees is as follows:

Audit Committee	Risk Oversight Committee	Nomination and Remuneration Committee	Integrated Governance Committee
4.75 (Exceptional)	4.71 (Exceptional)	4.86 (Exceptional)	4.57 (Outstanding)

Meanwhile, the average assessment result for individual Committee member is as follows:

Audit Committee	Risk Oversight Committee	Nomination and Remuneration Committee	Integrated Governance Committee
4.70 (Exceptional)	4.84 (Exceptional)	4.81 (Exceptional)	4.25 (Outstanding)

And for the performance assessment result for the Committee Chair at the Board of Commissioners level:

Audit Committee	Risk Oversight Committee	Nomination and Remuneration Committee	Integrated Governance Committee
4.89 (Exceptional)	4.91 (Exceptional)	5.00 (Exceptional)	4.37 (Outstanding)

Range Table:

Range	Description
≥ 4.7	Exceptional
4.0-4.6	Outstanding
3.7-3.9	Exceed Expectation
3.0-3.6	Meet Expectation
< 3.0	Need Improvement

# Independent Commissioner

Independent Commissioners are members of the Board of Commissioners who have no financial, management, share ownership, or family relationships with other members of the Board of Commissioners, members of the Board of Directors, and/or controlling shareholders or with the company that would prevent or impede their ability to act independently in accordance with the GCG principles. Independent Commissioners are responsible for supervising and representing the interests of minority shareholders. The Bank's Independent Commissioners has met the requirements outlined in OJK Circular Letter No. 13/SEOJK.03/2017 concerning the Implementation of Governance for Commercial Banks, as well as POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks and which has been effective 14 September 2023.

## NUMBER AND COMPOSITION OF INDEPENDENT COMMISSIONERS

In 2023, CIMB Niaga's Independent Commissioners totaled 4 (four) members out of a total of 7 (seven)

members of the Board of Commissioners, or more than 50% (fifty percent), of which 1 (one) Independent Commissioner as of 31 December 2023 is still in the Fit and Proper Test process and has been declared effective in office on 25 January 2024, while 3 (three) others have passed the Fit and Proper Test and obtained OJK approval as Independent Commissioners and were appointed based on GMS approval.

The number of CIMB Niaga Independent Commissioners complies with POJK No. 17 of 2023 on the Implementation of Governance for Commercial Banks, which states that Independent Commissioners must make up at least 50% (fifty percent) of the total number of members of the Board of Commissioners. The number of Independent Commissioners at CIMB Niaga has also met the ASEAN Corporate Governance Scorecard's minimum requirement of 50% (fifty percent) of the total number of Board of Commissioners members.

The Bank's Independent Commissioners are:

Name	Term of Office
Glenn M. S. Yusuf	Appointed as Vice President Commissioner (Independent) based on the AGMS Resolution on 9 April 2020 and effective 16 September 2020.
Jeffrey Kairupan	Appointed as Independent Commissioner based on the AGMS Resolution 15 April 2016 and effective on 14 September 2016. The latest reappointment was based on the AGMS Resolution 9 April 2020.
Sri Widowati	Appointed as Independent Commissioner based on the AGMS Resolution 15 April 2019 and effective 20 November 2019
Farina J. Situmorang	Appointed as Independent Commissioner based on the AGMS Resolution on 10 April 2023 and effective 25 January 2024.

## INDEPENDENT COMMISSIONER CRITERIA

The Board of Commissioners Charter, as well as the Policies and Procedures for Selection, Appointment, Replacement, and/or Dismissal of Members of the Board of Commissioners, Members of the Board of Directors, and Independent Parties as Committee Members who report to the Board of Commissioners, govern the criteria for CIMB Niaga Independent Commissioners. These criteria are prepared in accordance with applicable regulations, including:

1. Not an individual who had been employed or had authority and responsibility to plan, lead, control, or supervise Bank activities, including former members of the Bank's Board of Directors or Executive Officers, or parties who have a relationship with the Bank that may impair their ability to act independently within the last 1 (one) year, except for reappointment as the Bank's Independent Commissioner in the following period. The provisions listed above do not apply to former members of the Board of Directors or Executive Officers who perform supervisory duties.
2. Has no financial relationship, management relationship, shareholding relationship, family relationship up to second degree with other members of the Board of Commissioners, Board of Directors, or Controlling Shareholders of the Bank.
3. Has no direct or indirect shareholding in the Bank.
4. Has no affiliation with the Bank, other members of the Board of Commissioners, members of the Board of Directors, or the Controlling Shareholders of the Bank.
5. Is not associated with any business, either directly or indirectly, that is involved with the business activities of the Bank





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6. Comply with the Independent Commissioner's other requirements as specified in applicable regulations.
7. The term of office for the Independent Commissioner is 2 (two) consecutive terms, or a maximum of 9 (nine) years.
8. In the event that an Independent Commissioner serves on the Audit Committee, he or she may only be reappointed for 1 (one) additional term on the Audit Committee.
9. An Independent Commissioner who serves as Chairman of a Committee may hold concurrent positions as Chairman of a Committee on no more than 1 (one) other Committee.

## INDEPENDENCE STATEMENT OF THE RESPECTIVE INDEPENDENT COMMISSIONER

In accordance with the provisions of Article 25 paragraph (1) of POJK No. 33/POJK.04/2014 concerning the Board of Directors and the Boards of Commissioners of Issuers or Public Companies, the respective Independent Commissioner's statement of independence is as follows:

### FULFILLMENT OF INDEPENDENCE ASPECTS

Independent Commissioner Criteria	Glenn M. S. Yusuf	Jeffrey Kairupan	Sri Widowati	Farina J. Situmorang
Not an individual who had been employed or had the authority and responsibility for planning, leading, controlling, or supervising Bank activities within the last 6 (six) months.	√	√	√	√
Has no directly or indirectly shareholding in the Bank.	√	√	√	√
Has no affiliation with the Bank, other members of the Board of Commissioners, members of the Board of Directors or Controlling Shareholders of the Bank.	√	√	√	√
Has no financial relationship, management relationship, shareholding relationship, family relationship up to second degree with other members of the Board of Commissioners, Board of Directors and/or Controlling Shareholders of the Bank.	√	√	√	√
Is not associated with any business, either directly or indirectly, that is involved with the business activities of the Bank.	√	√	√	√

## Board of Directors

The Board of Directors is the organ of Bank Governance that is fully responsible in a collegial manner for the management of the Bank for its interests and objectives, and represents the Bank both inside and outside the court in accordance with the provisions of the Bank's Articles of Association. Each member of the Board of Directors performs their duties in accordance with their assigned responsibilities and authority, with the goal of increasing management effectiveness and achieving maximum results.

### LEGAL BASIS

Legal basis for the establishment and appointment of CIMB Niaga's Board of Director refer to several provisions, including:

1. Laws of the Republic of Indonesia on Limited Liability Companies (the Company Law) and Banking.
2. The Bank's Articles of Association.
3. OJK Regulations, Bank Indonesia (BI) Regulations, OJK Circular Letters and BI Circular Letters on the Implementation and Organs of Corporate Governance.
4. Deed of Statement of Resolution of the Bank's Annual General Meeting of Shareholders No. 69, dated 26 August 2022, which was notified to the Indonesian Ministry of Law and Human Rights via Letter of Acceptance of Notification of Changes to Company Data No. AHU-AH.01.09-0048714, dated 29 August 2022.

### CHARTER OF THE BOARD OF DIRECTORS

The CIMB Niaga Board of Directors maintains a professional, objective, and strategic mindset at all times, prioritizing the Bank's interests in order to increase added value for stakeholders and ensure business sustainability. The Board of Directors' duties and responsibilities are guided by the Board of Directors Charter, which is evaluated and updated on a regular basis in accordance with Indonesian rules and regulations. This Charter binds every member of the Board of Directors, allowing them to carry out their supervisory function efficiently, effectively, transparently, independently, and accountable. The Board of Directors' Charter was updated on 6 June 2023, and uploaded to the Bank's website ([www.cimbniaga.co.id](http://www.cimbniaga.co.id)).

The Board of Director Charter is prepared on the following basis:

1. Law No. 40 of the Republic of Indonesia on Limited Liability Companies.
2. OJK Regulation and Circular Letter on the Implementation and Organs of Corporate Governance.
3. The Bank's Articles of Association.
4. General Guidelines of GCG in Indonesia issued by the National Committee on Governance Policy (KNKG).
5. ASEAN Corporate Governance Scorecard.

The contents of Board of Director Charter regulate various matters, including:

1. Accountability;
2. Structure and Membership;
3. Criteria and Appointment;
4. Duties, Responsibilities, and Authority;
5. Conflicts of Interest;
6. Transparency;
7. Work Ethics and Hours;
8. Meetings;
9. Term of Office;
10. Resignation; and
11. Performance Assessment and Accountability.

### STRUCTURE, NUMBER, AND COMPOSITION OF THE BOARD OF DIRECTORS MEMBER IN 2023

The number of members of the CIMB Niaga Board of Directors is determined by the need to achieve the aims and objectives and is adjusted to the Bank's conditions, which include the Bank's characteristics, capacity, and size, as well as the diversity of the Board of Directors' composition. The structure, number, and composition of members of the Board of Directors have also been adjusted to achieve effective decision making, and have

fulfilled the applicable provisions as regulated by the Board of Directors Charter, namely:

1. The CIMB Niaga Board of Directors has 10 (ten) members, including 1 (one) President Director, 1 (one) Director who also serves as Compliance Director, and 8 (eight) other Directors.
2. The number of members on the CIMB Niaga Board of Directors exceeds that of the CIMB Niaga Board of Commissioners.
3. All members of the CIMB Niaga Board of Directors domiciled in Jakarta, Indonesia.
4. The majority of the Board of Directors are Indonesian citizens, accounting for 9 (nine) of the 10 (ten) members.
5. A President Director leads the Board of Directors, who is independent of the Controlling Shareholders, other Board of Directors, and CIMB Niaga Board of Commissioners members.
6. The majority of members of the Board of Directors must have at least 5 (five) years of experience in the field of banking operations (including but not limited to loan, funding, treasury, risk management, finance, and so on) and do not hold a concurrent position at another bank, company, or institution.
7. The replacement and/or appointment of members of the CIMB Niaga Board of Directors considered the recommendations of the Nomination and Remuneration Committee and received approval from the GMS and OJK.
8. No member of the CIMB Niaga Board of Directors has a second-degree family relationship with another member of the Board of Directors, Board of Commissioners, or Controlling Shareholders.
9. Every member of the CIMB Niaga Board of Directors has passed the Fit and Proper Test.

### COMPOSITION OF THE BOARD OF DIRECTORS IN 2023

No.	Name	Position	Term of Office
1	Lani Darmawan	President Director	2021-2025
2	John Simon	Treasury & Capital Market Director	2022-2025
3	Fransiska Oei	Compliance, Corporate Affairs & Legal Director	2020-2024
4	Pandji P. Djamanegara	Sharia Banking Director	2020-2024
5	Lee Kai Kwong	Strategy, Finance & SPAM Director	2022-2025
6	Tjioe Mei Tjuen	Operations & Information Technology Director	2020-2024
7	Rusly Johannes	Business Banking Director	2021-2025
8	Joni Raini	Human Resource Director	2021-2025
9	Henky Sulistyio	Risk Management Director	2021-2025
10	Noviady Wahyudi	Consumer Banking Director	2022-2025

### TERM OF OFFICE OF THE BOARD OF DIRECTORS

1. A member of the Board of Directors' term of office runs from the date determined by the GMS that appointed him/her until the close of the 3<sup>rd</sup> (third) Annual GMS following the date of his/her appointment, subject to the GMS's right to dismiss him/her at any time in accordance with the Articles of Association and applicable provisions. The term of office was changed to 3 (three) years at the 2022 AGMS.
2. In the event that a member of the Board of Directors' position becomes vacant, reducing the number of members to less than 3 (three) peoples, the Bank must hold a GMS within 60 (sixty) calendar days to fill the vacancies.

3. The Board of Commissioners may temporarily dismiss Board of Directors members by stating the reasons for the dismissal.
4. The temporary suspension must be communicated in writing to the appropriate member of the Board of Directors and followed up on in accordance with applicable regulations.
5. A member of the Board of Directors' term ends when:
  - a. The term of office ends in accordance with the provisions of the Articles of Association;
  - b. Resign in accordance with the applicable provisions;
  - c. No longer fulfills statutory requirements;
  - d. Passed away; and
  - e. Dismissed due to GMS decision.

6. Members of the Board of Directors who have completed their terms of office may be reappointed in accordance with the applicable provisions.

### FIT AND PROPER TEST

In accordance with OJK Regulation No. 27/POJK.03/2016 on the Fit and Proper Test for Main Parties of Financial Services Institutions, every prospective member of the Board of Directors must obtain approval from the OJK before carrying out their actions, duties, and functions as a member of the Board of Directors. The member of the Board of Directors who passed the fit and proper test without records and were approved by the OJK, demonstrate adequate integrity, competence, and financial reputation, as shown in the table below.

No	Name	Position	Regulator	Basis of Appointment	BI/OJK Approval	Effective Date	Reappointment
1	Lani Darmawan	President Director	OJK	EGMS 17 December 2021	No. SR-45/PB.12/2022 dated 9 March 2022	9 March 2022	-
2	John Simon	Treasury & Capital Market Director	OJK	AGMS 27 March 2014	No. SR-143/D.03/2014, dated 29 August 2014	29 August 2014	AGMS 24 April 2018 and AGMS 8 April 2022
3	Fransiska Oei	Compliance, Corporate Affairs & Legal Director	OJK	AGMS 15 April 2016	No. SR-138/D.03/2016, dated 27 July 2016	27 July 2016	AGMS 9 April 2020
4	Pandji P. Djajanegara	Sharia Banking Director	OJK	AGMS 15 April 2016	No. SR-27/PB.13/2016, dated 4 October 2016	28 September 2016	AGMS 9 April 2020
5	Lee Kai Kwong	Strategy, Finance & SPAPM Director	OJK	EGMS 19 December 2018	No. SR-98/PB.12/2019 dated 24 April 2019	24 April 2019	AGMS 8 April 2022
6	Tjioe Mei Tjuen	Operations & Information Technology Director	OJK	AGMS 9 April 2020	No. SR-358/PB.12/2020 dated 3 November 2020	3 November 2020	-
7	Rusly Johannes	Business Banking Director	OJK	EGMS 17 December 2021	No. SR-75/PB.12/2022, dated 22 April 2022	22 April 2022	-
8	Joni Raini	Human Resource Director	OJK	EGMS 17 December 2021	No. SR-45/PB.12/2022, dated 9 March 2022	9 March 2022	-
9	Henky Sulisty	Risk Management Director	OJK	EGMS 17 December 2021	No. SR-45/PB.12/2022 dated 9 March 2022	9 March 2022	-
10	Noviady Wahyudi	Consumer Banking Director	OJK	AGMS 8 April 2022	No. SR-179/PB.12/2022 dated 16 August 2022	16 August 2022	-

### DUTIES, RESPONSIBILITIES, AND AUTHORITY OF THE BOARD OF DIRECTORS

The Board of Directors has collegial duties, responsibilities, and authority in carrying out management of the Bank for the Bank's interests, as well as to achieve the Bank's goals and objectives as stated in the Articles of Association and applicable laws and regulations. The Board of Directors is required to incorporate GCG principles into all bank business activities at all levels of the organization. The Board of Directors' duties, responsibilities, and authorities are detailed in the Bank's Articles of Association and Board of Directors' Charter, which can be found on the CIMB Niaga website.

The main duties of the Board of Directors include, but are not limited to: (i) leading and managing the Bank in accordance with the Bank's objectives, including leading the management team in the process of preparing and evaluating the Bank's strategy at least annually, (ii) controlling, maintaining, and managing the Bank's assets for the Bank's interests,

(iii) creating the Bank's internal control structure at every level of management and following up on internal audits. The Board of Directors' authority includes, among other things, representing the Bank internally and externally, binding the Bank with other parties, and carrying out all management and ownership actions subject to certain limitations outlined in the Bank's Articles of Association.

### THE SCOPE OF WORK AND RESPONSIBILITIES OF EACH MEMBER OF THE BOARD OF DIRECTORS

All members of the Board of Directors unanimously decide on the distribution of each member's main duties and authorities in accordance with the Circular Resolution of the Bank's Board of Directors concerning the Distribution of Duties and Authorities of the Board of Directors, as follows:

#### 1. LANI DARMAWAN – PRESIDENT DIRECTOR

- a. Responsible for the Bank's overall direction, strategy, and management, ensuring that all aspects of the Bank's strategy, activities, programs, services, and governance are carried out in the best interests of shareholders, customers, employees, and the community.
- b. Provide guidance and direction in relation to the policies of operational support and banking services, information technology, systems and procedures, legal aspects, financial, and human resources.
- c. Ensure that compliance functions are implemented in all banking operations, as well as the Bank's risk management policies, so that the Bank maintains high ethical standards and follows the principles of good corporate governance and prudent banking practices.
- d. Providing strategic direction in the field of human resource management and development to increase the productivity and quality of the Bank's human resources in support of the Bank's work targets, while also ensuring and maintaining compliance with applicable labor regulations and the Bank's culture.

#### 2. LEE KAI KWONG – STRATEGY, FINANCE & SPAPM DIRECTOR

- a. Provide strategic direction, guidance, and strategies for the overall implementation of financial activities, particularly in monitoring and evaluating the performance of the Bank and its subsidiaries, such as budgets and financial management, in accordance with the Bank's vision and mission.

- b. Manage the bank's financial performance, capital, and strategic investments to maximize profitability, productivity, and total shareholder return.
- c. Develop and handle management and accounting information systems, as well as bank performance, which will be reported to regulators and shared with stakeholders.
- d. Oversee and plan effective financial management, and ensure that accounting practices comply with applicable regulations and standards.
- e. Ensure that Strategic Procurement & Admin Property Management (SPAPM) activities run smoothly, supporting Bank operations efficiently and effectively.

#### 3. JOHN SIMON – TREASURE & CAPITAL MARKETS DIRECTOR

- a. Provide direction, guidance, and strategies for all Treasury and Capital Market activities, such as trading, market making, and short-term liquidity management, in order to meet growth targets, achieve profitability, and maintain a competitive market position.
- b. Provide direction, guidance, and strategies for implementing ALCO functions in collaboration with other ALCO members, such as managing liquidity, funding, FTP, Bank assets, and liabilities, in order to meet the Bank's growth and profitability targets.
- c. Maintain positive relationships with financial institutions, customers, the community, and the government to ensure the Bank's image, anticipatory identification, and timely response to maximize market opportunities.

#### 4. FRANSISKA OEI – COMPLIANCE, CORPORATE AFFAIRS & LEGAL DIRECTOR

- a. Develop a compliance strategy that addresses issues related to compliance policies and principles.
- b. Ensure that all internal regulations of the Bank (policies, systems, and procedures) are consistent with relevant external rules and regulations (Bank Indonesia, OJK, and other institutions/authorities), including Capital Market regulations.
- c. Responsible for managing the Bank's legal risks.
- d. Providing the public with any information they require, particularly about the Bank's status as a public company, including maintaining its reputation and acting as a liaison or contact person between the Bank, regulators, and the general public.



- e. Responsible for the Bank's Corporate Social Responsibility activities as well as the implementation of sustainability and sustainable finance.

**5. PANDJI P. DJAJANEGARA – SHARIA BANKING DIRECTOR**

- a. Providing innovative strategic direction for the implementation of Sharia banking operations.
- b. Ensure the availability of work policies and procedures, development, marketing, and product sales, as well as managing Sharia Banking functions such as daily operations, business development and customer relationships, and system and work process management.
- c. Ensure that profits and business growth achievement align with the Bank's objectives and Sharia Banking principles.

**6. TJIOE MEI TJUEN – OPERATIONS AND INFORMATION TECHNOLOGY DIRECTOR**

- a. Determine the Bank's long-term operational and IT strategy.
- b. Directing the Directorate of Operations and Information Technology to improve the effectiveness and efficiency of managing banking operational transactions while maintaining high standards of reliability.
- c. Ensure that users communicate effectively regarding operational processes and information technology as needed.
- d. Ensure that strategies and information technology infrastructure and security systems are implemented in operational activities, transactions, data information, and digital channels in all business units to ensure smooth operations and minimize Bank risks.

**7. HENKY SULISTYO – RISK MANAGEMENT DIRECTOR**

- a. Provide strategic direction, guidelines, and risk management policies in accordance with the most recent business developments, prudential principles, and the Bank's risk characteristics so that risks can be identified, monitored, controlled, and managed appropriately and efficiently in a comprehensive manner.
- b. Oversee all aspects of the Bank's second line of defense in loan risk management, as well as the effective implementation of the Bank's comprehensive loan risk management framework.
- c. Plan, develop, manage, and direct the comprehensive implementation of processes and strategies, policies, loan administration, frameworks, and loan management methodologies to ensure that loan risks taken fall within the Bank's Risk Appetite.

- d. Reviewing loan proposals and maintaining loan portfolio quality as a member of loan-related committees, as well as ensuring that all business activities are in accordance with applicable regulations, policies, and procedures.

- e. Encourage the Bank's climate change risk management strategy, ensure strong Board of Directors oversight, foster understanding of existing risks, and effectively integrate them into internal controls to maintain the Bank's resilience to the effects of climate change in accordance with existing laws and regulations. Climate Risk Stress Testing (CRST) provisions that are applicable, both internal and group-wide.

**8. JONI RAINI – HUMAN RESOURCES DIRECTOR**

- a. Provide strategic direction for human resource management and development in accordance with the Bank's vision, mission, and strategy, while ensuring compliance with applicable labor regulations.
- b. Carrying out workforce planning and organizational management, as well as controlling the HR expenditure budget per directorate in accordance with the approved budget, to achieve maximum HR productivity.
- c. Plan, develop, and implement policies, management strategies, and human resource development, such as recruitment, performance management, organizational development, training and development, organizational culture, talent management and succession planning, remuneration systems, HR information and reporting systems, operational risk management, personnel policies and SOPs, and other personnel services.

**9. RUSLY JOHANNES – BUSINESS BANKING DIRECTOR**

- a. Determine business strategies and offer strategic direction and guidance for all Business Banking segments, products, and services, such as Financial Institutions/Non-Bank Financial Institutions, Corporate, Commercial, and Emerging Business Banking (EBB).
- b. Accountable for meeting funding and loan targets, as well as increasing cross-selling within these segments and with branches.
- c. Determine competitive product direction, service development, and operational support in response to banking industry demands and technological advancements.

## 10. NOVIADY WAHYUDI – CONSUMER BANKING DIRECTOR

- a. Develop strategies and provide guidance in the areas of service and sales of Consumer Banking products in all Indonesian branches.
- b. Maximising market potential by developing competitive and innovative Consumer Banking products in order to meet the Bank's profit targets, while ensuring prudent aspects, overall implementation of all aspects of the Bank's risk management policies, and efficient and effective banking business processes.
- c. Ensure that the Bank's network expansion and innovation strategy is implemented and executed in the development of digital channels and branches, in order to stay current with market developments, technological demands, customer needs, and achieve a good market share in a competitive market.

### INDEPENDENCE OF THE BOARD OF DIRECTORS

The CIMB Niaga Board of Directors is committed to upholding and implementing the principle of independence in carrying out its duties and responsibilities, prioritizing the Bank's interests over its own. The Bank's Board of Directors always work and behave with high integrity, as regulated in the Board of Directors Charter, which states:

1. Members of the Board of Directors are not permitted to use the Bank or information obtained from it for personal, family, or other party interests that may harm or reduce the Bank's or its subsidiaries' profits and reputation.
2. Members of the Board of Directors are not permitted to accept and/or receive personal benefits from the Bank other than remuneration and other facilities specified by the GMS and/or internal policies.
3. Members of the Board of Directors are prohibited from employing individual advisors and/or professional services as consultants unless they meet the following requirements:
  - a. Specific Projects
  - b. Based on a clear contract that at least includes the scope of work, responsibilities, work period, and costs;
  - c. Consultants are independent parties with the necessary qualifications to work on specific projects.

### CONCURRENT POSITION OF THE BOARD OF DIRECTORS

All members of the CIMB Niaga Board of Directors hold no concurrent positions other than those authorized by applicable regulations. Members of the Board of Directors are not permitted to serve concurrently on the Boards of Commissioners, Board of Directors, or Executive Officers of banks, companies, and/or other institutions, except in cases permitted by OJK Regulation No. 17 of 2023 on the Implementation of Governance for Commercial Banks.

Members of the Board of Directors who are responsible for the supervision of the Bank's subsidiaries perform functional duties as members of the Board of Commissioners in non-bank subsidiary companies controlled by the Bank; however, if the concurrent position does not result in the person neglecting the implementation of their duties and responsibilities as a member of the Board of Directors, this is not considered a concurrent position.

Information on concurrent positions of each Board of Directors members at the Bank's subsidiaries in 2023 can be viewed in the Company Profile Chapter of this Annual Report.

### CONFLICT OF INTEREST OF THE BOARD OF DIRECTORS

Throughout 2023, no member of the Board of Directors has a conflict of interest with the Bank, either actual or potential. The CIMB Niaga Board of Directors is always committed to avoiding potential conflicts of interest or positioning itself to avoid potential conflicts of interest in any situation, as stated in the Board of Directors' Charter. In the event of a conflict of interest, the Board of Directors is prohibited from taking any action that could harm or reduce the Bank's profits, and it is required to disclose the potential conflict of interest in all decisions.

Members of the Board of Directors are not permitted to represent the Bank if:

1. There is a court case between the Bank and the member of the Board of Directors involved; and/or
2. The relevant member of the Board of Directors has a conflict of interest with the Bank's interests.

Procedures that must be followed by members of the Board of Directors in the event of a conflict of interest, namely every member of the Board of Directors who personally, in any way, either directly or indirectly, has an interest in a transaction, contract or proposed contract, in which the Bank is a party, must declare the nature of interests at a Board of Directors meeting and have no right to participate in voting on matters related to the proposed transaction or contract, unless the Board of Directors determines otherwise.

## PARTICIPATION OF THE BOARD OF DIRECTORS MEMBERS IN ASSOCIATIONS/ORGANIZATIONS

Several members of the Bank's Board of Directors are listed as active participants in a variety of associations/organizations. A member of the Board of Directors' involvement in an association/organization does not preclude the person from carrying out their duties and responsibilities as a member of the Bank's Board of Directors, and therefore this is not considered a concurrent position.

No.	Name	Position	Position in Association/Organization
1	Lani Darmawan	Presiden Director	<ul style="list-style-type: none"> <li>Member of the Monetary and Financial Services Policy Board at the Indonesian Chamber of Commerce and Industry (KADIN Indonesia) Banking Sector - (2021 -2026)</li> <li>Deputy Chairman of Institutional Relations at PERBANAS - (2021 - 2024)</li> <li>Member of the Indonesian Employers' Association (APINDO) Banking Sector - (2023-2028)</li> </ul>
2	John Simon	Treasury & Capital Market Director	<ul style="list-style-type: none"> <li>Member of Association Cambiste Internationale the Financial Markets Association of Indonesia (ACI FMA Indonesia) - (2020 - present)</li> <li>Member and Board of Indonesia Foreign Exchange Market Committee (IFEMC) -(2023-2027)</li> </ul>
3	Pandji P. Djajanegara	Sharia Banking Director	<ul style="list-style-type: none"> <li>Deputy Secretary General (Wasekjend) II – IBI (2023-2027)</li> <li>Head of ASBISINDO Regulatory Division (2021-2024)</li> <li>Member of the Research, Study and Publication Sector (RPP) of the Indonesian Bankers Association (IBI) (2019-2023)</li> <li>Member of the ASBISINDO Regulatory Committee (2018-2021)</li> </ul>
4	Fransiska Oei	Compliance, Corporate Affair & Legal Director	<ul style="list-style-type: none"> <li>Chairwoman of the Banking Compliance Director Communication Forum (FKDKP) - (2022-2025)</li> <li>Head of Legal Studies &amp; ESG Development Division, PERBANAS (2020-2024)</li> <li>Member of the PERBANAS Education Foundation Management (2018-2023)</li> <li>Supervisor of Alternative Financial Services Sector Dispute Resolution Institutions (LAPS SJK) - (2020-2023). In 2023, it has been extended to March 2024 and the results of the OJK FPT for the 2024 - 2027 Supervisory period, appointments will be made at the RUA in March 2024.</li> <li>Member of the Management Board of the National Governance Policy Committee (KNKG) - (2021-2024)</li> </ul>
5	Tjioe Mei Tjuen	Operations & Information Technology Director	<ul style="list-style-type: none"> <li>General Treasurer of the Banking Operations Director Communication Forum (FKDOP) - (2021-present)</li> <li>Member of iCIO-Indonesia CIO (2016-present)</li> </ul>
6	Henky Sulistyio	Risk Management Director	<ul style="list-style-type: none"> <li>Director of the Financial Risk Management Directorate, Bankers Association for Risk Management (BARA) - (2021 - 2024)</li> <li>Member of Research, Studies, Publications of the Indonesian Bankers Association (IBI) – (2023 – 2027)</li> </ul>

## POLICY ON THE PROVISION OF LOAN TO THE BOARD OF DIRECTORS

CIMB Niaga has and implements a policy of providing loans to the Board of Directors under normal price policies and conditions, as it does with parties who are not related to the bank. This policy is outlined in the Board of Directors Charter. Loans made by the Board of Directors will be calculated using CIMB Niaga's Legal Lending Limit in accordance with PBI No. 8/13/PBI/2006.

## IMPLEMENTATION OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS IN 2023

In addition to implementing the GMS decisions made during the fiscal year, the Board of Directors fulfilled the following duties and responsibilities in 2023:

1. Lead the management team in the preparation and evaluation of the Bank's strategy during the Board of Directors Meeting on the Bank Business Plan (RBB) on 25 October 2022, and the revision of the 2023 RBB on 16 May 2023.
2. Determine strategic steps to achieve the Bank's mission of providing universal banking services in

Indonesia in an integrated manner, such as (i) focusing on key expertise, (ii) focusing on the growth of low-cost funds, (iii) increasing cost management efficiency and discipline, (iv) balancing risk, compliance culture, and capital adequacy, and (v) strengthening the use of technology and information.

3. Executing syndicated loan by effectively managing loan risk and improving infrastructure to foster the growth of business banking customers.
4. Improving each customer's experience, in line with the Bank's goal of remaining at the forefront of innovation and digital banking services.
5. Branchless banking development, including ATM optimization and addition, CRM and CDM development, and digital-based services and products such as OCTO Clicks, OCTO Mobile, BizChannel, and Bizlite.
6. Determine and evaluate the Information Technology (IT) strategic plan through the IT Steering Committee (ITSC), monitor and ensure policies and standard procedures, including their dissemination, regarding the Bank's adequate use of IT, and monitor and ensure

all IT implementation activities are in accordance with OJK Regulation No. 11 of 2022 on the Implementation of Information Technology by Commercial Banks.

7. Strengthening IT Security capabilities for protecting the Bank's confidential data, as well as increasing the Security Operations Center work unit's ability to monitor and combat cybercrime attacks.
8. Ensure that Business Continuity Management and Business Continuity Plans are developed and implemented across all CIMB Niaga lines so that the organization can continue to provide financial services at an acceptable level during a crisis.
9. Actively monitor debtors in the midst of COVID-19 recovery efforts or the start of the endemic phase who are included in economic sectors that are considered vulnerable to the impacts of COVID-19.
10. Continued development of the Transformation program, which has been planned since 2019. The Bank is implementing a transformation program aimed at short, medium, and long-term growth through the use of new technologies, agile development, and data analytics, with a focus on customer experience. It is hoped that the implementation of the Transformation program will elevate the Bank to even higher levels.

## POLICY AND IMPLEMENTATION OF MEETING FREQUENCY

### PROVISIONS FOR BOARD OF DIRECTORS MEETING AND BOARD OF DIRECTORS MEETING WITH THE BOARD OF COMMISSIONERS

1. Before the end of the fiscal year, the Board of Directors must prepare and upload a schedule for the Board of Directors' meetings as well as Board of Directors' meeting with the Board of Commissioners for the following fiscal year to the Bank's website.
2. Board of Directors meetings must be held periodically at least once a month, or at any time if deemed necessary, for a total of at least 12 (twelve) times a year. A proposal to hold a Board of Directors meeting may come from one or more members of the Board of Directors or upon written request from the Board of Commissioners, or upon written request from 1 (one) or more shareholders who together represent 1/10 (one tenth) or more of the total number of shares with valid voting rights issued by the Bank.
3. The Board of Directors is obliged to hold Board of Directors meeting with the Board of Commissioner at least once every four months, or three times per year.

4. Board of Directors meetings can be held in person, via teleconference technology, telepresence, or other electronic media.
5. All Board of Directors members must attend at least 75% (seventy-five percent) of meetings each year.
6. Every policy and strategic decision must be made at a Board of Directors meeting, considering the Articles of Association provisions as well as any applicable laws and regulations.
7. For a permanent meeting agenda, invitations and meeting materials must be delivered to participants at least 5 (five) working days prior to the holding of the meeting.
8. In the event that a meeting is held outside of the above-mentioned schedule, the meeting materials must be delivered to the meeting participants no later than before the meeting begins.
9. The President Director chairs all Board of Directors meetings. In the event that the President Director is absent, unable to attend, or unavailable, which does not need to be proven to a third party, the Board of Directors meeting will be chaired by the Vice President Director or a member of the Board of Directors who is present and chosen by the Board of Directors present at the meeting.
10. Board of Directors meetings are valid and have the authority to make legal and binding decisions if attended/represented by at least 2/3 (two-thirds) of the total Board' of Directors' members.
11. Decisions at Board of Directors Meetings are taken based on deliberation to reach consensus. In the event that a decision based on deliberation to reach consensus is not reached, then the decision is taken by voting based on the "agree" votes of at least 2/3 (two thirds) of the number of members of the Board of Directors present at the meeting.
12. Each member of the Board of Directors present has the right to cast 1 (one) vote, and an additional 1 (one) vote for each other member of the Board of Directors he/she represents.
13. A member of the Board of Directors may only be represented by another member based on a special Power of Attorney made for the purposes of the meeting, provided that the physical absence:
  - a. can be calculated in the frequency of physical presence at Bank Board of Directors meetings.
  - b. does not eliminate the right to vote in decision-making in accordance with the power granted, so that voting rights are considered in the meeting forum.
14. Members of the Board of Directors who are unable to attend a Board of Directors meeting must communicate their absence to the President Director via the Corporate Secretary.



15. Decisions can be made at meetings or outside of meetings, specifically through Circular Resolution of the Board of Directors or other recognized media, as long as all members of the Board of Directors sign the Circular Decisions or media in question.
16. The Corporate Secretary attends Board of Directors meetings, as well as any other parties deemed necessary by the Board of Directors and relevant to the meeting agenda, both internal and external to the Bank.
17. The Corporate Secretary prepares and administers meeting minutes, and if one of the Directors serves as the Corporate Secretary, the minutes can be prepared by the Corporate Affairs work unit.
18. Board of Directors meeting minutes must be signed by all members present and distributed to all members.
19. The minutes of the Board of Directors meeting state the presence of each member of the Board of Directors either in person, via teleconference or telepresence.
20. In the event that a Board of Directors meeting is held via teleconference technology, telepresence, or other electronic media, the meeting minutes must be prepared and signed by all members of the Board of Directors who were present.
21. Minutes of Board of Directors meetings are admissible evidence for members of the Board of Directors and third parties regarding decisions made at such meetings.
22. If a dissenting opinion arises at a Board of Directors meeting, it must be clearly stated in the meeting minutes, along with the reasons for the dissent.
23. Decisions made at Board of Directors meeting with the Board of Commissioners must be documented in meeting minutes, signed by all members of the Board of Directors and Board of Commissioners present, and communicated to all members of the Board of Directors and Board of Commissioners, as well as the Corporate Secretary.
24. In the event that there are members of the Board of Directors and/or the Board of Commissioners who do not sign the minutes of the above-mentioned meeting, the person in question is obliged to state the reason in writing in a separate letter attached to the minutes.
25. The Board of Directors can also make legal and binding decisions without holding a Board of Directors meeting, provided that all members of the Board of Directors give their approval by signing a decision letter containing the proposal (Circular Decision).
26. Circular Decisions have the same power as decisions legally made at a Board of Directors meeting.

In line with the new HyWork way of working (Hybrid Working, Happy Working), which has been implemented since 2021 at the Bank, in 2023, Board of Directors meetings and Board of Commissioners meetings with the Board of Commissioners were held physically, virtually, or hybridly (physical and virtual).

The schedule for meetings of the Board of Directors and meeting of the Board of Directors with the Board of Commissioners throughout 2023 has been prepared and uploaded to the Bank's website at the end of 2022.

### BOARD OF DIRECTORS MEETING AGENDA IN 2023

Throughout 2023, the Board of Directors Meeting discussed agendas, among others, as shown below.

No.	Date	Agenda	Participant
1	10 January 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>1. Consolidated Financial Performance as of December 2022</li> <li>2. Spin Off Progress Update</li> <li>3. Others</li> </ol>	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Fransiska Oei</li> <li>5. Pandji Djajanegara</li> <li>6. Tjioe Mei Tjuen</li> <li>7. Henky Sulistyio</li> <li>8. Joni Raini</li> <li>9. Noviady Wahyudi</li> </ol>
2	17 January 2023	<ol style="list-style-type: none"> <li>1. Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>2. Internal Audit Summary as of December 2022</li> <li>3. Risk Profile for Quarter 4 2022 and RBBR Semester 2/2022 Integrated Risk Profile for Semester 2/2022</li> <li>4. 2023 BMC Scorecard Framework</li> <li>5. 2022 Collegial Evaluation of the Board of Directors</li> <li>6. Others</li> </ol>	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Fransiska Oei</li> <li>5. Pandji Djajanegara</li> <li>6. Tjioe Mei Tjuen</li> <li>7. Henky Sulistyio</li> <li>8. Joni Raini</li> <li>9. Rusly Johannes</li> <li>10. Noviady Wahyudi</li> </ol>

No.	Date	Agenda	Participant
3	27 January 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>End of Year Audit Findings for the Financial Year ending 31 December 2022</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
4	31 January 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Appetite Sector and Limit Sector 2023</li> <li>MRT (Material Risk Taker) Shares 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Joni Raini</li> <li>Henky Sulisty</li> <li>Noviady Wahyudi</li> </ol>
5	7 February 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Consolidated Financial Performance as of January 2023</li> <li>OHI Result 2022</li> <li>EPICC Podcasts</li> <li>2023 BMC Scorecards Update</li> <li>People Forums</li> <li>Wealth XPO and Xtra EXPO</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Noviady Wahyudi</li> </ol>
6	14 February 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Approval of the Appointment of an External Auditor for the 2023 Financial Year</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
7	21 February 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Data Analytics Highlights</li> <li>2023 Dividend Payment</li> <li>Compliance Director Report Semester 2 2022 (Compliance, AML, Legal)</li> <li>2022 Sustainability Update</li> <li>Wage Structure and Wage Scale 2023 Update</li> <li>Free Float Stock Update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
8	7 March 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Report on share ownership and changes in share ownership of the Board of Directors and Board of Commissioners</li> <li>Convene (Board Meeting System)</li> <li>Consolidated Financial Performance as of February 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Ibu Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
9	14 March 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Adjustment of UMT and Official Travel and Education 2023</li> <li>Digital Banking Update: 2023 Strategy and Initiatives</li> <li>Establishment of CCP SBNT in Indonesia</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
10	28 March 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Changes to the 1<sup>st</sup> Quarter 2023 Audit Plan</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Joni Raini</li> <li>Henky Sulisty</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>



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Risk Management

No.	Date	Agenda	Participant
11	4 April 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Results of the Group Wide Stress Test (GWST) and Bottom Up Stress Test (BUST)</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
12	11 April 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Consolidated Financial Performance as of March 2023</li> <li>Internal Audit Summary as of March 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
13	18 April 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>RBB Realization Report for Q1 of 2023</li> <li>Data Management Update</li> <li>Risk Profile for Q1 of 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
14	2 May 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Xtra Xpo Update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
15	9 May 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Consolidated Financial Performance as of April 2023</li> <li>OPeRa 2022 update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
16	16 May 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Internal Audit Summary as of April 2022</li> <li>Reverse Stress Test (RST) results for</li> <li>Recovery Plan Group as of December 2022 Revised RBB 2023 - Bank only</li> <li>Compliance Director Report Q1 2023 (Compliance, AML &amp; Legal)</li> <li>Sustainability Update Q1 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
17	30 May 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Talent Retention Program</li> <li>Sharia Regulations Update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
18	6 June 2023	<ol style="list-style-type: none"> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>

No.	Date	Agenda	Participant
19	13 June 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Consolidated Financial Performance as of May 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
20	20 June 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Internal Audit Summary as of May 2023</li> <li>Mid-Year Senior Leader Conference (SLC): Achievement of PBT 10Tn +10 million customers through CASA in 2024</li> <li>Uniform Classification- Write Off Account</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Rusly Johannes</li> </ol>
21	4 July 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Risk Management Certification Update</li> <li>Short Term Assignments</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> </ol>
22	11 July 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Consolidated Financial Performance as of June 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
23	23 July 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Internal Audit Summary as of June 2023</li> <li>Q2 - 2023 Risk Profile, Integrated Risk Profile &amp; RBBR Semester 1 2023 and ICAAP</li> <li>Chasing Dreams Concert for Indonesia 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
24	1 August 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Follow-up from the previous Board of Directors Meeting</li> <li>Encashed Overbooking Proposal for customers</li> <li>CIMB Niaga 68<sup>th</sup> Anniversary and CIMB Niaga Olympics</li> <li>ANZU Project</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
25	8 August 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Consolidated Financial Performance as of July 2023</li> <li>POJK No. 12/2023 (UUS) Update</li> <li>EPICC, OHI &amp; HYWork Survey Pulse</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
26	15 August 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Follow-up from the previous Board of Directors Meeting</li> <li> <ol style="list-style-type: none"> <li>Audit Plan for the year ending December 31, 2023</li> <li>Socialization of sustainability reporting</li> </ol> </li> <li> <ol style="list-style-type: none"> <li>Internal Audit Summary as of July 2023</li> <li>2023 Mid-Year Risk Assessment and Audit Plan Update</li> </ol> </li> <li> <ol style="list-style-type: none"> <li>Extraordinary General Meeting of Shareholders (EGMS) 2023</li> <li>Issuance of PMTHMETD</li> </ol> </li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>



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Risk Management

No.	Date	Agenda	Participant
27	29 August 2023	<ol style="list-style-type: none"> <li>Treasury Shares Placement Agent</li> <li>AML Update – Compliance Director Report</li> <li>The Cooler Earth 2023</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
28	5 September 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Follow-up from the previous Board of Directors Meeting</li> <li>PT Musim Mas (Musim Mas Group)</li> <li>Contingency Funding Plan (CFP) Test</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
29	12 September 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Consolidated Financial Performance as of August 2023</li> <li> <ol style="list-style-type: none"> <li>Spin Off Update</li> <li>Alleviating Stunting and Extreme Poverty</li> </ol> </li> <li>The Cooler Earth 2023 Update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
30	20 September 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Follow-up from the previous Board of Directors Meeting</li> <li>Internal Audit Summary as of August 2023</li> <li>Risk Posture 2024</li> <li>Implementation of Internal Carbon Pricing</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
31	26 September 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Follow-up to the previous Board of Directors Meeting</li> <li>CIMB Niaga Olympic Update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
32	3 October 2023	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meetings</li> <li>Follow-up to the previous Board of Directors Meeting</li> <li>Update GWM incentives</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Noviady Wahyudi</li> </ol>
33	3 October 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>New MRT Scheme</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Noviady Wahyudi</li> </ol>

No.	Date	Agenda	Participant
34	10 October 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>Follow-up to the previous Board of Directors Meeting</li> <li> <ol style="list-style-type: none"> <li>Financial Performance as of September 2023</li> <li>Updated Cost of Funds as of September 2023</li> </ol> </li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
35	17 October 2023	<ol style="list-style-type: none"> <li> <ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>Follow-up to the previous Board of Directors Meeting</li> </ol> </li> <li>Risk Profile for Quarter 3 2023</li> <li>Internal Audit Summary as of September 2023</li> <li>Sustainable Finance Action Plan 2023, Realization of RKAB &amp; RKAB 2024-2028</li> <li>Finance Update and Approval           <ol style="list-style-type: none"> <li>GWM Incentive</li> <li>RDN account and share ownership</li> <li>SMART 2.0 update</li> <li>Stock Recording – Head Office Progress Update</li> </ol> </li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
36	24 October 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li> <ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>Follow-up from the previous Board of Directors Meeting</li> </ol> </li> <li>Realization of RBB Q3 2023 and RBB 2024</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
37	31 October 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li> <ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minute of Board of Directors' Meeting</li> <li>Follow-up from the previous Board of Directors Meeting</li> </ol> </li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Ibu Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
38	7 November 2023	<ol style="list-style-type: none"> <li> <ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minute of Board of Directors' Meeting</li> <li>Follow-up to the previous Board of Directors Meeting</li> </ol> </li> <li>Consolidated Financial Report Performance as of October 2023</li> <li>RBB (Bank Business Plan) 2024</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
39	14 November 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li> <ol style="list-style-type: none"> <li>Confirmation of the Minutes of Board of Directors' Meetings</li> <li>Follow-up from the previous Board of Directors Meeting</li> </ol> </li> <li>Regional Distribution System</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>John Simon</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>
40	21 November 2023	<ol style="list-style-type: none"> <li> <ol style="list-style-type: none"> <li>Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>Follow-up from the previous Board of Directors Meeting</li> </ol> </li> <li>Internal Audit Summary as of October 2023</li> <li>Forward Way of Working – Microsoft 365</li> <li> <ol style="list-style-type: none"> <li>Fixed asset recording</li> <li>GWM Incentive</li> </ol> </li> <li>Compliance Director Report Q3 2023 (Compliance, AML &amp; Legal)</li> <li>Sustainability Update as of October 2023</li> <li>Special Asset Update</li> <li>F23+GIL/BDR Update</li> <li>Others</li> </ol>	<ol style="list-style-type: none"> <li>Lani Darmawan</li> <li>Lee Kai Kwong</li> <li>John Simon</li> <li>Fransiska Oei</li> <li>Pandji Djajanegara</li> <li>Tjioe Mei Tjuen</li> <li>Henky Sulisty</li> <li>Joni Raini</li> <li>Rusly Johannes</li> <li>Noviady Wahyudi</li> </ol>



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

No.	Date	Agenda	Participant
41	28 November 2023 (Ad Hoc)	<ol style="list-style-type: none"> <li>a. Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>b. Follow-up from the previous Board of Directors Meeting</li> <li>2. Anti-Bribery and Corruption Report 2023</li> <li>3. OJK Audit Findings Update</li> <li>4. Incentives and relaxation proposals Update</li> <li>5. Others</li> </ol>	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Fransiska Oei</li> <li>5. Pandji Djajanegara</li> <li>6. Tjioe Mei Tjuen</li> <li>7. Henky Sulistyio</li> <li>8. Joni Raini</li> <li>9. Rusly Johannes</li> <li>10. Noviady Wahyudi</li> </ol>
42	5 December 2023	<ol style="list-style-type: none"> <li>a. Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>b. Follow-up from the previous Board of Directors Meeting</li> <li>2. PwC Audit Update for the Financial Year Ending December 31, 2023</li> <li>3. Capital Target and Capital Threshold 2024</li> <li>4. a. Internal Regulations Against Delays in Submitting Audited Financial Reports (LK)</li> <li>b. Differences in Credit Quality Assessment between Collectability (POJK) and Internal Bank Rating (ICRES)</li> <li>5. EPICC Customer Centricity</li> <li>6. Senior Leader Conference (SLC) 2023</li> <li>7. Annual AGMS 2024</li> <li>8. Others</li> </ol>	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Fransiska Oei</li> <li>5. Pandji Djajanegara</li> <li>6. Tjioe Mei Tjuen</li> <li>7. Henky Sulistyio</li> <li>8. Joni Raini</li> <li>9. Rusly Johannes</li> <li>10. Noviady Wahyudi</li> </ol>
43	12 December 2023	<ol style="list-style-type: none"> <li>a. Confirmation/Monitoring of the Minutes of Board of Directors' Meeting</li> <li>b. Follow-up from the previous Board of Directors Meeting</li> <li>2. a. Internal Audit Summary as of November 2023</li> <li>b. 2023 Audit Plan Update</li> <li>3. Financial Performance as of November 2023</li> <li>4. Follow up on OJK Audit Findings: <ol style="list-style-type: none"> <li>a. Internal Regulations Against Delays in Submitting Audited Financial Reports (LK).</li> <li>b. Differences in Credit Quality Assessment between Collectability (POJK) and Internal Bank Rating (ICRES)</li> </ol> </li> <li>5. Joint Leave 2024</li> <li>6. Inactive Asset and Abandoned Property Process Update</li> <li>7. Final Thanksgiving</li> </ol>	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. Fransiska Oei</li> <li>4. Pandji Djajanegara</li> <li>5. Tjioe Mei Tjuen</li> <li>6. Henky Sulistyio</li> <li>7. Joni Raini</li> <li>8. Rusly Johannes</li> <li>9. Noviady Wahyudi</li> </ol>

#### AGENDA OF JOINT MEETINGS OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS IN 2023

No.	Date	Directors in Attendance	Commissioners in Attendance	Agenda
1	27 January 2023	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Fransiska Oei</li> <li>5. Tjioe Mei Tjuen</li> <li>6. Rusly Johannes</li> <li>7. Henky Sulistyio</li> <li>8. Joni Raini</li> <li>9. Noviady Wahyudi</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> </ol>	Financial Performance as of December 2022 (including Final Business Performance 2022, Budget 2023 and Budget Group 2023)
2	8 May 2023	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Pandji Djajanegara</li> <li>5. Fransiska Oei</li> <li>6. Tjioe Mei Tjuen</li> <li>7. Rusly Johannes</li> <li>8. Henky Sulistyio</li> <li>9. Joni Raini</li> <li>10. Noviady Wahyudi</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> <li>7. Farina J. Situmorang<sup>*)</sup></li> </ol>	Financial Performance as of March 2023
3	25 July 2023	<ol style="list-style-type: none"> <li>1. Lani Darmawan</li> <li>2. Lee Kai Kwong</li> <li>3. John Simon</li> <li>4. Fransiska Oei</li> <li>5. Tjioe Mei Tjuen</li> <li>6. Rusly Johannes</li> <li>7. Henky Sulistyio</li> <li>8. Joni Raini</li> <li>9. Noviady Wahyudi</li> </ol>	<ol style="list-style-type: none"> <li>1. Didi Syafruddin Yahya</li> <li>2. Glenn M. S. Yusuf</li> <li>3. Jeffrey Kairupan</li> <li>4. Sri Widowati</li> <li>5. Dato' Abdul Rahman Ahmad</li> <li>6. Vera Handajani</li> <li>7. Farina J. Situmorang<sup>*)</sup></li> </ol>	Financial Performance as of June 2023

No.	Date	Directors in Attendance	Commissioners in Attendance	Agenda
4	26 October 2023	1. Lani Darmawan 2. Lee Kai Kwong 3. John Simon 4. Pandji Djajanegara 5. Fransiska Oei 6. Tjioe Mei Tjuen 7. Rusly Johannes 8. Henky Sulistyio 9. Joni Raini 10. Noviady Wahyudi	1. Didi Syafruddin Yahya 2. Glenn M. S. Yusuf 3. Jeffrey Kairupan 4. Sri Widowati 5. Dato' Abdul Rahman Ahmad 6. Vera Handajani 7. Farina J. Situmorang <sup>*)</sup>	Financial Performance as of September 2023

<sup>\*)</sup> Appointed as Independent Commissioner at the AGMS on 10 April 2023 and effective as of 25 January 2024. Attendance at meetings held before 25 January 2024 is a invitation to the meeting and is not counted as meeting attendance.

## MEETING FREQUENCY AND ATTENDANCE OF BOARD OF DIRECTORS IN 2023

No.	Name	Board of Directors Meeting			Joint Meeting of the of Director with the Board of Commissioners			AGMS		
		Attendance Frequency	Attendance Rate	Average Attendance Rate	Attendance Frequency	Attendance Rate	Average Attendance Rate	Attendance Frequency	Attendance Rate	Average Attendance Rate
1	Lani Darmawan	40/43	93%	94%	4/4	100%	98%	3/3	100%	96.7%
2	Lee Kai Kwong	40/43	93%		4/4	100%		3/3	100%	
3	John Simon	39/43	91%		4/4	100%		3/3	100%	
4	Fransiska Oei	41/43	95%		4/4	100%		3/3	100%	
5	Pandji Djajanegara	40/43	93%		3/4	75%		3/3	100%	
6	Tjioe Mei Tjuen	41/43	95%		4/4	100%		3/3	100%	
7	Henky Sulistyio	41/43	95%		4/4	100%		3/3	100%	
8	Joni Raini	42/43	98%		4/4	100%		3/3	100%	
9	Rusly Johannes	40/43	93%		4/4	100%		2/3	66.67%	
10	Noviady Wahyudi	41/43	93%		4/4	100%		3/3	100%	

## BOARD OF DIRECTORS DEVELOPMENT PROGRAM

The Board of Directors' competency development program is carried out, among other things, to support the implementation of their duties and achieve sustainable growth and effective bank management, as stated in the Board of Directors' Charter. As a result, CIMB Niaga supports the development of member competencies through Board of Director training programs that are aligned with macroeconomic developments, banking industry dynamics, and ever-changing governance.

## TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

Board of Directors' competencies are developed through training programs for members of the Board of Directors. This program demonstrates the Bank's commitment to improving competence to support the daily execution of the Board of Directors' duties and responsibilities. The training attended by each member of the Board of Directors in 2023 is detailed in the Company Profile Chapter of this Annual Report.

## RISK MANAGEMENT CERTIFICATION

As of 31 December 2023, all serving members of the Board of Directors have Risk Management Certification and/or have completed the Risk Management Refreshment program, as stated in the Company Profile Chapter of this annual report. CIMB Niaga provides Risk Management

Certification and/or Refreshment programs for Board of Directors in accordance with OJK Regulation No. 24 of 2022 on the Development of the Quality of Human Resources for Commercial Banks and OJK Circular Letter No. 28/SEOJK.03/2022 on Risk Management Certification for Commercial Bank Human Resources.

## INDUCTION PROGRAM FOR NEW MEMBERS OF THE BOARD OF DIRECTORS

The induction program for new Board of Directors members is designed to provide an overview of business activities, the Bank's future plans, work guidelines, and other issues under the responsibility of the Board of Director. This orientation program is intended to prepare new members of the Board of Directors to collaborate with other Bank Governance organs. The orientation program materials are documents prepared by the Corporate Affairs work unit, which include:

1. Bank's Vision and Mission.
2. Bank Personell Code of Ethics and Behavior.
3. Bank Organizational Structure.
4. Bank's Articles of Association.
5. Basic Company Policies.
6. Charter of the Board of Directors and Board of Directors' Committee.
7. Applicable regulations governing Banking and Capital Markets.
8. Bank Annual Report.
9. Bank Business Plan.



The Bank has integrated orientation program materials into its digital learning (e-Learning) platform, specifically the Learning on the Go (LoG) application, which prospective Directors can access from anywhere and at any time.

### PERFORMANCE ASSESSMENT POLICY AND PROCEDURE FOR COMMITTEES UNDER THE BOARD OF DIRECTORS (EXECUTIVE COMMITTEE)

Every year, the Board of Directors assesses the performance of Committees at the Board of Directors level. The criteria and basis for considering the Executive Committee's performance assessment based on each Term of Reference (TOR) are as follows:

1. Number of meeting held;
2. Attendance of member of the Board of Directors;
3. Minutes of Meeting Service Level Agreement (SLA);
4. Action Matters Arising; and
5. Meeting invitation distribution.

Throughout 2023, the Board of Directors assesses that the implementation of duties, responsibilities, and discussions at Executive Committee meetings are considered to be running properly and effectively. The participation of members of the Board of Directors at committee meetings during the financial year 2023, including decisions made during meeting discussions, can also be used as a reference.

### PERFORMANCE ASSESSMENT RESULTS OF EXECUTIVE COMMITTEES IN 2023

No.	Executive Committee	Score
1	Risk Management Committee (RMC)	420 (Good)
2	Asset & Liability Committee (ALCO)	430 (Good)
3	Information Technology Steering Committee (ITSC)	435 (Good)
4	Credit Policy Committee (CPC)	490 (Excellent)

### Range Table

Range	Description
>470 - 500	Excellent
400 - <470	Good
300 - <400	Fair
200 - <300	Poor
<200	Very Poor

The performance assessment of the Internal Audit Unit and Risk Management Unit is presented in the Internal Audit and Risk Management Unit section of this chapter in the Annual Report.

## Board of Commissioners and Board of Directors Performance Assessment

### PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS (INCLUDING THE PRESIDENT COMMISSIONER)

In carrying out its functions, duties, and responsibilities, the Board of Commissioners, including the President Commissioner, is evaluated periodically, the result of which is reported to the Shareholders.

### POLICIES AND PROCEDURES IN THE BOARD OF COMMISSIONERS PERFORMANCE ASSESSMENT

Performance assessment of the Board of Commissioners is carried out annually (at least once a year) and every three years the assessment will be conducted by third party. In 2023, the performance assessment of the Board of Commissioners was conducted independently by the Bank through a survey conducted on the Board of Commissioners.

The result of the performance assessment become input for improving the performance of the Board of Commissioners in the future.

The policies and procedures of the assessment are as follows:

1. Collegial performance assessment of the Board of Commissioners;
2. Individual performance assessment of each member of the Board of Commissioners; and
3. Performance assessment of the President Commissioner.

### BOARD OF COMMISSIONERS PERFORMANCE ASSESSMENT CRITERIA

The performance assessment of the Board of Commissioners (including the President Commissioner) is conducted using the following criteria:

1. Criteria for the Collegial Performance Assessment of the Board of Commissioners
  - a. Effectiveness of the Board of Commissioners' Role
  - b. Effectiveness of Tasks and Responsibilities Implementation
  - c. Composition of the Board of Commissioners
  - d. Effectiveness of Meeting, Work Ethics, and Dynamics of the Board of Commissioners
  - e. Implementation of Good Corporate Governance and Sustainability Principles

- f. Effectiveness of Risk Management and Internal Control Implementation
- 2. **Criteria for the Individual Performance Assessment of the Board of Commissioners**
  - a. Competency and capability
  - b. Effectiveness of Tasks and Responsibilities Implementation
- 3. **Criteria for the Performance Assessment of the President Commissioner**
  - a. Effectiveness of Tasks and Responsibilities Implementation
  - b. Leadership

### PARTIES CONDUCTING PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS

The parties conducting performance assessment of the Board of Commissioners are as follows:

1. **Collegial Performance Assessment of the Board of Commissioners**  
Assessment is conducted by each Commissioner on the overall performance of the Board of Commissioners.
2. **Individual Performance Assessment of Each Member of the Board of Commissioners**  
Each Commissioner assesses other Commissioners.
3. **Performance Assessment of the President Commissioner**  
Assessment is conducted by each Commissioner on the performance of the President Commissioner.

All responses given by the above parties are conveyed directly through an online survey. The result of the performance assessment is confidential and anonymous and will be compiled and submitted to the Nomination and Remuneration Committee. Subsequently, the Nomination and Remuneration Committee will present and discuss all performance assessment responses in the Board of Commissioners' meeting. The result will be followed up with an improvement or action plan (if needed).

### BOARD OF COMMISSIONERS PERFORMANCE ASSESSMENT RESULT IN 2023

In 2023, the collegial and individual performance assessment of the Board of Commissioners produced the following results:

Collegial Performance Assessment	Individual Performance Assessment	President Commissioner
4.74 (Exceptional)	4.82 (Exceptional)	4.93 (Exceptional)

The Bank's commitment to implementing the principles of GCG is an aspect that shall be reviewed in the collegial performance assessment of the Board of Commissioners. In 2023, **the performance assessment result on GCG implementation by the Board of Commissioners was 4.71 (Exceptional).**

Range Table

Range	Description
≥ 4.7	Exceptional
4.0 – 4.6	Outstanding
3.7 – 3.9	Exceed Expectation
3.0 – 3.6	Meet Expectation
< 3.0	Need Improvement

### PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS' GCG IMPLEMENTATION

CIMB Niaga carries out a performance assessment of the Board of Commissioners on GCG implementation in the financial year in reference to the Regulation of OJK No. 17 of 2023 and the Circular Letter of OJK No. 13/SEOJK.03/2017, which require public banks to carry out self-assessment on GCG implementation.

### PROCEDURE FOR THE PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS

CIMB Niaga carries out performance assessment of the Board of Commissioners, including GCG self-assessment, periodically in every semester, or in June and December of the current year.

### PERFORMANCE ASSESSMENT CRITERIA OF THE BOARD OF COMMISSIONERS

Criteria used in the performance assessment of the Board of Commissioners are described within the governance system and can be categorized into 3 (three) assessment: Governance Structure, Governance Process, and Governance Result.

### PARTIES CARRYING OUT THE PERFORMANCE ASSESSMENT

The GCG self-assessment involves the Board of Commissioners, Independent Parties, the Board of Directors, Executive Management, and other independent functions, coordinated by the Compliance Unit.

### BOARD OF COMMISSIONERS PERFORMANCE ASSESSMENT RESULT IN 2023

Bank's Governance Self-Assessment Result	
Description	Rating
Implementation of Duties and Responsibilities of the Board of Commissioners	2 (Good)

### RECOMMENDATIONS AND FOLLOW-UP ACTIONS

In 2023, there was no recommendation that has not been followed-up by the Board of Commissioners.

### PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS (INCLUDING PRESIDENT DIRECTOR)

In carrying out its functions, duties, and responsibilities, the Board of Directors, including the President Director, is evaluated periodically, the result of which will be reported to the Shareholders.

### POLICIES AND PROCEDURES FOR THE PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

Policies for the performance assessment of the Board of Directors include:

1. Collegial performance assessment of the Board of Directors, carried out at least 1 (once) a year
2. Individual performance assessment of the Board of Directors (including President Director), carried out at least 2 (twice) a year

every three years, the assessment will be conducted by third party.

In 2023, a collegial performance assessment of the Board of Directors was conducted through a self-assessment online survey, independently carried out by the Bank. The results of the performance assessment are confidential and anonymous, serving as input for continuous improvement of the Board of Directors' performance.

In the individual performance assessment of the Board of Directors, the Bank uses a balanced scorecard as a performance indicator for each member of the Board of Directors. The Bank's aspirations and strategic objectives stated in the Balance Scorecard are interpreted into a Key Performance Indicator (KPI) in accordance with the tasks and responsibilities of each member of the Board of Directors by considering collegial and individual responsibilities, both financially and non-financially.

CIMB Niaga implements **2 (two) KPIs** as follows:

1. **Collective scorecard** as the basis for assessing the performance of the directorates and the Bank's institution and will determine performance-based compensation amounts for employees in relevant directorates.
2. **Individual scorecard** as the basis for determining the performance of the Board of Directors, including the President Director individually.

The two KPIs will be agreed upon by the Board of Directors and submitted to the Nomination and Remuneration Committee for recommendations as well as the Board of Commissioners for approval. Subsequently, the Collective Scorecard (including Sustainability KPI) will be disseminated to all employees to ensure alignment with the objectives and strategies of the Bank.

At the end of the financial year, CIMB Niaga will evaluate the performance assessment of the Board of Directors, both institutionally (Collective Scorecard) and individually (Individual Scorecard). The results will be submitted to the Nomination and Remuneration Committee for input and recommendations before final approval by the Board of Commissioners.

### CRITERIA FOR THE PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

The criteria used in the performance assessment of the Board of Directors (including the President Director) are as follows:

#### 1. Collegial Performance Assessment of the Board of Directors

The criteria for collegial performance assessment are as follows:

- a. Effectiveness of the Board of Directors' Role
- b. Effectiveness of Bank's Strategy and Management
- c. Composition of the Board of Directors
- d. Effectiveness of Meeting, Work Ethics, and Dynamics of the Board of Directors
- e. Implementation of Good Corporate Governance and Sustainability Principles
- f. Effectiveness of Risk Management and Internal Control Implementation

#### 2. Individual Performance Assessment of the Board of Directors (bank-wide and individually)

- a. Components used in evaluating the performance of the Directorates and Bank institution/Bank-wide (Collective Scorecard) include:

Performance Parameter	Directorate									
	Business Unit						Business Enabler			
	CIMB Niaga	Business Banking*	Consumer Banking (Retail)	Sharia Banking	Treasury & Capital Market	Risk Management	Operations & Information Technology	Compliance, Corporate Affairs, & Legal	Strategy, Finance & SPAPM	Human Resource
Financial	40%	40%	40%	40%	45%	15%	25%	15%	30%	25%
Risk, Compliance, Audit	25%	25%	25%	20%	20%	10%	15%	10%	15%	15%
Customer Experience	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Service Delivery	-	-	-	-	-	25%**	10%	20%**	10%	15%
Key Focus Areas/Projects	15%	15%	15%	20%	15%	30%	30%	35%	25%	25%
Purpose Driven (including Sustainability)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%

\* Business Banking oversees Corporate Banking, Commercial Banking, Emerging Business Banking, and Transaction Banking

\*\* Service Delivery for the Risk Management Directorate & Compliance, Corporate Affairs & Legal Directorate includes indicators on overall risk/compliance implementation in Bank

b. The components used in individual performance assessment for each Director including the President Director (Individual Scorecard), are as follows:

Performance Parameter	Directorate									
	Business Unit					Business Enabler				
	CIMB Niaga	Business Banking*	Consumer Banking (Retail)	Sharia Banking	Treasury & Capital Market	Risk Management	Operations & Information Technology	Compliance, Corporate Affairs, & Legal	Strategy, Finance & SPAPM	Human Resource
Financial	30%	25%	25%	30%	30%	-	15%	-	15%	15%
Risk, Compliance, Audit	25%	20%	20%	15%	15%	25%	15%	25%	15%	15%
Customer Experience	10%	10%	10%	10%	10%	10%	20%	10%	20%	20%
Key Focus Areas/Projects	20%	30%	30%	30%	30%	50%	35%	50%**	35%	35%
People & Leadership Development	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%

\* Business Banking oversees Corporate Banking, Commercial Banking, Emerging Business Banking, and Transaction Banking  
 \*\* Including Sustainability KPIs

## PARTIES CARRYING OUT THE PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

The parties conducting performance assessment of the Board of Directors are as follows:

### 1. Collegial Performance Assessment of the Board of Directors

Each member of the Board of Directors assesses the performance of the Board of Directors collegially. All responses are collected directly online. The result will be compiled and reported to the management of CIMB Niaga.

The result of the collegial performance assessment of the Board of Directors will be discussed in the Board of Directors' Meeting and subsequently submitted to the Nomination and Remuneration Committee and the Board of Commissioners for input and approval on the improvement plan (if any).

### 2. Individual Performance Assessment of the Board of Directors (Bank-wide and Individually)

Assessment is conducted by the President Director on the performance of each directorate or member of the Board of Directors. The assessment results of all directorates (including Bank) and all members of the Board of Directors individually (including the President Director) will be discussed by the Nomination and Remuneration Committee for input and recommendations before gaining approval from the Board of Commissioners.

## BOARD OF DIRECTORS PERFORMANCE ASSESSMENT RESULT IN 2023

The results of the collegial performance assessment of the Board of Directors show that the Board of Directors has carried out its functions well in managing the Bank. The assessment also reflects that the Board of Directors

has continuously ensured the achievement of the Bank's performance that meets the expectations of the shareholders and all stakeholders. The score for the collegial performance assessment of the Board of Directors in 2023 was **4.60 (Outstanding)**, whereas the score for GCG implementation by the Board of Directors was **4.70 (Exceptional)**.

### Range Table

Range	Description
≥ 4.7	Exceptional
4.0 – 4.6	Outstanding
3.7 – 3.9	Exceed Expectation
3.0 – 3.6	Meet Expectation
< 3.0	Need Improvement

## PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS' GCG IMPLEMENTATION

In reference to the OJK Regulation No. 17 of 2023 and the OJK Circular Letter No. 13/SEOJK.03/2017, CIMB Niaga carried out the performance assessment of the Board of Directors' GCG implementation during the financial year. The regulation also requires public banks to carry out self-assessments on the implementation of banks' good governance.

## PROCEDURES FOR THE PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

CIMB Niaga carries out the performance assessment of the Board of Directors, including GCG self-assessment, periodically each semester, in June and December for the current year.

## CRITERIA FOR THE PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

Criteria used in the performance assessment of the Board of Directors are described within the governance system and can be categorized into 3 (three) assessment: Governance Structure, Governance Process, and Governance Result.

## PARTIES CARRYING OUT THE PERFORMANCE ASSESSMENT

The GCG self-assessment involves the Board of Commissioners, Independent Parties, the Board of Directors, Executive Management, and other independent functions, coordinated by the Compliance Unit.

## BOARD OF DIRECTORS PERFORMANCE ASSESSMENT RESULT IN 2023

Bank's Governance Self-Assessment Result	
Description	Rating
Implementation of Duties and Responsibilities of the Board of Directors	2 (Good)

## RECOMMENDATIONS AND FOLLOW-UP ACTIONS

In 2023, there was no recommendation that has not been followed up by the Board of Directors.

# Policy on The Diversity of The Board of Commissioners and The Board of Directors

The diversity policy in the composition of the Board of Commissioners (BOC) and Board of Directors (BOD) has a strategic role in fostering an inclusive work environment that values diversity. Members of CIMB Niaga's BOC and BOD who are appointed at the General Meeting of Shareholders have a fairly diverse composition, both based on age, educational background, expertise, and experience required in carrying out their duties and responsibilities. Since September 2022, CIMB Niaga has had a Policy on Diversity in the Composition of Members of the BOC and BOD, which is reviewed on a regular basis in accordance with the Bank's Manual Framework Policy and considers the provisions in the capital market sector that regulate Good Corporate Governance.

CIMB Niaga also maintains a diverse range of expertise and experience among its BOC and BOD, which includes banking, economics, business, finance, governance, human resources, and risk management. The combination of these characteristics will influence the accuracy of the nomination and appointment process for individual members of the BOC and BOD, as well as the collegial BOC and BOD. The expertise of the BOC and BOD is also identified based on educational background, work experience, and training received. CIMB Niaga organizes a variety of training, workshops, and other relevant activities.

The Bank's Diversity Policy serves as a reference in succession planning for members of the BOC and BOD. To ensure that the Bank has an adequate talent pool and in accordance with the target and Diversity Policy of the Composition of Members of the BOC and BOD of the Bank.

## DIVERSITY IN THE COMPOSITION OF MEMBERS OF THE BOARD OF COMMISSIONERS

Aspects of diversity in the composition of members of the BOC include, among others:

1. **Skills/Experience/Education, having at least:**
  - a. 1 (one) member who has expertise/work experience/education in the field of economics/business/finance; and/or
  - b. 1 (one) member who has expertise/work experience/education in the banking industry; and
  - c. 1 (one) member who has expertise/work experience/education in the field of risk management.
2. **Nationality**  
The majority (more than 50% (fifty percent)) of members of the BOC shall be Indonesian citizens.
3. **Gender**  
Consider the diversity in gender of members of the BOC.
4. **Age**  
Members of the BOC shall be diverse in age level.
5. **Independence**
  - a. Minimum 50% (fifty percent) of members of the BOC are Independent Commissioners.
  - b. The term of office of an Independent Commissioner is 2 (two) consecutive terms, or a maximum of 9 (nine) years.

Aspects of Diversity of Members of the Board of Commissioners	
Nationality	Consist of: 6 (six) members of the BOC are Indonesian citizens. 1 (one) member of the BOC is a Malaysian citizen.
Education	The educational levels of members of the BOC include Bachelor's and Post-graduate degrees in various educational fields such as economics, business management, risk management, and finance.
Work Experience	A diverse work experience, among others: 1. BOC and/or BOD Members and/or Officials Chief or Senior Executives or other key positions in national and multinational financial and non-financial institutions; 2. Officials Chief or Member/Chairman of Committee/Special Team or Special Staff or persons who hold other important positions in Government Institutions, such as IBRA, Ministry of Finance, and Bank Indonesia; 3. Lecturers and Vice Deans of leading universities both at home and abroad.
Independence	1. There are 4 (four) Independent Commissioners out of 7 (seven) members of BOC, or 50% (fifty percent) of the BOC members are Independent Commissioners; 2. All Independent Commissioners have served less than 9 (nine) years.
Age	The age diversity of BOC members is fairly productive and mature, ranging from 40 to 68 years old.
Gender	There are 3 (three) female BOC members, and two of them serve as an Independent Commissioner

## DIVERSITY IN THE COMPOSITION OF THE BOARD OF DIRECTORS

Aspects of diversity in the composition of members of the BOD include, among others:

### 1. Expertise/Experience/Education, Having at least:

- 1 (one) member who has expertise/work experience/education in the banking industry or the economy/business;
- 1 (one) member who has expertise/work experience/education in the risk management;
- 1 (one) member who has expertise/work experience/education in finance/accounting.

### 2. Nationality

The majority (more than 50% (fifty percent)) of members of the BOD shall be Indonesian citizens.

### 3. Gender

Consider the diversity in gender of members of the BOD, at least 1 (one) female or male member.

### 4. Age

Members of the BOD shall be diverse in age level.

### 5. Independency

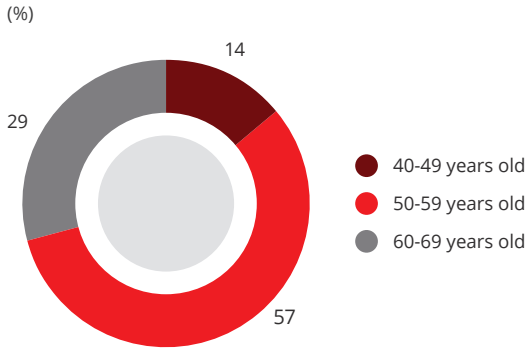
The President Director shall be independent of the Bank's Controlling Shareholders.

Aspects of Diversity of Members of the Board of Directors	
Nationality	Consist of: 9 (nine) members of the BOD are Indonesian citizens. 1 (one) member of the BOD is a Malaysian citizen.
Education	The educational levels of members of the BOD include Bachelor's and Post-graduate degrees with various educational fields such as economics, finance, law, commerce, business, accounting, computer & statistic science, and others.
Work Experience	A diverse work experience, among others: 1. Members of the BOD of national and multi-national financial and non-financial institutions 2. Hold important positions in national and foreign banks, including, Chief of Corporate Banking & Financial Institution, Chief of Transaction Banking, Chief Risk Officer, Chief Human Resources Officer, Head of Finance and Planning, Head of Trading & Structuring, Head of Treasury, Head of Financial Institutions Credit, Consumer Banking Country Head, Head of Network, Chief of Syariah Banking, Operations & Technology Head, and others. 3. Founder and Senior Partner in a Law Firm. 4. Auditor. All members of the BOD have working experience in banking.
Independence	All members of the BOD have no affiliation with fellow members of the BOD, BOC and the Ultimate and Controlling Shareholder of the Bank.
Age	The age diversity of members of the BOD is fairly productive and mature, ranging from 43 to 66 years old.
Gender	There are 3 (three) female members of the BOD out of a total of 10 (ten) members of the BOD, and one of them serves as a President Director.

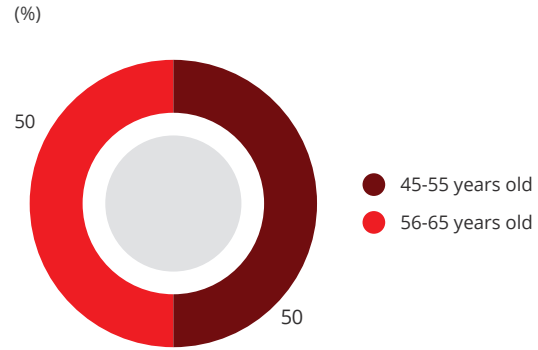
## ACHIEVEMENT OF DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

In 2023, the composition of CIMB Niaga's members of the BOC and BOD met the diversity requirements outlined in the relevant regulations, which are in line with the Bank's strategy, vision and mission. This is reflected in the diagrams and graphs below:

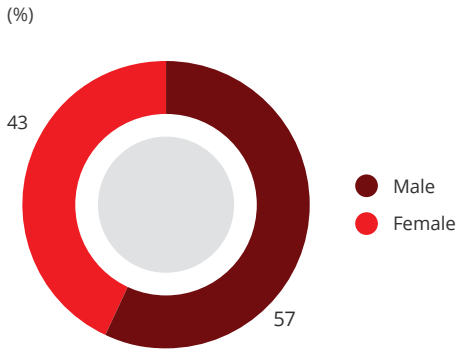
Age of the Board of Commissioners



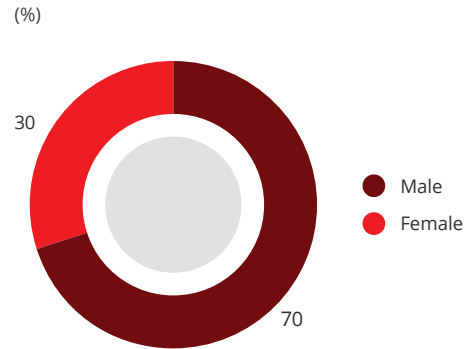
Age of the Board of Directors



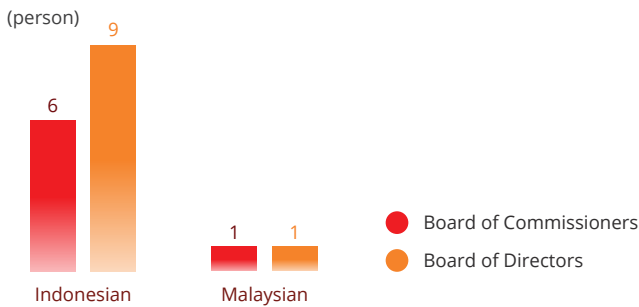
Gender of the Board of Commissioners



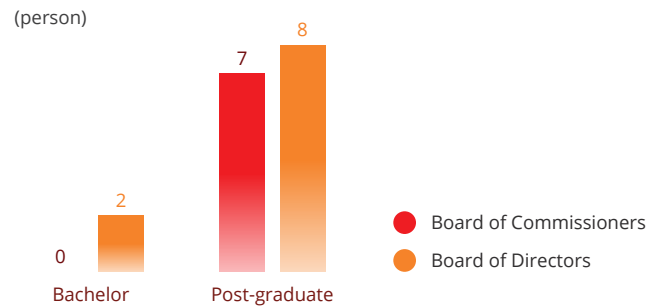
Gender of the Board of Directors



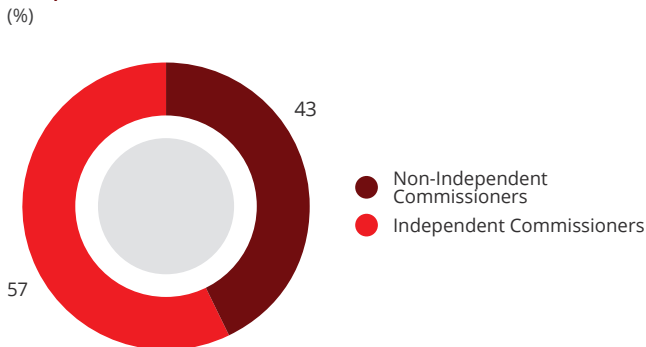
Nationality of the Board of Commissioners and the Board of Directors



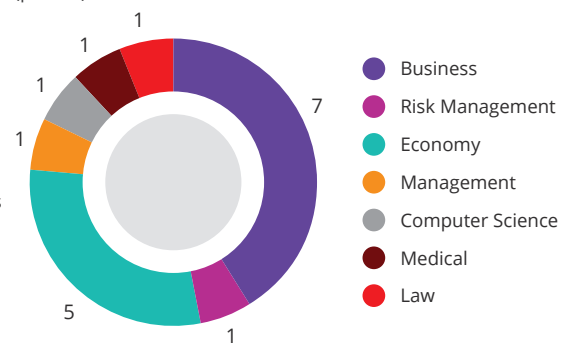
Education of the Board of Commissioners & the Board of Directors



Independence of the Board of Commissioners



Expertise of the Board of Commissioners & the Board of Directors



# Nomination and Remuneration Policy

## NOMINATION POLICY

### MECHANISM OF NOMINATION, APPOINTMENT, TERMINATION, REPLACEMENT, AND/OR RESIGNATION OF MEMBERS OF THE BOARD OF COMMISSIONERS

In regulating the processes of election, appointment, termination, and/or replacement of members of the Board of Commissioners, Board of Directors, and Independent Parties, the Bank has Nomination Policy No. M.04 that governs various aspects as follows:

1. Criteria for the Board of Commissioners Members  
Prospective members of the CIMB Niaga Board of Commissioners must at least meet requirements that include integrity, competence, and a good reputation, as stipulated in the prevailing laws and regulations.
2. Procedure for the Election of the Board of Commissioners Members
  - a. The Bank may utilize the service of reputable independent third party (search firms) in the process of selecting candidates for the Board of Commissioners. The third party appointed by the Bank shall assist in the selection process, including:
    - i. Identifying candidates who meet the requirements;
    - ii. Conducting interviews and candidate selection (including background and reference checks);
    - iii. Acting as a liaison between the Board of Commissioners, Nomination and Remuneration Committee, and candidates during the selection and evaluation process; and
    - iv. Providing necessary consultations to the Nomination and Remuneration Committee.
  - b. Members of the Board of Directors, Board of Commissioners, and/or Shareholders of the Bank may also propose prospective members for the Board of Commissioners to the Bank. Shareholders eligible to propose candidates for the Board of Commissioners members are those holding 1 (one) or more shares representing 1/20 (one-twentieth) or more of the total voting shares.
3. The procedure for the appointment of the Board of Commissioners members includes obtaining approval from the General Meeting of Shareholders (GMS) and successfully passing the Fit and Proper Test as per the OJK regulations on Fit and Proper Test and Governance Implementation for Commercial Banks. Additionally, the appointee must meet other requirements stipulated by relevant authorities before being formally declared as a Commissioner
4. Procedure for Termination, Replacement, and/or Resignation of the Board of Commissioners Members, including:

- a. Proposals for the termination and/or replacement of the Board of Commissioners members submitted to the RUPS must consider recommendations from the Bank's Nomination and Remuneration Committee.
- b. The Board of Commissioners members may be terminated at any time based on the decision of the GMS, stating the reasons.
- c. The Board of Commissioners members have the right to resign from their positions by providing written notice of their intention to the Bank no later than 90 (ninety) days or 3 (three) months before their resignation becomes effective. If the written notice is provided less than 90 (ninety) days or 3 (three) months, the effective resignation date must be approved by the Board of Commissioners.
- d. If a position of a member of the Board of Commissioners becomes vacant, resulting in the number of members of the Board of Commissioners falling below 3 (three), the GMS must be held within a maximum of 60 (sixty) calendar days after the vacancy to fill the position, by observing the prevailing laws and regulations.
- e. If the position of the President Commissioner is vacant and a replacement has not been appointed or has not assumed the position, then one of the members of the Board of Commissioners appointed during a Board of Commissioners meeting, will assume the duties of the President Commissioner, with the same authority and responsibilities.

### MECHANISM OF NOMINATION, APPOINTMENT, TERMINATION, REPLACEMENT, AND/OR RESIGNATION OF MEMBERS OF THE BOARD OF DIRECTORS

In regulating the processes of election, appointment, termination, and/or replacement of members of the Board of Commissioners, Board of Directors, and Independent Parties, CIMB Niaga has Nomination Policy No. M.04. The policy governs various aspects as follows:

1. Criteria for the Board of Directors Members  
Prospective members of the CIMB Niaga Board of Directors must at least meet the requirements and criteria as stipulated in the prevailing laws and regulations, including integrity, competence, reputation, domicile, independence, or other specific criteria according to the Director's field.
2. Procedure for the Election of the Board of Directors Members, including:



- a. Internal talents are prioritized to be the candidates of the Bank Director, but other professionals may also be considered.
  - b. The Bank may utilize the service of reputable independent third party (search firms) in the process of selecting candidates for the Board of Directors. The third party (search firms) appointed by the Bank shall assist in the selection process, including:
    - i. Identifying candidates who meet the requirements;
    - ii. Conducting interviews and candidate selection (including background and reference checks);
    - iii. Acting as a liaison between the Board of Commissioners, Nomination and Remuneration Committee, and candidates during the selection and evaluation process; and
    - iv. Providing necessary consultations to the Nomination and Remuneration Committee.
  - c. Members of the Board of Directors, Board of Commissioners, and/or Shareholders of the Bank may also propose prospective members for the Board of Directors to the Bank. Shareholders eligible to propose candidates for the Board of Directors members are those holding 1 (one) or more shares representing 1/20 (one-twentieth) or more of the total voting shares.
3. Procedure for the Appointment of the Board of Directors Members, including:  
The appointment of the Board of Directors members must be approved by the GMS and have passed the Fit and Proper Test in accordance with the OJK regulations, and/or meet other requirements stipulated by relevant authorities before the effective declaration of the person as Director.
4. Procedure for Termination, Replacement, and/or Resignation of the Board of Directors Members, including:
- a. Proposal for the termination and/or replacement of the Board of Directors members submitted to the GMS must consider recommendations from the Bank's Nomination and Remuneration Committee.
  - b. The Board of Directors members may be terminated at any time based on the decision of the GMS with the reasons stated.
  - c. The Board of Directors members have the right to resign from their positions by providing written notice of their intention to the Bank no later than 90 (ninety) days or 3 (three) months before their resignation becomes effective.

## REMUNERATION POLICY

CIMB Niaga has consistently implemented the Risk-Based Remuneration Policy No. A.06.02, which also has been updated on 15 December 2023 by considering the content from the most recent regulations.

The Bank's remuneration policy is formulated by prioritizing a competitive, fair, and balanced remuneration system based on the prevailing laws and regulations, following the provisions of POJK No. 45/POJK.03/2015 on the Implementation of Remuneration Provision Governance for Commercial Banks, SEOJK No. 40/SEOJK.03/2016 on the Implementation of Remuneration Provision Governance for Commercial Banks, and POJK No. 59/POJK.03/2017 on the Implementation of Remuneration Provision Governance for Sharia Commercial Banks and Sharia Business Units. CIMB Niaga also ensures that no individual receives compensation below the standards set by the government.

In formulating remuneration policies and benchmarks, CIMB Niaga engages the services of an independent external consultant, WTW, to ensure that the Bank's remuneration remains competitive, fair, and balanced.

### OBJECTIVES AND BACKGROUND

The remuneration policy implemented by the Bank encompasses the entire organizational hierarchy, including the Board of Commissioners, the Board of Directors, and all employees, whether mandatory or additional, in line with the prevailing laws and regulations. The remuneration policy serves the important purpose of attracting, motivating, and retaining the best employees to ensure a high-quality workforce. The policy is also developed with various considerations that include short-term and long-term liquidity needs, capital adequacy, financial stability aspects, the effectiveness of risk management, and potential future income.

### RISK-BASED REMUNERATION POLICY

The Bank's remuneration strategy involves an evaluation of policies focusing on short term & long term performance, risk, and empowerment. The Bank implements policies and procedures for the execution of benefit programs as an integral part of its remuneration strategy by considering relevant risk profiles. The main types of risks in the remuneration policy are adjusted based on an annual review of the Bank's risk profile, considering market conditions, industry developments, performance, specific position roles, and the Bank's financial capabilities. These risk profiles impact the implementation of variable remuneration.

CIMB Niaga's remuneration policy addresses the following:

1. Prudent principles in risk-based remuneration.
2. Implementation of variable remuneration according to the provisions of regulators related to remuneration for Commercial Banks and Sharia Business Units.

## PERFORMANCE- AND RISK-BASED REMUNERATION DETERMINATION

Performance assessment is determined through Key Performance Indicators (KPIs) aligned with the Bank's goals and strategies, taking into account aspects of risk, compliance, and good corporate governance. CIMB Niaga conducts periodic evaluations and studies in line with business needs and developments in the banking industry. The Bank has also implemented risk-based remuneration through the identification of Material Risk Takers (MRT) and the execution of deferred payment schemes.

## REVIEW AND INDEPENDENCE IN THE IMPLEMENTATION OF REMUNERATION POLICY

CIMB Niaga conducts regular reviews of the remuneration system and employee well-being. To ensure independence in remuneration distribution to all employees, the Bank oversees and reviews performance evaluations and remuneration determinations through the Nomination and Remuneration Committee.

The review considers factors such as:

1. Performance and financial state of the Bank
2. Employee competence and performance (meritocracy)
3. Market competitiveness in remuneration practices
4. Suitability and appropriateness based on position/role
5. Internal equity
6. Risk level of the position
7. Long-term strategy of the Bank

The Bank periodically reviews and communicates the Wage Structure and Wage Scale (SUSU) in accordance with Minister of Manpower Regulation No. 1 of 2017

concerning Wage Structure and Scale. Additionally, the Bank has implemented a remuneration policy considering POJK No. 45/POJK.03/2015, POJK No. 59/POJK.03/2017, and SEOJK No. 40/SEOJK.03/2016 on the Implementation of Remuneration Provision Governance for Commercial Banks and Sharia Business Units.

## DETERMINATION OF MATERIAL RISK TAKER

Material Risk Taker (MRT) is a position with responsibilities that significantly influence the Bank's main risk profile, determined based on annual evaluation of the Bank's risk profile.

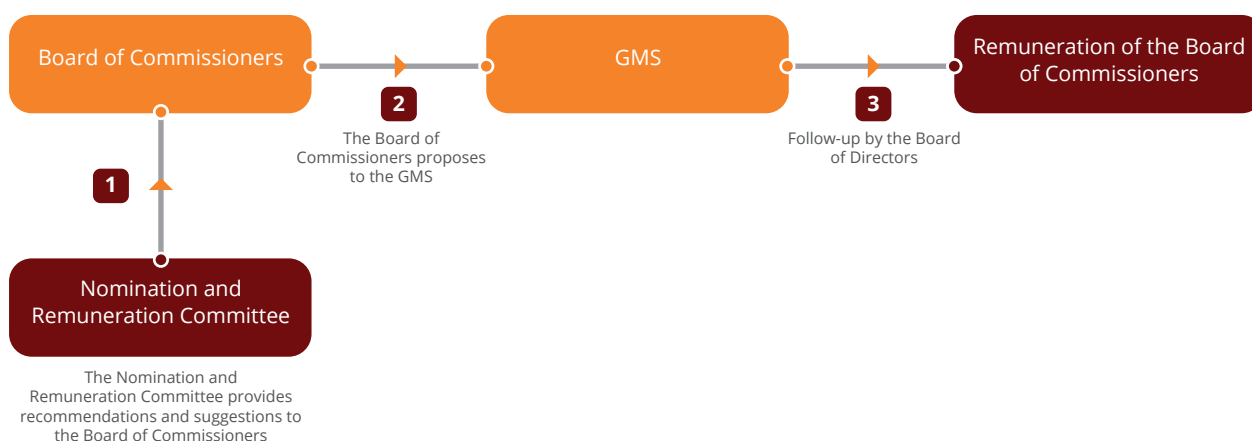
The MRT positions are evaluated annually based on criteria such as:

- a. Based on level/grade: Senior Management or Executive Officer employees.
- b. Based on the role of position: Holding a fiduciary responsibility or a critical position responsible for making strategic decisions that can affect the Bank's risk profile (credit, market, liquidity, operational, legal, reputation, strategic, compliance).

## REMUNERATION OF THE BOARD OF COMMISSIONERS

### Procedures for Determining Remuneration of the Board of Commissioners

Taking into account the duties, authority, performance, and responsibilities of the Board of Commissioners, CIMB Niaga formulates the structure, policies, and amounts of remuneration for each member of the Board of Commissioners. CIMB Niaga also considers the remuneration prevailing in similar industries (peer groups) and the Bank's capacity.



### Remuneration Policy for the Board of Commissioners

The procedure for determining remuneration of the Board of Commissioners is as follows:

1. The Nomination and Remuneration Committee holds discussions on the remuneration of the Board of Commissioners, considering information on the range and standards of remuneration within similar industry (peer group) in the market, as well as the Bank's capacity;
2. The Nomination and Remuneration Committee provides recommendations to be further discussed during the Board of Commissioners Meeting;
3. The Board of Commissioners reviews the recommendations from the Nomination and Remuneration Committee and proposes this remuneration to the GMS; and
4. The GMS determines the remuneration for the Board of Commissioners, which is then implemented according to the directives set by the Board of Directors.

### Remuneration Structure of the Board of Commissioners

Based on the Annual GMS 2023 resolution, the remuneration structure of Board of Commissioners comprises honorarium, meeting allowance, position allowance, transportation allowance, public holiday allowance, year-end allowance, and other facilities such as health benefits, communication facilities, and club membership. **No member of the Board of Commissioners, including Independent Commissioners, at CIMB Niaga receives variable remuneration (such as stocks or bonuses, whether performance-related, non-performance-related, or stock options).**

In detail, the remuneration structure and other facilities for the members of the Board of Commissioners of CIMB Niaga in the last two years are as follows:

#### 1. REMUNERATION PACKAGE AND OTHER RECEIVED FACILITIES

Types of Remuneration and Other Facilities	Amount Received in 1 Year by the Independent Commissioner			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other non-monetary benefits)	4	11,780	3	8,975
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	4	184	3	93
<b>Total</b>	<b>4</b>	<b>11,965</b>	<b>3</b>	<b>9,068</b>

Since 2022 the Bank has recorded Remuneration in in-kind form

Types of Remuneration and Other Facilities	Amount Received in 1 Year by the Non-Independent Commissioner			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other non-monetary benefits)	3	7,315	3	7,061
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	1	10	3	9
<b>Total</b>	<b>3</b>	<b>7,325</b>	<b>3</b>	<b>7,071</b>

Since 2022 the Bank has recorded Remuneration in in-kind form

Remuneration per Person	Number of Independent Commissioners		Number of Non-Independent Commissioners	
	2023	2022	2023	2022
Above Rp5 billion	-	-	-	-
Between Rp2 billion to Rp5 billion	3	3	2	2
Above Rp1 billion to Rp2 billion	1	-	1	1
Above Rp500 million to Rp1 billion	-	-	-	-
Under Rp500 million	-	-	-	-

## 2. VARIABLE REMUNERATION FOR THE BOARD OF COMMISSIONERS

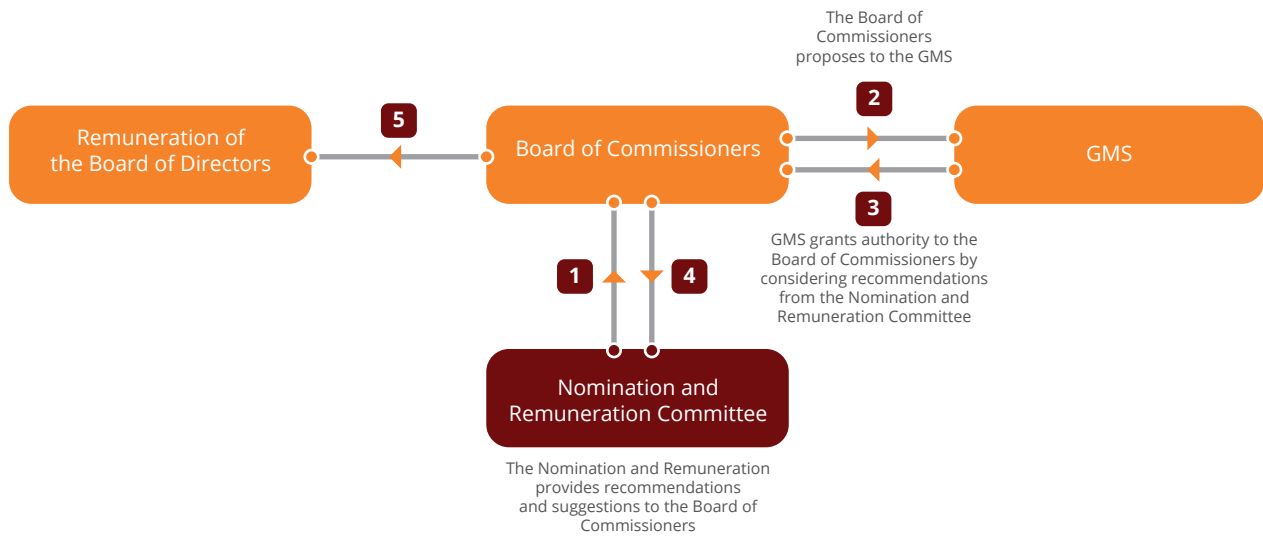
Variable Remuneration*	Amount Received in 1 Year by the Independent Commissioner				Amount Received in 1 Year by the Non-Independent Commissioner			
	2023		2022		2023		2022	
	Person	Rp (Million)	Person	Rp (Million)	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	Nil	Nil	<b>Nil</b>	<b>Nil</b>	Nil	Nil

\* Performance and risk-based remuneration (including tantiem/bonus)

### REMUNERATION OF THE BOARD OF DIRECTORS

#### Procedures for Determining Remuneration of the Board of Directors

Taking into account the duties, authority, performance, and responsibilities of the Board of Directors, CIMB Niaga formulates the structure, policies, and amounts of remuneration for each member of the Board of Directors. CIMB Niaga also considers the remuneration prevailing in similar industries (peer groups) and the Bank's capacity.



#### Remuneration Policy of the Board of Directors

The procedure for determining remuneration of the Board of Directors is as follows:

1. The Nomination and Remuneration Committee holds discussions on the remuneration of the Board of Directors, considering information on the range and standards of remuneration within similar industries (peer groups) in the market, the Bank's performance, the performance and risk of each Director against their predetermined KPI achievements, as well as the Bank's capacity.
2. The Nomination and Remuneration Committee provides recommendations to be further discussed during the Board of Commissioners Meeting.
3. The Board of Commissioners reviews the recommendations from the Nomination and Remuneration Committee and proposes this remuneration to the GMS.
4. The GMS determines the remuneration for the Board of Directors by granting authority to the Board of Commissioners to determine the remuneration for the Board of Directors, considering recommendations from the Nomination and Remuneration Committee, which are then implemented according to the directives set by the Board of Directors.

#### Indicators for Determining Remuneration of Directors

Remuneration is determined based on evaluating the performance of each Director, considering indicators that include financial performance, risk management implementation, governance and compliance, customer satisfaction, projects, sustainability in the current financial year. This evaluation also takes into account the national economic conditions and the Bank's performance, including financial performance, the health of the Bank, and adherence to risk governance in accordance with regulatory requirements. A comprehensive breakdown of performance indicators is provided in the Assessment of the Board of Commissioners and Directors' Performance in this Annual Report and the Bank's Sustainability Report.

### Remuneration Structure of the Board of Directors

Based on the Annual GMS 2023 resolution, the remuneration structure for the Board of Directors comprises honorarium, transportation allowance, housing allowance, public holiday allowance, year-end allowance, performance bonus, and other facilities such as health benefits, communication facilities, and club membership. No member of the Board of Directors receives variable remuneration. Information in detail on the structure of remuneration and other facilities for members of the Board of Directors of CIMB Niaga during the last two years is as follows:

#### 1. REMUNERATION PACKAGE AND OTHER RECEIVED FACILITIES

Types of Remuneration and Other Facilities	Amount Received in 1 Year by the Board of Directors			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other non-monetary benefits)	10	77,389	10	73,847
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	10	2,726	10	2,962
<b>Total</b>	<b>10</b>	<b>80,115</b>	<b>10</b>	<b>76,809</b>

Since 2022 the Bank has recorded Remuneration in in-kind form

Remuneration per Person	Amount Received in 1 Year by the Board of Directors	
	2023	2022
Above Rp5 billion	10	10
Between Rp2 billion to Rp5 billion	-	-
Above Rp1 billion to Rp2 billion	-	-
Above Rp500 million to Rp1 billion	-	-
Under Rp500 million	-	-

#### 2. VARIABLE REMUNERATION FOR THE BOARD OF DIRECTORS

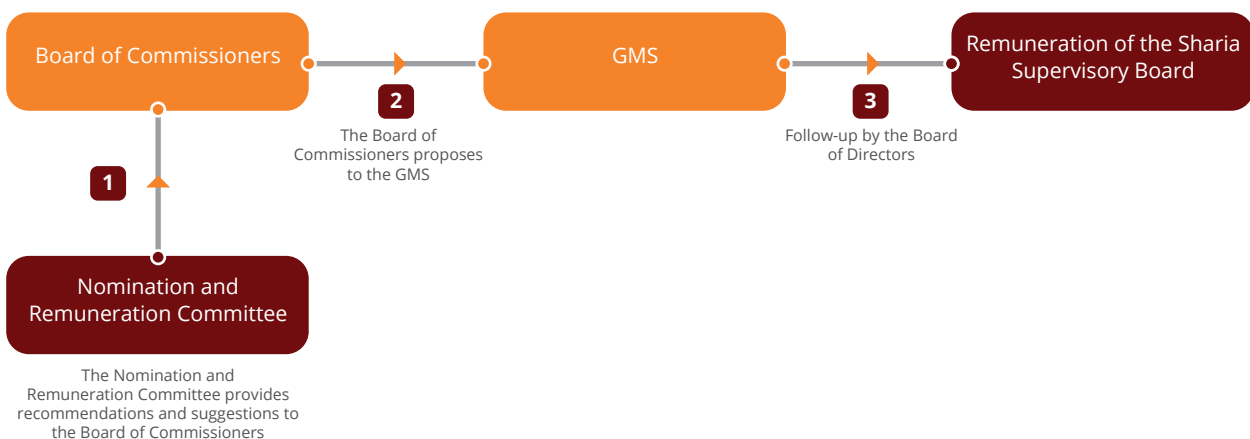
Variable Remuneration*	Amount Received in 1 Year by the Board of Directors			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>10</b>	<b>77,979</b>	<b>10</b>	<b>59,479</b>

\* Performance and risk-based remuneration (including tantiem/bonus).

### REMUNERATION OF THE SHARIA SUPERVISORY BOARD

#### Procedures for Determining Remuneration of the Sharia Supervisory Board

CIMB Niaga formulates the structure, policies, and amounts of remuneration for each member of the Sharia Supervisory Board by taking into account their duties, authority, performance, and responsibilities. CIMB Niaga also considers the remuneration prevailing in similar industries (peer groups) and the Bank's capacity.



## Remuneration Policy of the Sharia Supervisory Board

CIMB Niaga sets the procedure for determining remuneration of the Sharia Supervisory Board as follows:

1. The Nomination and Remuneration Committee holds discussions on the remuneration of the Sharia Supervisory Board, considering information on the range and standards of remuneration within similar industries (peer groups) in the market and the Bank's capacity;
2. The Nomination and Remuneration Committee provides recommendations to be further discussed during the Board of Commissioners Meeting;
3. The Board of Commissioners reviews the recommendations from the Nomination and Remuneration Committee and proposes this remuneration to the GMS;
4. The GMS determines the remuneration for the Sharia Supervisory Board, which is then implemented according to the directives set by the Board of Directors.

## Remuneration Structure of the Sharia Supervisory Board

Based on the Annual GMS 2023 resolution, the remuneration structure of the Sharia Supervisory Board comprises honorarium, meeting allowance, public holiday allowance, year-end allowance, and communication facilities. No one on the Sharia Supervisory Board of CIMB Niaga receives variable remuneration (such as stocks or bonuses, whether performance-related, non-performance-related, or stock options). Information in detail on the structure of remuneration and other facilities for members of the Sharia Supervisory Board of CIMB Niaga during the last two years is as follows:

### 1. REMUNERATION PACKAGE AND OTHER RECEIVED FACILITIES

Types of Remuneration and Other Facilities	Amount Received in 1 Year by the Sharia Supervisory Board			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other non-monetary benefits)	3	2,420	3	1,868
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	3	1	3	12
<b>Total</b>	<b>3</b>	<b>2,421</b>	<b>3</b>	<b>1,880</b>

Since 2022 the Bank has recorded Remuneration in in-kind form

Remuneration per Person	Total Members of the Sharia Supervisory Board	
	2023	2022
Above Rp5 billion	-	-
Between Rp2 billion to Rp5 billion	-	-
Above Rp1 billion to Rp2 billion	-	-
Above Rp500 million to Rp1 billion	3	3
Under Rp500 million	-	-

### 2. VARIABLE REMUNERATION FOR THE SHARIA SUPERVISORY BOARD

Variable Remuneration*	Amount Received in 1 Year by the Sharia Supervisory Board			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

\* Performance and risk-based remuneration (including tantiem/bonus)

## STOCK OPTIONS HELD BY THE BOARD OF COMMISSIONERS, BOARD OF DIRECTORS, AND EXECUTIVE OFFICERS

In 2023, there are no stock options of CIMB Niaga held by members of the Board of Commissioners, Board of Directors, and Executive Officers.

## HIGHEST AND LOWEST SALARY RATIO

Ratio	2023	2022
Highest and lowest salary ratio of the employees	104.28 : 1	100.5 : 1
Highest and lowest salary ratio of the Board of Directors	2.26 : 1	2.33 : 1
Highest and lowest salary ratio of the Board of Commissioners	1.25 : 1	1.25 : 1
Highest salary ratio of the Board of Directors and highest employee	2.39 : 1	2.55 : 1

## VARIABLE REMUNERATION FOR EMPLOYEES

Variable Remuneration	Amount Received in 1 Year by the Employees			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>7,808</b>	<b>553,307</b>	7,910	419,748

## FIXED AND VARIABLE REMUNERATIONS FOR MATERIAL RISK TAKERS (MRT)

A. Fixed Remuneration	2023	2022
1. Cash (Rp Million)	98,134	80,136
2. Stock/stock-based instrument issued by the Bank (shares)	-	-

B. Variable Remuneration	2023		2022	
	Not Deferred	Deferred	Not Deferred	Deferred
1. Cash (Rp Million)	80,938	18,120	49,007	14,072
2. Stock/stock-based instrument issued by the Bank (shares)	-	10,254	-	8,717

## QUANTITATIVE INFORMATION FOR PARTIES CATEGORIZED AS MRT

Type of Variable Remuneration	2023				2022			
	Remaining Deferred Amount	Total Reduction during Reporting Period			Remaining Deferred Amount	Total Reduction during Reporting Period		
		Due to Explicit Adjustment (A)	Due to Implicit Adjustment (B)	Total (A+B)		Due to Explicit Adjustment (A)	Due to Implicit Adjustment (B)	Total (A+B)
1. Cash (Rp Million)	19,418	1,315	-	1,315	16,451	1,315	-	1,315
2. Shares/stock-based instrument issued by the Bank (in shares and millions of Rupiah which is conversion from the shares)	7,747,193 shares (Rp18,355)	177,170 shares (Rp920)	-	Rp 920	6,513,512 shares (Rp14,268)	907,541 shares (Rp2,184)	-	Rp2,184
<b>Total (Rp Million)</b>	<b>37,773</b>	<b>2,235</b>	<b>-</b>	<b>2,235</b>	<b>30,719</b>	<b>3,499</b>	<b>-</b>	<b>3,499</b>

Note: Explicit adjustment was due to malus and cessation of employment (MRT) during the reporting period while the implicit adjustment was caused by decrease in the share price.

## TOTAL SEVERANCE PROVIDED FOR EMPLOYEES AFFECTED BY TERMINATION AND THE TOTAL AMOUNT PAID

Severance Paid per Employee within 1 (one) Year	Number of Employees	
	2023	2022
Above Rp1 billion	-	-
Between Rp500 million to Rp1 billion	1	3
Under Rp500 million	25	45

# Affiliate Relationships Among the Board of Commissioners, Board of Directors and Controlling Shareholders

The majority of members of the Board of Commissioners and Board of Directors of CIMB Niaga have no affiliation, either family up to second degree or financial, with fellow members of the Board of Commissioners, Board of Directors, or Controlling Shareholders. Meanwhile, less than 50% (fifty percent) of members of the Bank's Board of Commissioners, namely Non-Independent Commissioners, have affiliation in the form of a financial relationship with the Bank's Controlling Shareholders. However, the entire affiliation of members of the Board of Commissioners and Board of Directors remains in compliance with applicable regulations.

Criteria for affiliation among members of the Board of Commissioners, Board of Directors, and Controlling Shareholders include:

1. Affiliated relationships among members of the Board of Directors and other members of the Board of Directors;
2. Affiliated relationships among members of the Board of Directors and members of the Board of Commissioners;
3. Affiliated relationships among members of the Board of Directors and Ultimate and/or Controlling Shareholders;
4. Affiliated relationships among members of the Board of Commissioners and other members of the Board of Commissioners; and
5. Affiliated relationships among members of the Board of Commissioners and Ultimate and/or Controlling Shareholders.

## BOARD OF COMMISSIONERS

### AFFILIATE RELATIONSHIP WITH OTHER MEMBERS OF THE BOARD OF COMMISSIONERS, MEMBERS OF THE BOARD OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Name	Position	Family Relationship up to the Second Degree with						Financial Relationship with					
		Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Didi Syafruddin Yahya	President Commissioners	-	√	-	√	-	√	-	√	-	√	√	-
Glenn M. S. Yusuf	Vice President Commissioners (Independent)	-	√	-	√	-	√	-	√	-	√	-	√
Jeffrey Kairupan	Independent Commissioners	-	√	-	√	-	√	-	√	-	√	-	√
Sri Widowati	Independent Commissioners	-	√	-	√	-	√	-	√	-	√	-	√
Dato' Abdul Rahman Ahmad	Commissioners	-	√	-	√	-	√	-	√	-	√	√	-
Vera Handajani	Commissioners	-	√	-	√	-	√	-	√	-	√	√	-
Farina J. Situmorang <sup>*)</sup>	Independent Commissioners	-	√	-	√	-	√	-	√	-	√	-	√

<sup>\*)</sup> Appointed as Independent Commissioner at the AGMS 10 April 2023 and effective as of 25 January 2024

## BOARD OF DIRECTORS

### AFFILIATE RELATIONSHIP WITH OTHER MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD OF COMMISSIONERS AND CONTROLLING SHAREHOLDERS

Name	Position	Family Relationship up to the Second Degree with						Financial Relationship with					
		Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Lani Darmawan	President Director	-	√	-	√	-	√	-	√	-	√	-	√
Lee Kai Kwong	Strategy, Finance & SPAPM Director	-	√	-	√	-	√	-	√	-	√	-	√
John Simon	Treasury & Capital Market Director	-	√	-	√	-	√	-	√	-	√	-	√
Fransiska Oei	Compliance, Corporate Affairs & Legal Director	-	√	-	√	-	√	-	√	-	√	-	√
Pandji P. Djajanegara	Sharia Banking Director	-	√	-	√	-	√	-	√	-	√	-	√
Tjioe Mei Tjuen	Operation & Information Technology Director	-	√	-	√	-	√	-	√	-	√	-	√
Henky Sulistyio	Risk Management Director	-	√	-	√	-	√	-	√	-	√	-	√
Joni Raini	Human Resource Director	-	√	-	√	-	√	-	√	-	√	-	√
Rusly Johannes	Banking Business Director	-	√	-	√	-	√	-	√	-	√	-	√
Noviady Wahyudi	Consumer Banking Director	-	√	-	√	-	√	-	√	-	√	-	√





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# Committees at the Board of Commissioners Level

In performing its duties and responsibilities to supervise the Bank, the Board of Commissioners (BOC) is assisted by Committees at the Board of Commissioners level. The Committees carry out their duties and responsibilities in accordance with the Committee's Charter, which are periodically prepared and reviewed based on Indonesian regulations and best practices in Corporate Governance implementation.

The Committees at the Board of Commissioners level are chaired by an Independent Commissioner who has no financial, management, share ownership, or familial relationships with other members of the Board of Commissioners, the Board of Directors, or the Controlling Shareholder, or any other relationship with the Bank that could jeopardize affect their independence. Committees under the Board of Commissioners consist of Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and Integrated Governance Committee.

## AUDIT COMMITTEE

The Audit Committee was formed to assist the Board of Commissioners in reviewing and clarifying financial information, selecting, appointing, and supervising the work of independent auditors, and assessing the effectiveness of internal audit functions and controls. The Audit Committee also monitors the Bank's compliance with applicable regulations and laws.

### LEGAL BASIS

The Audit Committee was established based on the following regulations:

1. Otoritas Jasa Keuangan (OJK) Regulations and OJK Circulars Letters concerning the Implementation of Corporate Governance for Commercial Banks, Establishment and Guidelines for the Operation of the Audit Committee, Implementation of the Internal Audit Function in Commercial Banks, the Board of Directors and the Board of Commissioners of Issuers or Public Companies, Information Technology Management by Commercial Banks, Implementation of Compliance Functions in Commercial Banks, Use of Public Accountants Services and Public Accounting Firms in Financial Activities, and Affiliation Transactions and Specific Conflict of Interest Transactions.
2. Articles of Association of CIMB Niaga concerning the Board of Commissioners' duties and authorities.
3. International Professional Practices Framework from The Institute of Internal Auditors.
4. CIMB Niaga's Corporate Policy Manual
5. ASEAN Corporate Governance Scorecard.

### AUDIT COMMITTEE CHARTER

In carrying out its duties and responsibilities, the Audit Committee adheres to the Audit Committee Charter, which is periodically reviewed and updated to align with the prevailing regulations and the Bank's needs. The Audit Committee Charter was most recently updated on 26 June 2023, and has been uploaded to the CIMB Niaga website. The Audit Committee Charter governs several aspects, including:

1. Objectives
2. Composition, structure, term of office, and membership
3. Membership requirements
4. Duties and responsibilities
5. Authority
6. Procedures, protocols, and conduct of meetings
7. Reporting
8. Handling of complaints or reports in connection with suspected violations related to financial reports
9. Work ethics and working hours

### TERM OF OFFICE

Audit Committee members appointed during their Board of Commissioners term shall end at the end of the current Board of Commissioners' term. According to POJK No. 17 of 2023 and the Audit Committee Charter, the Audit Committee's term shall not exceed the term of office of the Board of Commissioners, and may be re-elected for 1 (one) subsequent term.

## AUDIT COMMITTEE MEMBERSHIP, STRUCTURE, AND COMPOSITION

The number, structure, membership composition, as well as independence of all Audit Committee members have all been in accordance with the Audit Committee Charter regulations. In 2023, CIMB Niaga's Audit Committee consist of 5 (five) members, including 2 (two) Independent Commissioners and 3 (three) Independent Parties with the following expertise and qualifications in accounting and banking finance:

### COMPOSITION OF AUDIT COMMITTEE IN 2023

No	Name	Position in Bank	Position in Committee	Term of Office
1	Jeffrey Kairupan	Independent Commissioner	Chairman	2020 - 2024
2	Glenn M. S. Yusuf	Vice President Commissioner (Independent)	Member	2022 - 2024
3	Endang Kussulanjari S.	Independent Party	Member	2020 - 2024
4	Angelique Dewi Daryanto	Independent Party	Member	2022 - 2025
5	Riatu Mariatul Qibthiyah	Independent Party	Member	2023 - 2024

### PROFILE OF AUDIT COMMITTEE MEMBERS



**Jeffrey  
Kairupan**

Chairman of Audit Committee

Initially appointed as Chairman on 1 January 2019, reappointed on 9 April 2020 for the same position, and concurrently serves as Chairman of the Integrated Governance Committee and Member of the Risk Oversight Committee.

He is currently also serves as Independent Commissioner.

His complete profile is presented in the Profile of the Board of Commissioners.

**Legal Basis for Appointment as Chairman of Audit Committee**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/IV/2020 dated 20 April 2020.



**Glenn  
M. S. Yusuf**

Member of Audit Committee

Initially appointed as Member of Audit Committee on 21 October 2022, concurrently serves as Chairman of the Risk Oversight Committee and Member of Nomination and Remuneration Committee.

He is currently also serves as Vice President Commissioner of the Bank (Independent).

His complete profile is presented in the Profile of the Board of Commissioners.

**Legal Basis for Appointment as Member of Audit Committee**

Circular Resolution of the Board of Directors No. 005/SIR/DIR/X/2022 dated 21 October 2022.



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**Endang Kussulanjari S.**

Member of Audit Committee

**Age/Gender**

67/Female

**Nationality**

Indonesia

**Domicile**

Jakarta

Appointed as Member of Audit Committee effective since 9 April 2020, and concurrently serves as Member of Integrated Governance Committee.

**Educational History**

- ▼ Master of Arts, University of Colorado Boulder, Colorado – USA (1987)
- ▼ Bachelor of Economy, Universitas Gadjah Mada, Yogyakarta, Indonesia (1981)

**Work History**

- ▼ Commissioner in PT Pefindo Biro Kredit (2016–August 2022)
- ▼ Deputy Commissioner of Internal Audit, Risk Management, and Quality Control (AIMRPK) of Financial Services Authority (2015–2016)
- ▼ Deputy Commissioner of DKB2, Financial Services Authority (OJK) - Banking Supervision Division (2014–2015)
- ▼ Assistant Governor of Bank Indonesia -Banking Supervision Division (May–December 2013)
- ▼ From 1998 to 2013, she held various senior positions at Bank Indonesia, including Head of Bank Supervision Section, Deputy Director of Banking Supervision 1, Deputy Director of Banking Examination 1, Deputy Director of Banking Supervision 3, Head of the Bank Indonesia Yogyakarta Office, Senior Principal Researcher of DPNP, and Head of Banking Supervision Department 2. She is responsible for overseeing all bank activities, including finance and accounting, credit, risk management, governance, and internally ensuring the quality control of bank supervision.

**Other Position**

-

**Shares Ownership**

N/A

**Affiliation**

No affiliation with other members of the Committee, members of the Board of Commissioners, members of the Board of Directors, and Ultimate or Controlling Shareholders.

**Certification**

Level 5 Risk Management Certification

**Legal Basis for Appointment as Member of Audit Committee**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/IV/2020 dated 20 April 2020.



**Angelique Dewi Daryanto**

Member of Audit Committee

**Age/Gender**

52/Female

**Nationality**

Indonesia

**Domicile**

Jakarta

Appointed as Member of Audit Committee effective since 21 October 2022, and concurrently serves as Member of Integrated Governance Committee.

**Educational History**

Bachelor of Economy in Accounting, Universitas Trisakti, Indonesia

**Work History**

- ▼ Worked at PricewaterhouseCoopers (PwC) Indonesia for over 27 years (1994–2021) and served as a Partner at PwC Indonesia in the Assurance Division – Financial Services Group for the last 15 years (2006–2021)
- ▼ Previously appointed as the Public Accountant responsible for auditing the Financial Statement of CIMB Niaga (2017–2019)

**Other Position**

- ▼ Member of Audit Committee in PT Honest Financial Technologies (2022–present)
- ▼ Member of Audit Committee in PT Asuransi Allianz Life Syariah Indonesia (2023–present)

**Shares Ownership**

N/A

**Affiliation**

No affiliation with other members of the Committee, members of the Board of Commissioners, members of the Board of Directors, and Ultimate or Controlling Shareholders.

**Certification**

Certified Public Accountant (CPA) & Chartered Accountant (CA) Indonesia

**Legal Basis for Appointment as Member of Audit Committee**

Circular Decision of the Board of Directors No. 005/SIR/DIR/X/2022 dated 21 October 2022



**Riatu Mariatul Qibthiyah**

**Member of Audit Committee**

**Age/Gender**

46/Female

**Nationality**

Indonesia

**Domicile**

Jakarta

Appointed as Member of Audit Committee effective since 20 January 2023.

**Educational History**

- ▶ Doctor of Philosophy (PhD) in Economy from Georgia State University, Andrew Young School of Policy Studies, Atlanta, GA (2008)
- ▶ Master of Arts in Economy from Georgia State University, Andrew Young School of Policy Studies, Atlanta, GA (2008)
- ▶ Bachelor of Economic Science from Universitas Indonesia, Depok, Indonesia (1999)

**Work History**

- ▶ Deputy Head of Research at the Institute for Economic and Social Research, Faculty of Economics and Business (LPEM FEB UI), Universitas Indonesia (2014–2016).
- ▶ Head of the Bachelor of Economics Program, Department of Economics, Faculty of Economics, Universitas Indonesia (2009–2013).

**Other Position**

- ▶ Head of the Institute for Economic and Social Research, Faculty of Economics and Business (LPEM FEB), Universitas Indonesia (2016–2022).
- ▶ Lecturer at the Faculty of Economics and Business, Universitas Indonesia (2008–present).

**Shares Ownership**

N/A

**Affiliation**

No affiliation with other members of the Committee, members of the Board of Commissioners, members of the Board of Directors, and Ultimate or Controlling Shareholders.

**Certification**

-

**Legal Basis for Appointment as Member of Audit Committee**

Circular Resolution of the Board of Directors No. 001/SIR/DIR/I/2023 dated 20 January 2023

**TRAINING FOR MEMBERS OF AUDIT COMMITTEE**

Data on the training of members of the Audit Committee in 2023 is presented in the Company Profile Chapter of this Annual Report.

**INDEPENDENCE STATEMENT OF THE AUDIT COMMITTEE**

All members of the CIMB Niaga Audit Committee, which includes 1 (one) Chairman who also serves as an Independent Commissioner, 1 (one) member who is an Independent Commissioner, and 3 (three) non-Commissioner members as Independent Parties, are entirely independent.

**INDEPENDENCE TABLE OF AUDIT COMMITTEE MEMBERS AS OF DECEMBER 2023**

Independence Criteria	Jeffrey Kairupan	Glenn M. S. Yusuf	Endang Kussulanjari S.	Angelique Dewi Daryanto	Riatu Mariatul Qibthiyah
Has no financial relationships with the Board of Commissioners and Directors	Yes	Yes	Yes	Yes	Yes
Has no management relationship with the Bank, its subsidiaries, or the Bank's affiliated companies	Yes	Yes	Yes	Yes	Yes
Has no shareholding relationship with the Bank	Yes	Yes	Yes	Yes	Yes
Has no family relationship up to second degree with the Board of Commissioners, the Board of Directors, and/or fellow members of the Audit Committee	Yes	Yes	Yes	Yes	Yes
Does not serve as an official of a political party, government official, or government employee.	Yes	Yes	Yes	Yes	Yes

**DUTIES, RESPONSIBILITIES, AND AUTHORITY**

The duties and responsibilities of the Audit Committee are as follows:

1. Reviewing financial information to be disclosed by CIMB Niaga to the public and/or authorities, including financial statements, projections, and other reports related to the Bank's financial information, including evaluating the conformity of financial statements with applicable accounting standards.
2. Reviewing compliance with laws and regulations related to the Bank's activities.
3. Providing independent opinions in case of disagreements between management and the accountant regarding the services provided.
4. Assisting the Board of Commissioners in actively supervising the activities of external auditors by:
  - a. Providing recommendations to the Board of Commissioners on the appointment and/or replacement of Public Accountant based on, but not limited to, independence, scope of assignment, cost, expertise, and methods used.
  - b. Discussing the audit plan, including the nature and scope of the audit.
  - c. Reviewing the adequacy of examinations by the Public Accounting Firm, considering all significant risks.



- d. Monitoring and evaluating the implementation of the annual audit services for historical financial information by the Public Accountant and/or Public Accounting Firm, including its compliance with applicable accounting standards, adequacy of fieldwork, sufficiency of sampling tests, and recommendations for improvements.
- e. Ensuring coordination if more than one Public Accountant is assigned.
5. In relation to the functional accountability of Internal Audit to the Audit Committee, the Audit Committee is responsible for the following:
  - a. Providing recommendations to the Board of Commissioners concerning the appointment, dismissal, and performance assessment of the Chief Audit Executive.
  - b. Reviewing, monitoring, and evaluating audit plans and the effectiveness of audit execution, as well as monitoring follow-up on audit results (related to both information technology and non-information technology) to assess the adequacy of internal controls, including the sufficiency of financial reporting processes.
  - c. Assisting the Board of Commissioners in ensuring that the Board of Directors develops and maintains an adequate, effective, and efficient internal control system.
  - d. Assisting the Board of Commissioners in reviewing the effectiveness and efficiency of the internal control system based on information obtained from Internal Audit Unit at least once a year.
  - e. Providing recommendations to the Board of Commissioners regarding the preparation of the Internal Audit Unit plan, scope, and budget.
  - f. Signing special reports on any Internal Audit findings that could be detrimental to the Bank's business continuity, and reports on the implementation and key findings of Internal Audit, which will be submitted to the OJK.
  - g. Providing recommendations to the Board of Commissioners for the approval of the Internal Audit Charter.
  - h. Providing recommendations to the Board of Commissioners for the appointment of an independent quality control reviewer from an external party to conduct a review of Internal Audit Unit's performance.
  - i. Ensuring that the Internal Audit Unit communicates with the Board of Directors, the Board of Commissioners, Sharia Supervisory Board, the external auditors, and the Financial Services Authority.
  - j. Ensuring that the head of Internal Audit Unit is responsible for communicating audit findings related to the implementation of Sharia principles to the Board of Directors and the Board of Commissioners, with a copy to the Director overseeing compliance functions, as well as reporting to the Sharia Supervisory Board.
  - k. Ensuring that Internal Audit Unit works independently.
  - l. Providing recommendations to the Board of Commissioners regarding the overall annual remuneration and performance awards for Internal Audit Unit.
  - m. Ensuring that Internal Audit Unit upholds integrity in carrying out its duties.
  - n. Assisting the Board of Commissioners in ensuring that internal audit at subsidiary companies is conducted based on audit standards applicable to the Bank.
  - o. Reviewing audit report and ensuring that the Board of Directors takes prompt corrective action to address control weaknesses, fraud, compliance issues with policies, laws, and regulations, or other issues identified and reported by Internal Audit Unit, external auditors, and any recommendations from the regulator.
6. Reviewing and reporting to the Board of Commissioners on complaints related to the Bank's accounting and financial reporting processes, including in cases where there are allegations of errors in the decisions of Board meetings or deviations in the implementation of the results of Board decisions. If necessary, the Committee can conduct examinations either independently or by assigning a third party. Such report must be submitted to the Board of Commissioners no later than 2 (two) working days after the completion of the report.
7. Reviewing and providing advice and recommendations to the Board of Commissioners regarding plans for material related party transactions and potential conflicts of interest presented by the Management to the Audit Committee.
8. Assisting the Board of Commissioners in actively supervising the compliance function by:
  - a. Evaluating the implementation of the Bank's Compliance Function against internal regulations and regulations related to the Bank's activities at least twice a year.
  - b. Providing advice to improve the quality of the implementation of the Bank's Compliance Function.
9. Assisting the Board of Commissioners in actively supervising the implementation of the Anti-fraud strategy by reviewing the Anti-fraud Strategy Implementation Report submitted by the Anti-Fraud Management unit.
10. Maintaining the confidentiality of the Bank's documents, data, and information.
11. Committee members conduct a collective performance assessment of the Audit Committee, as well as individual assessments of each member and the Committee Chairman, with the criteria and assessment processes as set out in the attachment to the Nomination and Remuneration Committee Charter.

12. The Chairman of the Audit Committee is responsible for coordinating all Audit Committee activities to fulfill the Committee's objectives in line with its establishment, including being responsible for the following:
  - a. Determining annual work plan;
  - b. Scheduling annual meeting;
  - c. Preparing periodic reports on the Committee's activities and matters deemed necessary to bring to the attention of the Board of Commissioners;
  - d. Conducting a Self-Assessment toward the effectiveness of the Audit Committee's activities;
  - e. Appointing member of Audit Committee from outside the Board of Commissioners or appointing other third party as the Committee's secretary to record committee meetings and prepare Meeting Minutes.
13. Assisting the Board of Commissioners in ensuring that the Board of Directors implements sustainability at the Bank.

### MEETINGS AND ATTENDANCE OF AUDIT COMMITTEE

The preparation of the Audit Committee Meeting refers to the Audit Committee Charter and POJK 17 of 2023, which stipulate that meetings have to be conducted at least once a month. The Audit Committee is required to conduct meetings attended physically at least twice a year. A meeting can only be held if attended by at least 51% (fifty-one percent) of the total members, including Independent Commissioners and Independent Parties. In line with the implementation of HyWork (Hybrid Working, Happy Working) at the Bank, Audit Committee meetings in the year 2023 will be conducted physically, virtually, or in a hybrid format (both physical and virtual).

The Audit Committee is authorized to:

1. Access necessary documents, data, and information about the Bank, its employees, funds, assets, and resources.
2. Communicate directly with Bank employees, including Directors and/or Senior Executives/Officers, and individuals responsible for internal audit, risk management, and accountants related to the Audit Committee's duties and responsibilities.

In 2023, the Audit Committee convened 13 (thirteen) regular meetings and 1 (one) special joint meeting with the Audit Committees of CIMB Group Holdings Berhad (CIMBGH) and CIMB Banking Group (CIMBG). The meeting agenda included discussions about approving previous meeting minutes, following up on previous meetings' actions, and other issues that needed to be addressed.

**TABLE OF MEMBER ATTENDANCE IN THE AUDIT COMMITTEE MEETINGS FOR JANUARY – DECEMBER 2023**

Name	Attendance in Audit Committee Meetings	Physical Attendance	Telepresence Attendance	Attendance Rate	Average Attendance Rate
Jeffrey Kairupan	14	11	3	100%	99%
Glenn M. S. Yusuf	13	9	4	93%	
Endang Kussulanjari S.	14	10	4	100%	
Angelique Dewi Daryanto	14	10	4	100%	
Riatu Mariatul Qibthiyah	14	10	4	100%	

### AUDIT COMMITTEE MEETING AGENDA

Throughout 2023, the Audit Committee meetings discussed the following agenda:

1. Meeting with the Finance Director and executive officers to:
  - a. Review financial statements, including presentation and disclosure, accounting treatment, and policies in compliance with generally applicable accounting principles.
  - b. Review financial performance and adequacy of public financial reporting to authorities.
  - c. Provide recommendations to the Board of Commissioners regarding the appointment of Public Accountant and/or Public Accounting Firm.
  - d. Discuss recommendations and progress of follow-up actions from external auditor's audit findings.
  - e. Discuss asset quality related to credit quality.
2. Meeting with Chief Audit Executive to:
  - a. Discuss audit plans, scope, and audit findings, follow-up on audit recommendation progress, and the adequacy of the internal control system.



- b. Discuss the performance of Internal Audit, including the process and results of the Quality Assurance Review.
3. Meeting with Compliance Director to:
  - a. Discuss recommendations and progress of follow-up actions from the audit findings of Financial Services Authority and Bank Indonesia.
  - b. Discuss compliance risk and penalties to Bank Indonesia. Additionally, discuss learnings from existing cases.
  - c. Discuss new regulations and their impact on the Bank.
  - d. Discuss the implementation of the Bank's Sustainability program.
4. Meeting with the Anti-Fraud Management (AFM) unit to discuss the implementation of the anti-fraud strategy through four interconnected pillars: prevention, detection, investigation, and reporting & monitoring.
5. Meeting with the Anti-Money Laundering (AML) unit to discuss AML activities and programs.
6. Meeting with public accountants to discuss audit plans, audit scope, audit findings, audit recommendations, and management letters that have been submitted.
7. Meeting with the Director and related units to obtain up-to-date information on Information Technology, including IT security and cybersecurity, IT governance, and data governance.
8. Meeting with the Director and related units to obtain up-to-date information on Economy & Market Outlook, ensuring the adequacy of internal control systems, including in the management of Non-Performing Loans (NPL) and Sharia Banking, as well as the status of important projects in 2023.

### REPORT ON THE AUDIT COMMITTEE DUTIES IMPLEMENTATION IN 2023

Throughout 2023, the report on the implementation of the Audit Committee's duties, including activities and resulting recommendations, is as follows:

1. Conducted a review of the accountability and transparency of financial statements.
2. Conducted a review of the quality of assets as an impact of macroeconomic volatility.
3. Conducted a review of the resilience of the Bank's compliance and control structure (including Sustainable Finance).
4. Conducted a review of the effectiveness of fraud prevention, detection, and investigation.
5. Conducted a review of data governance and information technology, data protection, and cybersecurity.

### AUDIT COMMITTEE STATEMENT ON THE ADEQUACY OF INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT SYSTEM

Throughout 2023, the Audit Committee carried out its duties and responsibilities, including conducting a thorough evaluation of critical aspects of the Bank's management pertaining to the internal control system and risk management system. The Audit Committee also observes and declares that CIMB Niaga's internal control and risk management systems have been effective, sufficient, and capable of managing risks and business opportunities to assist the bank in meeting its business objectives without jeopardizing financial performance, compliance, or reputation.

According to the Audit Committee, CIMB Niaga has a sound internal control and risk management system in place, which includes tools for anticipating and managing risks, taking into account changes in the risk profile caused by changes in business strategy, external factors, and regulatory requirements. This is also evident in the effectiveness of internal control and risk management functions such as internal audit, compliance, financial control, and operational control.

### WORK PLAN IN 2024

The Audit Committee has outlined a work plan for the following period with strategic priorities, including the following:

1. Conducting a review of the accountability and transparency of financial statements.
2. Examining the quality of assets, challenges in balancing loan growth and credit quality, and ongoing macroeconomic volatility.
3. Assessing the robustness of compliance and control structures of the Bank (including Environmental, Social, and Governance).
4. Evaluating the effectiveness of fraud prevention, detection, and investigation.
5. Reviewing cybersecurity and resilience, as well as data governance and protection.
6. Control aspects related to business growth and strategy.

## REMUNERATION OF AUDIT COMMITTEE MEMBERS

### 1. REMUNERATION PACKAGE AND OTHER FACILITIES RECEIVED

Type of Remuneration and other Facilities	Amount Received in 1 Year by Audit Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other monetary benefits)	5	11,277	5	6,689
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	2	97	2	90
<b>Total</b>	<b>5</b>	<b>11,374</b>	<b>5</b>	<b>6,780</b>

- Including Committee Member who has just served or resigned in the respective year.  
 - Bank records in-kind remuneration since 2022.

Remuneration per Person	Number of Audit Committee Members	
	2023	2022
Above Rp5 billion	-	-
Above Rp2 billion to Rp5 billion	2	1
Above Rp1 billion to Rp2 billion	3	2
Above Rp500 million to Rp1 billion	-	1
Below Rp500 million	-	1

Including Committee Member who has just started served or resigned in the respective year.

### 2. VARIABLE REMUNERATION FOR AUDIT COMMITTEE MEMBERS

Variable Remuneration*	Amount Received in 1 Year by Audit Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

\* Performance and risk-based remuneration (such as tantiem/bonuses).

None of the members of the Audit Committee of CIMB Niaga received any variable remuneration (share or bonus, both performance based and non-performance based, as well as stock option).



**Jeffrey Kairupan**  
Chairman of Audit Committee



**Glenn M. S. Yusuf**  
Member of Audit Committee



**Endang Kussulanjari S.**  
Member of Audit Committee



**Angelique Dewi Daryanto**  
Member of Audit Committee



**Riatu Mariatul Qibthiyah**  
Member of Audit Committee





## RISK OVERSIGHT COMMITTEE

The Risk Oversight Committee (ROC) was formed and is accountable to the Board of Commissioners for assisting the Board of Commissioners in carrying out its duties and responsibilities in supervising the implementation of risk management, as well as ensuring that the Bank's risk management continues to meet the elements of adequate risk management procedures and methodology. As a result, ROC is expected to maintain acceptable control over the Bank's business activities while remaining profitable.

### LEGAL BASIS

The establishment of the ROC is based on the following regulations:

1. OJK Regulations and Circular Letters concerning Good Corporate Governance for Commercial Banks.
2. The Bank's Articles of Association.
3. Corporate Policy Manual of CIMB Niaga.

### RISK OVERSIGHT COMMITTEE CHARTER

CIMB Niaga's ROC has adopted a charter that governs its membership, structure, authority, duties and responsibilities, meetings, activities, and ROC work procedures for carrying out its duties. The ROC Charter is periodically reviewed to ensure that it complies with applicable regulations and the Bank's needs. The ROC Charter was most recently updated on 8 June 2023, and has been posted on the Bank's website.

The ROC Charter consists of the following:

1. Objectives
2. Membership (Composition, Membership Requirements, Independence, Term of Office)
3. Duties and responsibilities
4. Meeting Procedures
5. Reporting

### TERM OF OFFICE

The terms of office of ROC members appointed during the on-going period of the Board of Commissioners' terms will expire concurrently. The ROC's term of office cannot be longer than that of the Board of Commissioners, as specified in the Articles of Association and ROC Charter, and they may be re-appointed.

### RISK OVERSIGHT COMMITTEE MEMBERSHIP, STRUCTURE, AND COMPOSITION

As of 31 December 2023, there was 1 (one) Independent Commissioner of the Bank who had been appointed as a KIPER member but was still in the Fit and Proper Test process. The ROC members who had been effectively appointed by the Board of Directors appoints ROC members with the approval of the Board of Commissioners, based on recommendations from the Nomination and Remuneration Committee as of 31 December 2023 had 6 (six) members, including 2 (two) Independent Commissioners, 2 (two) Commissioners, and 2 (two) Independent Parties with expertise and qualifications in finance and risk management, as follows:

### COMPOSITION OF MEMBERS OF THE RISK OVERSIGHT COMMITTEE IN 2023

No.	Name	Position in Bank	Position on Committee	Term of Office
1	Glenn M. S. Yusuf	Vice President Commissioner (Independent)	Chairman	2020-2024
2	Didi Syafruddin Yahya	President Commissioner	Member	2023-2026
3	Jeffrey Kairupan	Independent Commissioner	Member	2022-2024
4	Vera Handajani	Commissioner	Member	2021-2025
5	Sri Indrastuti S. Hadiputranto	Independent Party	Member	2020-2024
6	Ronald T. A. Kasim	Independent Party	Member	2023-2024

## PROFILE OF RISK OVERSIGHT COMMITTEE MEMBERS



Chairman of Risk Oversight Committee

Appointed as Chairman of the ROC effective 6 October 2020, having previously been a Member of ROC as of 16 September 2020, and concurrently serving as Member of the Nomination and Remuneration Committee (NRC) and Member of the Audit Committee.

He is currently also serves as Vice President Commissioner (Independent).

His complete profile is presented in the Board of Commissioners Profile.

**Legal Basis of Appointment as Chairman of the ROC**

Circular Resolution of the Board of Directors No. 008/SIR/DIR/X/2020 dated 6 October 2020.



Member of Risk Oversight Committee

Appointed as Member of the ROC effective 26 November 2019 and reappointed to the same position effective 10 April 2023, in which concurrently serving as Member of the Nomination and Remuneration Committee (NRC).

He is currently also serves as President Commissioner

His complete profile is presented in the Board of Commissioners Profile.

**Legal Basis of Appointment as Member of the ROC**

Circular Resolution of the Board of Directors No. 014/DEKOM/KP/VIII/2023 dated 9 August 2023.



Member of Risk Oversight Committee

Appointed as Member of the ROC effective 21 October 2022, and concurrently serving as Chairman of the Audit Committee and Chairman of the Integrated Governance Committee.

He is currently also serves as Independent Commissioner

His complete profile is presented in the Board of Commissioners Profile.

**Legal Basis of Appointment as Member of the ROC**

Circular Resolution of the Board of Directors No. 005/SIR/DIR/X/2022 dated 21 October 2022.



Member of Risk Oversight Committee

Appointed as Member of the ROC effective 25 January 2022

She is currently also serves as Commissioner.

Her complete profile is presented in the Board of Commissioners Profile

**Legal Basis of Appointment as Member of the ROC**

Circular Resolution of the Board of Directors No. 001/SIR/DIR/I/2022 dated 25 January 2022.



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management



**Sri Indrastuti S. Hadiputranto**

Member of Risk Oversight Committee

**Age/Gender**

80/Female

**Nationality**

Indonesia

**Domicile**

Jakarta

Appointed as Member of the ROC since July 2016, and re-appointed on 9 April 2020.

**Educational Background**

- ▼ Bachelor of Law from the University of Indonesia, Depok, Indonesia (1970)
- ▼ Master of Laws from the University of Washington, USA (1981)

**Work Experience**

- ▼ Founding Partner of Hadiputranto, Hadinoto & Partners, one of the largest Law Firm in Indonesia, a member of the Baker & McKenzie International Law Firm. Became an International Partner since 1989 - 2016 (retired).
- ▼ Member of the Board of Commissioners of the Indonesia Stock Exchange (2001-2004) and Member of the Discipline Committee for Members of the Indonesia Stock Exchange (2009-2013)

**Other Position**

- ▼ President Commissioner of PT Mitra Adiperkasa Tbk (2020-present)
- ▼ President Director of PT Bali Turtle Island Development, master developer of a Kura Kura Bali Special Economic Zone (2021-present)
- ▼ Independent Commissioner of PT Astra International Tbk (2018-present)
- ▼ Member of the Audit Committee of PT Astra International Tbk (2020 - present)
- ▼ Senior Advisor of Gajah Tunggal Group (2016 - present)
- ▼ Senior Advisor PT Morgan Stanley Indonesia (2016-present)

**Shares Ownership**

Nil

**Affiliate Relationship**

Has no affiliation with fellow Committee members, members of the Board of Commissioners, Board of Directors, or the Ultimate and Controlling Shareholders.

**Certification**

-

**Legal Basis of Appointment as the ROC Member**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/IV/2020 dated 20 April 2020.



**Ronald T. A. Kasim**

Member of Risk Oversight Committee

**Age/Gender**

56/Male

**Nationality**

Indonesia

**Domicile**

Jakarta

Appointed as Member of the ROC since 20 January 2023

**Educational Background**

- ▼ Doctor of Philosophy (PhD) in Innovation Leadership and Policy from Gadjah Mada University - Yogyakarta, Indonesia (2019)
- ▼ Master of Business Administration (MBA) - Business Administration & Management from Creighton University-Omaha, Nebraska, USA (1994)
- ▼ Bachelor of Science in Business Administration, majoring in Finance (BSBA) from Creighton University - Omaha, Nebraska, USA (1992)

**Work Experience**

- ▼ President Commissioner at PT Bangun Percaya Sosial - Jakarta, Indonesia (2022-2023)
- ▼ Chief Advisor at PT Advance Intelligence Indonesia - Jakarta, Indonesia (2019-2023)
- ▼ Country Director at PT Trusting Social Indonesia - Jakarta, Indonesia (2017-2020)
- ▼ Director at PT Trust Teknologi Finansial (TrustIQ) - Jakarta, Indonesia (2018-2019)
- ▼ President Director at PT Pefindo Biro Kredit (PBK) - Jakarta, Indonesia (2015-2017)
- ▼ President Director at PT Pemeringkat Efek Indonesia (PEFINDO) - Jakarta, Indonesia (2010-2015)
- ▼ Senior Vice President - Strategic Information Management at PT Permata Bank Tbk - Jakarta, Indonesia (2009-2010)
- ▼ Project Manager - Risk Management Products at Fermat (a business unit of Moody's Investors Service) - Paris, Dubai, Singapore (2007-2009)
- ▼ Senior Risk Management Consultant - Banking Risk Product at IPS-Sendero (a business unit of Fiserv, Inc.) - Scottsdale, AZ, USA (2004-2007)
- ▼ Finance Officer and Head of Financial Strategic Group (including responsibility for accounting) at First National Capital Markets, Inc. - Omaha, NE, USA (2001 - 2004)
- ▼ Lead Financial Analyst of Asset-Liability Management Group at First National Bank of Omaha - Omaha, NE, USA (1999 - 2001)
- ▼ Head of Financial Institution Ratings Division at PT Pemeringkat Efek Indonesia (PEFINDO) - Jakarta, Indonesia (1994 - 1998)

**Concurrent Position**

- ▼ President Commissioner at PT Kredit Biro Indonesia Jaya - Jakarta, Indonesia (2022-present)
- ▼ Independent Commissioner at PT Atome Finance Indonesia - Jakarta, Indonesia (2022-present)

**Shares Ownership**

Nil

**Affiliate Relationship**

Has no affiliation with fellow Committee members, members of the Board of Commissioners, Board of Directors, or the Ultimate and Controlling Shareholders.

**Certification**

- ▼ Chartered Financial Analyst (CFA)
- ▼ Level 4 Risk Management Certification

**Legal Basis of Appointment as the ROC Member**

Circular Resolution of the Board of Directors No. 001/SIR/DIR/I/2023 dated 20 January 2023

## TRAINING FOR MEMBERS OF RISK OVERSIGHT COMMITTEE

Information concerning the training programs attended by members of the ROC in 2023 is presented in the Company Profile Chapter of this Annual Report.

## INDEPENDENCE STATEMENT OF THE RISK OVERSIGHT COMMITTEE

CIMB Niaga ROC always performs its duties, responsibilities, and authority professionally and independently, without interference from any party who is not in compliance with the statutory regulations. All ROC members declare that they have met all independence criteria and are capable of carrying out their duties independently, upholding the Bank's interests, and unable to be influenced by any party.

This statement is supported by the membership composition, which includes 1 (one) Chairman who is an Independent Commissioner, 2 (two) members who is an Independent Commissioner, 2 (two) members who are Commissioners, and 2 (two) non-Commissioner members from the Independent Party.

## DUTIES, RESPONSIBILITIES, AND AUTHORITY

In order to support the effective implementation of the Board of Commissioners' duties and responsibilities regarding risk management, CIMB Niaga ROC has the main duties, responsibilities, and authority to provide recommendations in relation to:

1. Evaluate the suitability of risk management policies to the implementation of related policies; and
2. Monitor and evaluate the implementation of duties of the Risk Management Committee and Risk Management Work Unit

## MEETINGS AND ATTENDANCE OF RISK OVERSIGHT COMMITTEE

ROC is required to hold a meeting at least once a month and in person at least twice a year. Meetings can only be held if at least 51% (fifty-one percent) of the total members attend, including an Independent Commissioner and an Independent Party. In 2023, ROC has 12 (twelve) meetings, consisting of 4 (four) virtual and 8 (eight) physical, in accordance with the implementation of HyWork (Hybrid Working, Happy Working) at the Bank.

**TABLE OF MEMBER ATTENDANCE AT RISK OVERSIGHT COMMITTEE MEETINGS FOR THE PERIOD JANUARY-DECEMBER 2023**

Name	Attendance at ROC Meetings	Physical Attendance	Attendance via Teleconference or Telepresence	Attendance Rate	Average Attendance Rate
Glenn M. S. Yusuf	12	8	4	100%	93%
Didi Syafruddin Yahya	12	6	6	100%	
Jeffrey Kairupan	12	7	5	100%	
Vera Handajani	11	7	4	92%	
Sri Tuti Hadiputranto	9	4	5	75%	
Ronald T. A. Kasim*	11	6	5	92%	

\* Effectively serving as the member of ROC since 20 January 2023

## MEETING AGENDA OF RISK OVERSIGHT COMMITTEE

In 2023, the ROC meetings discussed the following agendas:

1. Agenda for Risk Management governance:
  - a. Monitor and evaluate the 2022 ROC Work Plan Realization and the 2023 Work Plan.
  - b. Monitor and evaluate the 2022 Risk Management Committee - RMC Work Plan Realization and the 2023 Work Plan.
  - c. Monitor and evaluate the 2022 Risk Management Unit Work Plan Realization and the 2023 Work Plan.
  - d. Review and ratify the minutes of the Risk Oversight Committee meetings.
2. Agenda for Capital and soundness level of the Bank:
  - a. Evaluating risk management related to capital, including the implementation of Stress Tests (Group-wide) and ICAAP.
  - b. Discuss mandatory reports to Bank Supervisors, including Risk Profile Report, Bank Soundness Report (both on a bank only and consolidated basis) and other reports.
  - c. Discusses the Bank's financial performance reports every quarter
3. Agenda for the risk profile of the Bank:
  - a. Monitor monthly risk management reports (Risk Appetite Statement/Risk Report) covering several aspects of risk management (Credit, Market, Liquidity, Operational, and others).

- b. Recommend to the Board of Commissioners on risk management policies, including operational risk, liquidity risk, IRRBB, Cyber Security and IT Resilience.
- c. Review the implementation of risk management, including: operational risk, reputation risk, compliance risk, legal risk, sustainability risk and technology risk.
- d. Discuss monthly Economic Outlook report by Bank Economist.
- e. Monitor and discuss Risk Hotspots, Emerging Risks, and stress testing, including the impact of fluctuating macroeconomic and geopolitical conditions on the Bank's performance
- f. Evaluate, direct and monitor the Information Technology Strategy Plan and discuss the Bank's capabilities and preparations for Cyber Security and IT Resilience.
- g. Monitor and discuss business plans, strategies and account planning for large group debtors, business units and related subsidiaries.
- h. Monitor and discuss the Credit Assurance Testing report.
- i. Monitor and discuss the Bank's critical event.

### REPORT ON THE RISK OVERSIGHT COMMITTEE DUTIES IMPLEMENTATION IN 2023

In 2023, there were 105 (one hundred five) work plan agendas set from the beginning of the year and 28 (twenty-eight) additional agendas to ensure that the ROC meetings discussed the latest and most relevant risk-related topics in the Bank. The implementation of the ROC's duties includes activities and recommendations resulting, among others, for the 2023 financial year:

1. Review and submission of recommendations to the Board of Commissioners on:
  - a. Risk management policies/frameworks and its implementation by the Board of Directors in relations to risk management; and
  - b. Determination of risk appetite, including risk appetite statements, and risk posture.
2. Evaluate the performances of the Risk Management Committee and the Risk Management Unit, as well as the consistency between Risk Management policies and their implementation by discussing:
  - a. Risk management strategies and policies for various risk aspects, not only Credit Risk, Operational Risk, Liquidity Risk, and Market Risk, but also Legal Risk, Compliance Risk, Reputation Risk, and Information Technology Risk.
  - b. Risk management that is related to capital, including the Internal Capital Adequacy Assessment Process and the implementation of stress tests.

- c. Internal reports that include the monitoring results of material & emerging risks, macro-economic conditions, the Bank's financial performance, and risk indicators to ensure compliance with the Bank's risk appetite.
- d. Mandatory reports to the Bank's supervisors that consist of the Risk Profile Report, the Bank Soundness Report, and other reports to ensure the consistency of the information conveyed to the Bank's supervisors for the actual risks faced by the Bank.
3. Monitor the Bank's credit risk by discussing:
  - a. The status of asset quality for each loan segment to ensure each business unit has taken the necessary measures to maintain and improve the Bank's asset quality in line with the established risk posture and risk appetite.
  - b. Thematic review of loan portfolios that were negatively affected by the macroeconomic condition in 2023.
  - c. Business plan, strategy, and account planning for Large Group debtors.
  - d. The Credit Assurance Testing assessment results presented every 3 (three) months in an effort to improve the underwriting process.
4. Evaluate measures on the Bank's strategy and critical event by discussing:
  - a. The most recent report on a number of cases that occurred at the Bank in order to review and improve the Bank's strategy in responding to these cases.
  - b. Strategies for related business units to improve portfolio quality.

### RISK OVERSIGHT COMMITTEE ASSESSMENT ON RISK MANAGEMENT IMPLEMENTATION AT THE BANK

CIMB Niaga's ROC actively manages the risk profile by monitoring inherent risk and strengthening the quality of risk management, implementing good corporate governance through various risk committees, maximizing added value for shareholders, managing capital in a comprehensive manner, as well as ensuring sustainable profitability and business growth to ensure that the soundness of the bank based on the overall risk can be maintained. In 2023, the ROC evaluates the implementation of the Bank's risk management and assesses that the Bank's risk management is adequate.

### WORK PLAN FOR 2024

In the future, ROC will continue to carry out its main duties and responsibilities in order to support the effective implementation of the Board of Commissioners' risk management duties and responsibilities. ROC will continue to be proactive in monitoring and raising the latest risk-related issues, ensuring that it continually remains relevant and up-to-date with the Bank's risks.

## REMUNERATION OF RISK OVERSIGHT COMMITTEE MEMBERS

### 1. REMUNERATION PACKAGES AND OTHER FACILITIES RECEIVED

Type of Remuneration and Other Facilities	Amount Received in 1 Year by Risk Oversight Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other monetary benefits)	6	15,263	6	11,810
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	3	106	3	128
<b>Total</b>	<b>6</b>	<b>15,370</b>	<b>6</b>	<b>11,938</b>

- Including Committee Member who has just started served or resigned in the respective year.  
 - Bank records in-kind remuneration since 2022.

Remuneration Per Person	Number of Risk Oversight Committee Members	
	2023	2022
Above Rp5 billion	-	-
Above Rp2 billion to Rp5 billion	4	3
Above Rp1 billion to Rp2 billion	2	2
Above Rp500 million to Rp1 billion	-	1
Below Rp500 million	-	-

Including Committee Member who has just started served or resigned in the respective year.

### 2. VARIABLE REMUNERATION FOR RISK OVERSIGHT COMMITTEE MEMBERS

Variable Remuneration*	Amount Received in 1 Year by Risk Oversight Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

\* Performance and risk-based remuneration (such as tantiem/bonuses).

None of the members of the Risk Oversight Committee of CIMB Niaga received any variable remuneration (share or bonus, both performance based and non-performance based, as well as stock option).



**Glenn M. S. Yusuf**  
Chairman of Risk Oversight Committee



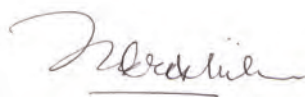
**Didi Syafruddin Yahya**  
Member of Risk Oversight Committee




**Jeffrey Kairupan**  
Member of Risk Oversight Committee



**Vera Handajani**  
Member of Risk Oversight Committee



**Sri Indrastuti S. Hadiputranto**  
Member of Risk Oversight Committee



**Ronald T. A. Kasim**  
Member of Risk Oversight Committee

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) was established to assist the Board of Commissioners in fulfilling its duties and responsibilities. This committee is responsible for providing recommendations on the nomination and remuneration of members of the Board of Commissioners, Board of Directors, Sharia Supervisory Board, and members of Committees under the Board of Commissioners. Additionally, the NRC plays a crucial role in defining the overall remuneration framework for Executive Officers and employees, aligning with the principles of Good Corporate Governance.

### LEGAL BASIS

Legal basis for the establishment of the NRC of CIMB Niaga refers to the following regulations:

1. OJK Regulation and OJK Circular Letter related to the Bank's GCG implementation, the Nomination and Remuneration Committee, the Governance in Providing Remuneration, and the Prudential Principles of Commercial Banks that Outsource Part of Their Operations to Other Parties and the Board of Commissioners and Board of Directors of Issuers or Public Companies.
2. CIMB Niaga's Articles of Association on the duties and authorities of the Board of Commissioners.
3. CIMB Niaga's Corporate Policy Manual
4. ASEAN Corporate Governance Scorecard

### NOMINATION AND REMUNERATION COMMITTEE CHARTER

The NRC operates under a charter that outlines its membership, structure, authority, duties and responsibilities, meetings, activities, and work procedures. This charter has been aligned with POJK No. 34/POJK.04/2014. To ensure compliance with applicable regulations and meet the Bank's needs, the NRC Committee Charter undergoes regular reviews

and updates. On 10 January 2023, the NRC Committee Charter was last updated and uploaded to the CIMB Niaga website. This charter governs various aspects, regarding:

1. Objectives
2. Composition, structure, term of office, and membership of the Committee
3. Membership requirements
4. Duties, responsibilities, and authority
5. Meeting protocols and procedures
6. Work ethics and working hours
7. Working protocols and procedures
8. Reporting

### TERM OF OFFICE

Committee members appointed during the term of the Board of Commissioners will serve until the expiration of the Board of Commissioners' term. Consistent with POJK No. 34/POJK.04/2014 and the NRC Committee Charter, it is specified that the NRC Committee's term of office cannot exceed that of the Board of Commissioners, and members may be re-elected.

### NOMINATION AND REMUNERATION COMMITTEE MEMBERSHIP, STRUCTURE, AND COMPOSITION

CIMB Niaga's NRC has 4 (four) members, consisting of 2 (two) Independent Commissioners, 1 (one) Commissioner, and 1 (one) Bank Executive Officer in charge of Human Resources (HR). The number, structure, membership composition, composition, and independence of members of the NRC have complied with the applicable provisions. The appointment of members of the NRC is carried out by the Board of Directors in accordance with the approval of the Board of Commissioners based on recommendations from the NRC.

### COMPOSITION OF MEMBERS OF THE NOMINATION AND REMUNERATION COMMITTEE IN 2023

No.	Name	Position in Bank	Position in Committee	Term of Office
1	Sri Widowati	Independent Commissioner	Chairman	2023 - 2026
2	Didi Syafruddin Yahya	President Commissioner	Member	2023 - 2026
3	Glenn M. S. Yusuf	Vice President Commissioner (Independent)	Member	2020 - 2024
4	Nora Joice Kimbal	Head of HR Shared Services & MIS (Executive Officer in charge of HR)	Member	2021 - 2024

## PROFILE OF NOMINATION AND REMUNERATION COMMITTEE MEMBERS



**Sri  
Widowati**

**Chairwoman of Nomination and Remuneration Committee**

Appointed as Chairwoman of the NRC effective 9 April 2020, and reappointed to the same position effective 10 April 2023

She is currently also serves as Independent Commissioner of the Bank.

Her complete profile is presented in the Profile of the Board of Commissioners.

**Legal Basis of Appointment as Chairwoman of the NRC**

Circular Resolution of the Board of Directors No. 004/SIR/DIR/VIII/2023 dated 9 August 2023



**Didi Syafruddin  
Yahya**

**Member of Nomination and Remuneration Committee**

Initially appointed as a member of the Nomination and Remuneration Committee on 26 November 2019 and reappointed to the same position effective 10 April 2023, and concurrently serving as a member of the Risk Oversight Committee.

He is currently also serves as President Commissioner of the Bank.

His complete profile is presented in the Profile of the Board of Commissioners.

**Legal Basis of Appointment as Member of the NRC**

Circular Resolution of the Board of Directors No. 004/SIR/DIR/VIII/2023 dated 9 August 2023.



**Glenn  
M. S. Yusuf**

**Member of Nomination and Remuneration Committee**

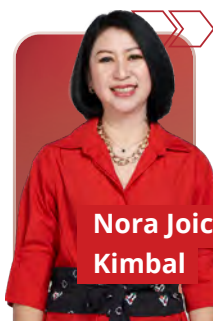
Appointed as member of the Nomination and Remuneration Committee on 16 September 2020, and concurrently serving as Chairman of the Risk Oversight Committee and member of the Audit Committee.

He is currently also serves as Vice President Commissioner of the Bank (Independent).

His complete profile is presented in the Profile of the Board of Commissioners.

**Legal Basis of Appointment as Member of the NRC**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/IV/2020 dated 20 April 2020.



**Nora Joice  
Kimbal**

**Member of Nomination and Remuneration Committee**

Appointed as member of the NRC on 17 December 2021.

She is currently also serves as Head of HR Shared Services & MIS (Executive Officers in charge of HR).

Her complete profile is presented in the Profile of the Board of Commissioners.

**Certification**

Level 3 Risk Management Certification.

**Legal Basis of Appointment as Member of the NRC**

Circular Resolution of the Board of Directors No. 007/SIR/DIR/XII/2021 dated 17 December 2021.





## TRAINING FOR THE NOMINATION AND REMUNERATION COMMITTEE MEMBER

Data on the training of members of the NRC in 2023 is presented in the Company Profile Chapter of this Annual Report.

## NOMINATION AND REMUNERATION COMMITTEE INDEPENDENCY STATEMENT

All members of the NRC stated that they have met all the criteria for independence, are able to carry out their duties independently, uphold the interests of the Bank, and cannot be influenced by any party. The NRC carries out its duties, responsibilities, and authorities professionally and independently, without interference from any party that is not in accordance with the laws and regulations. This statement is supported by the membership composition of the NRC, where the majority of Commissioners who are members of the NRC are Independent Commissioners.

## DUTIES, RESPONSIBILITIES, AND AUTHORITIES

The NRC has the duties, responsibilities, and authorities to assist the Board of Commissioners in providing recommendations related to nomination and remuneration, as follows:

1. Related to the nomination function:
  - a. Preparing and providing recommendations regarding the system and procedures for nominating and/ or replacing the members of the Board of Commissioners, Board of Directors, and Sharia Supervisory Board to the Board of Commissioners, to be submitted to the GMS;
  - b. Providing recommendations on candidates for membership of the Board of Commissioners and/ or Board of Directors, and/ or Sharia Supervisory Board to the Board of Commissioners, to be submitted to the GMS;
  - c. Providing reviews and input regarding prospective members of the Board of Commissioners and/ or Board of Directors, and/ or Sharia Supervisory Board for Bank Subsidiaries
  - d. Evaluating the performance and establishing development programs for the Board of Commissioners, Board of Directors, and Sharia Supervisory Board;
  - e. Providing recommendations regarding Independent Parties who will serve as members of the Audit Committee, the Risk Oversight Committee, and the Integrated Governance Committee.
2. Related to the remuneration function:
  - a. Evaluating the remuneration policy;
  - b. Evaluating the conformity between the remuneration policy and its implementation;

- c. Providing recommendations to the Board of Commissioners on:
    - i. Structure, policy, and amount of remuneration for members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors and members of Committees under the Board of Commissioners; and
    - ii. The remuneration policy framework for Executive Officers and employees as a whole that has been approved by the Board of Directors.
  - d. Providing reviews and inputs on the remuneration of the Board of Commissioners and/ or Board of Directors, and/ or Sharia Supervisory Board for Bank Subsidiaries;
  - e. Providing reviews and recommendations regarding Material Risk Taker (MRT).
3. The Committee shall ensure that the remuneration policy considers:
    - a. Financial performance and fulfilment of reserve pursuant to the prevailing rules and regulations;
    - b. Individual work performance;
    - c. Fairness within the peer group;
    - d. Consideration of the Bank's long-term targets and strategies;
  4. In the event that a Committee member has a conflict of interest with the proposed recommendation, the proposal shall disclose the said conflict of interest and the considerations underlying the proposal.
  5. Formulating guidelines and work procedures for the Committee (Charter) and conducting reviews as required.

## MEETINGS AND ATTENDANCE OF NOMINATION AND REMUNERATION COMMITTEE

The NRC holds meetings according to the needs of the Bank, or at least once every 4 (four) months, in line with the stipulations in the NRC Charter. The NRC Meeting can only be held if attended by at least 2/3 (two-thirds) of the total committee members, and 2 (two) members from the majority of the number of Committee members present are the Chairwoman of the Committee and Executive Officers.

In line with the new way of working, namely HyWork (Hybrid Working, Happy Working), which has been implemented at the Bank since 2021, the NRC held 9 (nine) meetings in 2023, of which 7 (seven) were held physically and 2 (two) were held virtually.

**TABLE OF MEMBER ATTENDANCE AT NOMINATION AND REMUNERATION COMMITTEE MEETINGS FOR THE PERIOD JANUARY-DECEMBER 2023**

Name	Attendance at the NRC Meeting	Physical Attendance	Attendance via Teleconference or Telepresence	Attendance Rate	Average Attendance Rate
Sri Widowati	9	2	7	100%	100%
Didi Syafruddin Yahya	9	2	7	100%	
Glenn M. S. Yusuf	9	2	7	100%	
Nora Joice Kimbal	9	2	7	100%	

### MEETING AGENDA OF NOMINATION AND REMUNERATION COMMITTEE

In 2023, NRC meetings have discussed the following meeting agenda:

#### Agenda related to Nomination:

1. Nomination and succession plans of the Board of Commissioners, Board of Directors, and the Board Management Committee (BMC), Sharia Supervisory Board, and Committee Members.
2. Nomination and succession plans of the Board of Commissioners and the Board of Directors of subsidiaries.
3. Selection of nominations for candidates for the Board of Commissioners and Board of Directors.
4. Assessment of the effectiveness of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, and Committees under the Board of Commissioners, including the Board of Commissioners, the Board of Directors, and the Committees of subsidiaries.

#### Agenda related to Remuneration:

1. KPI achievement of the Bank & BMC in 2022.
2. 2023 KPI Performance Framework.
3. Performance Bonus Framework for 2023
4. 2023 KPI Achievement by quarter/semester.
5. Annual Review related to bonus and salary increase in 2023.
6. Material Risk Taker (MRT) Scheme
7. Remuneration of the Board of Commissioners, Board of Directors, and Committee members under the Board of Commissioners, and the Sharia Supervisory Board, including the Board of Commissioners, the Board of Directors of subsidiaries.
8. Flow of remuneration process for members of the Board of Commissioners and the Board of Directors in subsidiaries.
9. Remuneration benchmarking and market positioning.
10. Talent Retention Incentive Program (TRIP).

#### Others:

1. Development of the Board of Commissioners, Board of Directors and BMC, with the topic: Reimagining Customer Engagement with AI, Chat GPT and Generative AI

2. Internalization of EPICC Values
3. Organization Health Index (OHI) survey results for 2022
4. Updated CIMB Niaga Pension Fund (DAPEN) information
5. Develop a solid Risk Culture

### REPORT ON THE NOMINATION AND REMUNERATION COMMITTEE DUTIES IMPLEMENTATION IN 2023

In 2023, the NRC carried out its duties and responsibilities, as well as provided several recommendations, including the following:

1. Carried out assessments and recommendations on the nominated candidates for member of the Board of Commissioners, Sharia Supervisory Board, Committees and/or Independent Parties as member of the Committee to be submitted to the Board of Commissioners and subsequently proposed to the GMS.
2. The Bank has used a third-party service (search firm) in the process of finding candidates for members of the Board of Commissioners and the Board of Directors in 2023.
3. Reviewed and provided recommendations to the nominated candidates for members of the Board of Commissioners for the Bank's subsidiaries.
4. Continued the implementation of Talent Management, Succession Plans and Personal Development from the Board of Directors to all employees.
5. Reviewed and provided recommendations on the Board of Directors' Key Performance Indicator (KPI) framework.
6. Reviewed and provided recommendations on the proposed remuneration of the Board of Commissioners, Board of Directors, Committees under the Board of Commissioners and Sharia Supervisory Board, as well as the remuneration policy framework for Executive Officers and employees.
7. Reviewed on the Material Risk Taker (MRT) Scheme.
8. Reviewed on the Talent Retention Incentive Program (TRIP).
9. Reviewed the remuneration of the subsidiary's Board of Commissioners.
10. Evaluated and reviewed competency development programs for the Board of Commissioners, Board of Directors, and Sharia Supervisory Board.

11. Reviewed on the results of the organization's health level survey through the Organization Health Index (OHI) survey.
12. Reviewed initiatives/programs/implementations related to the internalization of EPICC Company values (Enabling talent, Passion, Integrity & accountability, Collaboration, Customer Centricity)
13. Recommend the implementation of an evaluation of the effectiveness of the performance of the Board of Commissioners and Committees at the level of the Board of Commissioners and Board of Directors, the Sharia Supervisory Board, including subsidiaries

### NOMINATION AND REMUNERATION COMMITTEE EVALUATION ON THE IMPLEMENTATION OF THE NOMINATION AND REMUNERATION POLICY AT THE BANK

In 2023, the NRC conducted an evaluation and assessment of whether the Bank had implemented the nomination process in accordance with the principles of good corporate governance. The NRC also makes sure that the Bank's policies and structure for remuneration are in line with those that apply to the banking sector and are consistently carried out with the values of risk-based remuneration and Good Corporate Governance.

### WORK PLAN FOR 2024

The NRC has established the 2024 work plan, emphasizing the following strategic priorities:

1. Assess and provide recommendations to the nominated candidates for members of the Board of Directors, the Board of Commissioners, the Committees and/or Independent Parties as member of the Committee and submit this information to the Board of Commissioners, including for subsidiaries, to be proposed at the GMS.

2. Review and provide recommendations on the Key Performance Indicator (KPI) framework for the Board of Directors, including the Bank's subsidiaries.
3. Evaluate the collegial and individual performance of members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, and the Committees under the Board of Commissioners, including the Bank's subsidiaries.
4. Review and recommend the proposal of remuneration for members of the Board of Commissioners, Board of Directors, the Committees under the Board of Commissioners, and Sharia Supervisory Board, as well as the remuneration policy framework for executive officers and all employees of the Bank, including its subsidiaries.
5. Review and recommend the Material Risk Taker (MRT) scheme.
6. Evaluate and review competency development programs for the Board of Commissioners, Board of Directors, and Sharia Supervisory Board.
7. Continue the implementation of Talent Management, Succession Plan, and Self Development of the Board of Directors and all employees of the Bank.
8. Conduct studies on the results of the Organization Health Index (OHI) survey.
9. Review the implementation of activities and initiatives related to organizational health (OHI), which are linked to the EPICC company values (Enabling talent, Passion, Integrity & accountability, Collaboration, Customer Centricity).

## REMUNERATION OF NOMINATION AND REMUNERATION COMMITTEE MEMBERS

### 1. REMUNERATION PACKAGE AND OTHER FACILITIES RECEIVED

Type of Remuneration and Other Facilities	Amount Received in 1 Year by Nomination & Remuneration Committee Member			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other monetary benefits)	4	12,650	4	11,608
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	4	151	4	144
<b>Total</b>	<b>4</b>	<b>12,801</b>	<b>4</b>	<b>11,751</b>

Bank records in-kind remuneration since 2022.

Remuneration per Person	Number of Nomination and Remuneration Committee Members	
	2023	2022
Above Rp5 billion	-	-
Above Rp2 billion to Rp5 billion	4	4
Above Rp1 billion to Rp2 billion	-	-
Above Rp500 million to Rp1 billion	-	-
Below Rp500 million	-	-

## 2. VARIABLE REMUNERATION FOR NOMINATION AND REMUNERATION COMMITTEE MEMBERS

Variable Remuneration*	Amount Received in 1 Year by Nomination and Remuneration Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	Nil	Nil

\* Performance and risk-based remuneration (such as tantiem/bonuses).

None of the members of the Nomination and Remuneration Committee of CIMB Niaga serving as Commissioners at the Bank received any variable remuneration (shares or bonuses both performance based and non-performance based, as well as share options).


## SUCCESSION POLICY OF THE BOARD OF DIRECTORS

The Bank's succession policy for the Board of Directors and/or Senior Management is implemented to prepare for leadership regeneration. The policy regulates several things, as follows:

1. The Board of Commissioners, assisted by the NRC, ensures that the Bank adopts a talent management system, which is managed by the HR Directorate, as a tool to identify executive officers who have the potential to preserve the continuity of the Bank's leadership in the future and maintain the business sustainability and long-term goals of the Bank.
2. The Directorate of Human Resources and the Nomination and Remuneration Committee identify talented employees from within the Bank. However, this does not rule out the possibility of talented employees who are professionals in succession planning for the Board of Directors, including the President Director and/or Senior Management.
3. For internal talent, the Human Resources Directorate assesses and provides further opportunities for the self-development of these talented employees, both in the form of mandatory training and career development opportunities. Qualified employees who are considered potential successors to members of the Board of Directors are further evaluated and identified, as well as meeting the criteria for candidates for the Bank's Board of Directors.



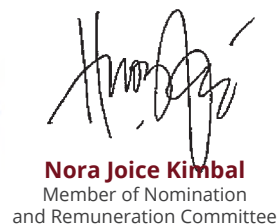
**Sri Widowati**  
Chairwoman of Nomination and Remuneration Committee



**Didi Syafruddin Yahya**  
Member of Nomination and Remuneration Committee



**Glenn M. S. Yusuf**  
Member of Nomination and Remuneration Committee



**Nora Joice Kimbal**  
Member of Nomination and Remuneration Committee

## INTEGRATED GOVERNANCE COMMITTEE

CIMB Niaga, as the Main Entity (ME) of CIMB Niaga Financial Conglomerate (CIFC), established the Integrated Governance Committee (IGC) to assist in the implementation of the duties of the Board of Commissioners as the Board of Commissioners of the ME, particularly in conducting the oversight function on the implementation of IG at CIFC, pursuant to prevailing laws and regulations.

Membership Composition of CIFC:

Entitas Utama : PT Bank CIMB Niaga Tbk (CIMB Niaga)  
 Anggota : PT CIMB Niaga Auto Finance (CNAF)  
 PT CIMB Niaga Sekuritas (CNS)

### LEGAL BASIS

Legal basis for the establishment of the CIMB Niaga's IGC refers to the following regulations:

1. OJK Regulation and OJK Circular Letters concerning the Implementation of Integrated Governance for Financial Conglomerates.
2. Articles of Association of CIMB Niaga concerning the duties and authorities of the Board of Commissioners.

### INTEGRATED GOVERNANCE COMMITTEE CHARTER

The IGC of CIMB Niaga has a charter that regulates the membership, structure, authority, duties and responsibilities, meetings, activities, and work procedures of the IGC in carrying out its function. The IGC Charter is periodically reviewed and updated in order to comply with prevailing regulations and Bank needs. Current IGC Charter was updated in 2021 and deemed relevant with the latest conditions, has been, uploaded this to the Bank's website.

### TERM OF OFFICE

Members of the IGC who are Independent Commissioners of the CIFC Financial Institution (FI) have a term of office of 3 (three) years and/or not exceeding their term of office at CIFC FI. Moreover, the term of office of members who are Independent Parties and/or other parties (if any) is 3 (three) years and/or not exceeding the term of office of ME's Board of Commissioners. The term of office is changed to 3 (three) years after the 2022 AGMS of ME.

### INTEGRATED GOVERNANCE COMMITTEE MEMBERSHIP, STRUCTURE, AND COMPOSITION

The Board of Directors appoints members of the IGC in accordance with the Board of Commissioners approval, based on the recommendation from the Nomination and Remuneration Committee (NRC) or in certain cases, pursuant to the IGC meeting resolution and Appointment Letter of FI as CIFC members. In accordance with the IGC Charter, the membership, composition, and independence of the IGC members have met the prevailing criteria and provisions.

In 2023, there were changes to the IGC Committee Members in accordance with the Nomination and Remuneration Committee Recommendation No. 010/NomRem/KP/III/2023 dated 8 March 2023, and Board of Commissioners Circular No. 007/DEKOM/KP/III/2023 dated 13 March 2023. This has been reported and/or submitted to the OJK via CIMB Niaga letter No. 049/FO/KP/2023 dated 12 April 2023.

The IGC members are composed of 6 (six) people, consisting of 1 (one) Independent Commissioner, 2 (two) Independent Parties, 1 (one) member of the EU Sharia Supervisory Board, and 2 (two) Independent Commissioners of Subsidiaries as representatives of FI that are CIFC members as follows:

### COMPOSITION OF MEMBERS OF THE INTEGRATED GOVERNANCE COMMITTEE IN 2023

No.	Name	Position in Bank & Subsidiaries	Position in Committee	Term of Office
1	Jeffrey Kairupan	Independent Commissioner of CIMB Niaga	Chairman	2020-2024
2	Endang Kussulanjari S.	Independent Party	Member	2020-2024
3	Serena K. Ferdinandus	Independent Commissioner of CNAF	Member	2021-2024
4	Yulizar D. Sanrego	Member of Sharia Supervisory Board of CIMB Niaga	Member	2023-2026
5	Achiran Pandu Djajanto	Independent Commissioner of CNS	Member	2022-2025
6	Angelique Dewi Daryanto	Independent Party	Member	2023-2025

## PROFILES OF INTEGRATED GOVERNANCE COMMITTEE MEMBERS



**Chairman of Integrated Governance Committee**

Reappointed as Chairman of the IGC effective 6 October 2020, and concurrently serving as Chairman of the Audit Committee and Member of the Risk Oversight Committee.

He is currently also serves as Independent Commissioner of the Bank.

His complete profile is presented in the Board of Commissioners Profile.

**Legal Basis of Appointment as Chairman of the IGC**

Circular Resolution of the Board of Directors No. 008/SIR/DIR/X/2020 dated 6 October 2020



**Member of Integrated Governance Committee**

Appointed as Member of the IGC since April 2016 and reappointed effective on 9 April 2020, and concurrently serving as Member of the Audit Committee.

Her complete profile is presented in the Audit Committee Profile.

**Legal Basis of Appointment as Member of the IGC**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/IV/2020 dated 20 April 2020.



**Member of Integrated Governance Committee**

Appointed for the first time as Member of the IGC since March 2015, and reappointed on 14 March 2023.

He is currently also serves as Member of the Sharia Supervisory Board of the Bank.

His complete profile is presented in the Sharia Supervisory Board Profile.

**Legal Basis of Appointment as Member of the IGC**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/III/2023 dated 14 March 2023.



**Serena K. Ferdinandus**

Member of Integrated Governance Committee

**Age/Gender**

63/Female

**Nationality**

Indonesia

**Domicile**

Jakarta

Appointed for the first time as member of the IGC since March 2015, and reappointed on 29 April 2021

**Educational Background**

Bachelor in Economics from the University of Indonesia (1986)

**Work Experience**

- ▶ Member of the Audit Committee at PT Elnusa Tbk (2020-2023)
- ▶ Member of the Risk Management Committee at PT Elnusa Tbk (2014-2020)
- ▶ Member of the Audit Committee at PT Blue Bird Tbk (2014-2020)
- ▶ Commissioner at PT Anpa Internasional (2012-2018)
- ▶ Member of the Audit Committee at PT Chandra Asri Petrochemical Tbk (2009-2015)
- ▶ Member of the Audit Committee at PT Barito Pacific Tbk (2009 - 2013)
- ▶ Senior Vice President Investment Banking Division at PT NC Securities (2002-2009)
- ▶ Vice President Investment Banking Division and Direct Investment Division at PT Danareksa (Persero) and PT Danareksa Finance (1996-2001)
- ▶ Audit Division Manager at Ernst & Young, Sarwoko & Sandjaja in Indonesia (1986-1995) and Ernst & Young, Dallas.

**Concurrent Position**

- ▶ Director of PT Putra Sleman Sembada (2022 – present)
- ▶ Chairwoman of the Risk Oversight Committee at PT CIMB Niaga Auto Finance (2020 - present)
- ▶ Independent Commissioner and Chairwoman of the Audit Committee at PT CIMB Niaga Auto Finance (2012 - present)
- ▶ Chief Audit Executive (Head of Internal Audit & Risk Management Division) at PT Ithaca Resources (2009 - present)

**Shares Ownership**

Nil

**Affiliation**

Has no affiliation with fellow Committee members, Board of Committee members, Board of Directors members or the Ultimate and Controlling Shareholder.

**Certification**

-

**Legal Basis of Appointment as Member of the IGC Member**

Circular Resolution of the Board of Directors No. 004/NOMREM/KP/IV/2021 dated 29 April 2021.



**Achiran Pandu Djajanto**

Member of Integrated Governance Committee

**Age/Gender**

65/Male

**Nationality**

Indonesia

**Domicile**

Bekasi

Appointed as member of the IGC on 7 August 2019, and reappointed on 27 July 2022

**Educational Background**

- ▶ Bachelor of Law from University of Gadjah Mada (1983)
- ▶ Magister of Management from Entrepreneur Development Institute (1997)
- ▶ Phd in Law from University of Gadjah Mada (2015)

**Work Experience**

- ▶ Director of Compliance and Risk Management at PT Jasa Marga (Persero) Tbk. (2015-2016)
- ▶ Expert Staff of the Minister of SOEs for Governance and Synergy (2014-2015)
- ▶ Expert Staff of the Minister of SOEs for Human Resources and Technology (2014-2015)
- ▶ Deputy in Restructuring and Strategic Planning (2013-2014)
- ▶ Expert Staff of the Minister of SOEs for Corporate Governance (2010-2013)
- ▶ Head of Legal Division of the Indonesian Bank Restructuring Agency (1998-2002)
- ▶ Head of the BPR Sub-Directorate of the Directorate General of Financial Institutions DJLK (1994-1998)
- ▶ Various Positions in Government Agencies since 1983

**Concurrent Position**

Independent Commissioner of PT CIMB Niaga Sekuritas (2018-present)

**Shares Ownership**

Nil

**Affiliation**

Has no affiliation with fellow Committee members, Board of Committee members, Board of Directors members or the Ultimate and Controlling Shareholder.

**Certification**

-

**Legal Basis of Appointment as Member of the IGC Member**

Circular Resolution of the Board of Directors No. 004/SIR/DIR/VII/2022 dated 27 July 2022.



**Angelique Dewi Daryanto**

Member of Integrated Governance Committee

Appointed for the first time as member of the IGC since 10 April 2023.

She also serves as Member of the Audit Committee of the Bank.

Her complete profile is presented in the Audit Committee Profile.

**Legal Basis of Appointment as Member of the IGC**

Circular Resolution of the Board of Directors No. 003/SIR/DIR/III/2023 dated 14 March 2023

## TRAINING FOR INTEGRATED GOVERNANCE COMMITTEE MEMBERS

Data on training attended by the IGC members in 2023 is presented in the Company Profile Chapter of this Annual Report.

## INTEGRATED GOVERNANCE COMMITTEE INDEPENDENCY STATEMENT

All members of the IGC stated that they have met all independency criteria and are able to perform their functions independently, upholding ME interests with no interference from any parties. This statement is supported by the composition of the IGC membership, which at least includes:

1. An Independent Commissioner who serves as Chairman on one of the committees at the ME, as Chairman concurrently as Member;
2. An Independent Commissioner who represents and is appointed from the FI in the Financial Conglomerate, as Member;
3. An independent party, as Member.

## DUTIES, RESPONSIBILITIES, AND AUTHORITIES

The duties, responsibilities and authorities of the IGC include the following:

1. Evaluate the implementation of IG at least through the assessment on the adequacy of internal control and the implementation of the compliance function in an integrated manner;
2. In conducting the evaluation as referred to in point 1, the IGC obtains information in the form of evaluation results on the implementation of internal audit and compliance function of each FI from member of BOC of each FI who are members of the IGC;
3. Provide recommendations on the adequacy and improvement of internal control, implementation of the compliance function in an integrated manner, as well as implementation of risk management and good corporate governance;
4. Provide recommendations to the Board of Commissioners of ME for the preparation and

improvement of the IGC Guidelines prepared by the Board of Directors of ME;

5. Assist the Board of Commissioners of ME to ensure that FI implement sustainability in accordance with the established plan;
6. Assist the Board of Commissioner of ME to ensure the ME has prepared and established a Corporate Charter;
7. Organize regular IGC meetings;
8. Obtain input, suggestions and recommendations from professional parties or other parties outside the ME, FI, or CIFC related to their duties as the IGC members;
9. Authorized to request information in the form of evaluation results from:
  - a. The integrated compliance function of the Integrated Compliance Unit;
  - b. The integrated internal audit function of the Integrated Internal Audit Unit on the implementation of internal audits; and
  - c. The integrated risk management function for the implementation of integrated risk management from the Integrated Risk Management Committee and/or the Integrated Risk Management Unit, including but not limited to the obligation to provide minimum capital in an integrated manner;
10. Chairman of the Committee shall prepare and submit a report to the ME's Board of Commissioners on each implementation of their duties along with recommendations (If required for approval).

## MEETINGS AND ATTENDANCE OF INTEGRATED GOVERNANCE COMMITTEE

The IGC Meeting can only be held if attended by at least 51% (fifty-one percent) of the total members, including Independent Commissioners and Independent Parties. The IGC must hold its meetings at least twice a year. In 2023, the IGC held 2 (two) virtual meetings in total, which included the ratification of the previous minutes of the meeting, recommendations, discussion regarding issues that needed to be followed up on from the previous meeting, and other matters that needed attention.

## TABLE OF MEMBER ATTENDANCE AT RISK INTEGRATED GOVERNANCE COMMITTEE MEETINGS FOR THE PERIOD JANUARY - DECEMBER 2023

Name	Attendance at IGC meeting	Physical Attendance	Attendance via Teleconference or Telepresence	Attendance Rate	Average Attendance Rate
Jeffrey Kairupan	2	-	2	100%	100%
Endang Kussulanjari S.	2	-	2	100%	
Serena K. Ferdinandus	2	-	2	100%	
Yulizar D. Sanrego	2	-	2	100%	
Achiran Pandu Djajanto	2	-	2	100%	
Angelique Dewi Daryanto <sup>*)</sup>	1	-	1	100%	

<sup>\*)</sup> Serves as member effective 10 April 2023





## MEETING AGENDA OF INTEGRATED GOVERNANCE COMMITTEE

In 2023, the following were the agenda discussed at the IGC Committee meetings:

### Regular Agenda:

1. Confirmation on minutes of the previous IGC meeting.
2. Report on the results of follow-up or discussion of unfinished issues from the previous IGC meeting.

### Other Agenda:

1. IGC Meeting on 10 February 2023:
  - a. Report on CIMB Indonesia Integrated Risk Profile for H2 of 2022.
  - b. Report on Integrated Minimum Capital Adequacy of CIMB Indonesia for H2 of 2022.
  - c. Integrated Internal Audit Report:
    - Internal Audit Integrated Governance Report for H2 of 2022;
    - Update on Sharia Banking Audit for H2 of 2022.
  - d. CIMB Indonesia Integrated Governance Implementation Report:
    - CIMB Indonesia Integrated Compliance for H2 of 2022;
    - CIMB Niaga Integrated Governance Report for H2 of 2022 (Self-Assessment).
2. IGC Meeting on 10 August 2023:
  - a. Report on CIMB Indonesia Integrated Risk Profile for H1 of 2023.
  - b. Report on Integrated Minimum Capital Adequacy of CIMB Indonesia for H1 of 2023.
  - c. Integrated Internal Audit Report:
    - Internal Audit Integrated Governance Report for H1 of 2023;
    - Update on Sharia Banking for H1 of 2023
  - d. CIMB Indonesia Integrated Governance Implementation Report:
    - CIMB Indonesia Integrated Compliance for H1 of 2023;
    - CIMB Niaga Integrated Governance Report for H1 of 2023 (Self-Assessment).

## REPORT ON THE INTEGRATED GOVERNANCE COMMITTEE DUTIES IMPLEMENTATION FOR 2023

Throughout 2023, the IGC carried out activities that focused on evaluating and/or reviewing reports and/or the following matters:

1. Integrated Risk Profile Report as part of the Integrated Risk Management Report.
2. Integrated Capital Adequacy Report as of December 2022 and June 2023.
3. IGC Implementation Report for H2 of 2022 and H1 of 2023, including the Integrated Compliance Report.

4. Integrated Internal Audit Report (including Sharia) for H2 of 2022 and H1 of 2023.
5. Periodic Self-Assessment Report on the Implementation of Integrated Governance for the period June and December.
6. Review of IGC Membership.

## INTEGRATED GOVERNANCE COMMITTEE EVALUATION ON THE IMPLEMENTATION OF INTEGRATED GOVERNANCE OF CIMB INDONESIA FINANCIAL CONGLOMERATE

The IGC has carried out an evaluation and assessment of the implementation of integrated governance in the CIMB Indonesia Financial Conglomerate, including in terms of the adequacy of internal control, risk management, capital levels, and the implementation of integrated compliance functions in 2023. The IGC appraised that in general, all aspects are running properly and in line with applicable regulations governing the implementation of IGC for Financial Conglomerate in Indonesia, as well as in accordance with the size and complexity of the CIMB Indonesia Financial Conglomerate.

In conclusion, CIFC has implemented integrated governance as a whole, and the implementation of IGC principles is adequate, but weaknesses are still found. These weaknesses are generally insignificant and can be handled/remedied with normal actions from the EU and/ or FIs members of the CIFC.

## WORK PLAN FOR 2024

In 2024, the IGC Committee plans to work on several subjects, including the following:

1. Review the Integrated Risk Management Report.
2. Review the Integrated Minimum Tier-1 Capital Adequacy Report.
3. Review the Integrated Internal Audit Report, including Sharia Audit.
4. Review the Integrated Compliance Report.
5. Review the Integrated Risk Profile Report.
6. Review the Implementation of Integrated Governance Report.
7. Review the Integrated Governance Policy and provide recommendation to the Main Entity's Board of Commissioners for any necessary amendment.
8. Periodic Self-Assessment report on the Implementation of Integrated Governance for the positions June 2024 and December 2023.

## REMUNERATION OF INTEGRATED GOVERNANCE COMMITTEE MEMBERS

### 1. REMUNERATION PACKAGE AND OTHER FACILITIES RECEIVED

Type of Remuneration and Other Facilities	Amount Received in 1 Year by Integrated Governance Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
Remuneration (salary, routine allowances, and other monetary benefits)	6	8,378*	6	6,132*
Other benefits in in-kind form (housing, transportation, health insurance, etc.) that:	-	-	-	-
a. Can be owned	-	-	-	-
b. Cannot be owned	2	53*	3	42*
<b>Total</b>	<b>6</b>	<b>8,432*</b>	<b>6</b>	<b>6,174*</b>

\*<sup>1)</sup> Including remuneration paid by subsidiaries.

- Including Committee Member who has just started served or resigned in the respective year.

- Bank records in-kind remuneration since 2022.

Remuneration Per Person	Number of Integrated Governance Committee Members	
	2023	2022
Above Rp5 billion	-	-
Above Rp2 billion to Rp5 billion	1	1
Above Rp1 billion to Rp2 billion	2	1
Above Rp500 million to Rp1 billion	2	2
Below Rp500 million	1	1

Including Committee Member who has just started served or resigned in the respective year.

### 2. VARIABLE REMUNERATION FOR INTEGRATED GOVERNANCE COMMITTEE MEMBERS

Variable Remuneration*	Amount Received in 1 Year by Integrated Governance Committee Members			
	2023		2022	
	Person	Rp (Million)	Person	Rp (Million)
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

\*<sup>1)</sup> Performance and risk-based remuneration (such as tantiem/bonuses).

None of the members of the Integrated Governance Committee of CIMB Niaga received any variable remuneration (share or bonus, both performance based and non-performance based, as well as stock option).



**Jeffrey Kairupan**  
Chairman of Integrated Governance Committee



**Endang Kussulanjari S.**  
Member of Integrated Governance Committee



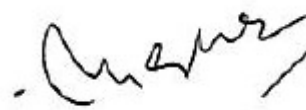
**Serena K. Ferdinandus**  
Member of Integrated Governance Committee



**Yulizar D. Sanrego**  
Member of Integrated Governance Committee



**Achiran Pandu Djajanto**  
Member of Integrated Governance Committee



**Angelique Dewi Daryanto**  
Member of Integrated Governance Committee

# Committees Under the Board of Directors

Committees under the Board of Directors, referred to as Executive Committees (“Exco”), have the duty to assist the Board of Directors in the Bank’s operations. CIMB Niaga has 4 (four) Exco, consisting of the Risk Management Committee, Assets & Liability Committee, IT Steering Committee, and Credit Policy Committee. The Board of Directors also has the authority to establish other Exco according to the needs of the Bank.

## POSITION OF EXECUTIVE COMMITTEES (EXCO) IN THE BANK STRUCTURE

Exco are directly responsible to the Board of Directors, as illustrated in the corporate governance structure of committees in the Risk Management Chapter of this Annual Report.

## RISK MANAGEMENT COMMITTEE (RMC)

### MAIN FUNCTION AND AUTHORITY

RMC has the main function and authority to provide recommendations to the President Director in formulating and improving policies, evaluating the update and condition of risk profiles, as well as providing recommendations and remedial measures.

### STRUCTURE AND MEMBERSHIP

Members of RMC should be at least 2/3 (two-thirds) of the total Board of Directors members, plus appointed Executive Officers one level below the Board of Directors. The RMC’s membership structure is determined by the RMC’s Terms of Reference (TOR), which are the same or recognized as the assignments of the Chairman, Deputy Chairman, and Committee Members as below.

### RMC MEMBERSHIP STRUCTURE

Chairman : President Director  
Vice Chairman 1 : Risk Management Director  
Vice Chairman 2 : Strategy, Finance & SPAPM Director

### Members:

1. Operations & Information Technology Director
2. Treasury & Capital Market Director
3. Consumer Banking Director
4. Compliance, Corporate Affairs & Legal Director
5. Sharia Banking Director
6. Business Banking Director
7. Human Resources Director
8. Chief Special Asset Officer
9. Chief Audit Executive
10. Chief of Network & Digital Banking

### Secretary:

Sharia Risk Management Senior Specialist

The profiles of RMC members are presented in the Profiles of Board of Directors and Senior Executives in the Company Profile Chapter of this Annual Report.

### DUTIES AND RESPONSIBILITIES

1. Formulate and recommend policies and frameworks for risk management, including the Bank’s risk management strategy and Risk Appetite Statement (RAS).
2. Review the risk exposures and risk management implementation in the Bank and its subsidiaries, both periodically and incidentally, as a result of changes in the external and internal conditions of the Bank.
3. Approve the risk profile report, stress testing report, and scenarios including their mitigation plan.
4. Approve the specific policy on risk management that is not covered by the other Exco.
5. Review and analyze the capital adequacy of the Bank and its subsidiaries.
6. Approve the limit/Management Action Trigger (MAT) portfolio, such as the sector limit, house limit, VaR limit, Consumer Banking ELR, and others.
7. Evaluate and approve the treasury trading risk limit, the excession limit of trading, changes in the measurement of market risk, and the credit risk factor for treasury products.
8. Approve the risk model with respect to the capital adequacy, reserve, and other business uses (if necessary), including the validation model result.

### MEETINGS, QUORUMS, AND RESOLUTIONS

1. Meeting members consist of the Board of Directors and Chiefs who are currently serving actively.
2. A meeting is declared to have a quorum if it is attended by at least 2/3 (two thirds) of the total members of the Committee, one of them being the Chairman or Vice Chairman of the Committee.
3. In the event that the Chairman is absent, the Vice Chairman will lead the meeting.
4. In the event that the both the Chairman and Vice Chairman are absent, then the members of the meeting will agree that one of the Board of Directors will be the Chairman of the meeting.
5. The use of alternates is permitted for the Director (according to applicable regulations).
6. All members have voting rights.
7. The Director who acts as an Alternate has 1 (one) voting right for himself or herself and 1 (one) voting right for the Director he or she represents.

8. A meeting decision is declared a quorum if it is approved by at least 2/3 (two thirds) of the members present, one of them is the Chairman or Vice Chairman of the Committee.

### 2023 WORK PROGRAM REALIZATIONS

1. Review the RAS indicators by looking at their relevance to the business characteristics and risks faced.
2. Decide on portfolio limits and risk appetite for products that follow market developments such as KPR, channeling financing through Fintech, and others.
3. By paying attention to post-pandemic economic developments, RMC decided to change the appetite for the Bank's risk exposure, such as sector appetite and sector limits for several industrial sectors and securities portfolios.
4. Decide on portfolio limits for financing the community.

### 2024 WORK PLAN

1. Approve, recommend, and evaluate policies related to risk management.
2. Approve and evaluate risk limits and risk appetite.
3. Increase the role of the committee in reviewing the implementation of the best risk management strategy.
4. Increase the effectiveness of meetings by focusing on key risk issues.
5. Fulfill regulatory regulations regarding risk management.

### CERTIFICATIONS

Membership to the RMC does not require any certain certification.

## ASSET & LIABILITY COMMITTEE (ALCO)

### MAIN FUNCTION AND AUTHORITY

ALCO is a supporting committee of the Board of Directors tasked with analyzing and evaluating asset and liability management, as well as making related decisions through the formulation of policies, strategies, and targets to manage the Bank's assets and liabilities in an integrated manner. ALCO also oversees the Sharia Pricing Committee ("Sharia PC"). Sharia PC has the authority to make decisions, particularly those relating to the level of gross yield distribution, which will be reported on a regular basis at ALCO meetings.

### STRUCTURE AND MEMBERSHIP

ALCO members consist of at least 2/3 (two thirds) of the total members of the Board of Directors, plus Executive Officers one level below the appointed Directors, in accordance with the Bank's Board of Directors Charter. ALCO's membership structure consists of (including the Sharia PC membership structure), which also constitutes or is recognized as the assignment of the Chairman, Vice Chairman and Members of the Committee, as mentioned below.

### ALCO MEMBERSHIP STRUCTURE

Chairman : President Director  
 Vice Chairman 1 : Strategy, Finance & SPAPM Director  
 Vice Chairman 2 : Treasury & Capital Markets Director

#### Member:

1. Risk Management Director
2. Business Banking Director
3. Consumer Banking Director
4. Sharia Banking Director

#### Secretary:

Head of Capital & Balance Sheet Management

### Sharia PC Membership Structure

Chairman : Sharia Banking Director  
 Vice Chairman 1 : Strategy, Finance & SPAPM Director  
 Vice Chairman 2 : Treasury & Capital Markets Director

#### Member:

1. Head of Sharia Business Banking
2. Head of Sharia Consumer
3. Head of Sharia RCU & Business Process
4. Head of Advisory & Legal - Sharia
5. Head of Sharia Strategy, Performance, Reporting, Analytics & Transformation

The profiles of ALCO members are presented in the Profiles of Board of Directors and Senior Executives in the Company Profile Chapter of this Annual Report.

### DUTIES AND RESPONSIBILITIES

1. Balance Sheet and Net Interest Income (NII)
  - a. Review and analyze the Bank's balance sheet based on business, composition of assets and liabilities, currency, growth, income, and margin.
  - b. Examining variations that arise between plans and actual balance sheets and how this impacts funding and loans, balance sheet ratios, and whether the Bank remains within Risk Appetite limits.
  - c. Review Net Interest Income (NII) and Net Interest Margin (NIM) trends, including projections and variations with NIM plans, and detail actions that must be taken.
  - d. Examining the impact on NII under Base Case conditions and also under Stressed Economic Scenarios.
  - e. Review and ensure that the Fund Transfer Pricing (FTP) framework is appropriate and functions as a bridge between business lines in designing and implementing FTP, as well as prioritizing consistency in the Bank's performance.



- f. Review and approve pricing that requires regulatory approval as well as pricing for new and existing products so that they are in line with the Bank's strategic and business objectives through quorum requirements.
2. Contingency Funding Plans
  - a. Reviewing the Contingency Funding Plan (CFP) as an operational business plan and measuring the capacity of the business plan to ensure that the management actions to be taken are realistic; and
  - b. Ensure that Early Warning Indicators are relevant to current conditions.
3. Capital & Balance Sheet Management
  - a. Reviewing the Capital & Balance Sheet Management framework and policies to ensure that the framework and policies are in accordance with the current and future size and complexity of CIMB Niaga's operations;
  - b. Uphold consistent implementation of practices and policies at the Bank;
  - c. Approve Management Action Trigger (MAT)/liquidity and interest rate risk limits in the Banking Book;
  - d. Determine, supervise, and review the hedging strategy of entities under CIMB Niaga;
  - e. Review and ensure that the Bank's risk profile is still within the limits set in the MAT/liquidity risk limits and interest rate risk in the Banking Book, including reviewing the results of internal stress tests and regulations in all currencies and material banking entities under CIMB Niaga;
  - f. Review and approve ALM risk parameter models and validation models; and
  - g. Identify and study funding and liquidity needs, and take appropriate steps for certain liquidity and funding conditions.
4. Sharia PC
  - a. Determine Gross Yield for the current month and ensure Gross Yield is in accordance with Sharia Compliance.
  - b. Set or change the ratio level if necessary.
  - c. Determine the amount charged or reserved for Profit Equalization, based on Sharia principles.
  - d. Determine the number of grants (if any) to be awarded.
  - e. Carry out activities that have been delegated by ALCO from time to time.

## MEETINGS, QUORUM AND DECISION MAKING

### ALCO

1. Meetings are held a minimum of 12 (twelve) times a year.
2. The quorum for holding a meeting is attended by a minimum of 2/3 (two thirds) of the number of members of the Board of Directors.
3. The quorum for decision making is approved by a minimum of 2/3 (two thirds) of the number of members of the Board of Directors present at the meeting.
4. The attendance quorum and meeting decisions are delegated to at least 2 (two) of the 3 (three) members of the Board of Directors as follows:
  - Chairman : President Director
  - Vice Chairman 1: Strategy, Finance & SPAPM Director
  - Vice Chairman 2: Treasury & Capital Markets Director

### Sharia PC

1. The quorum for holding a meeting is attended by a minimum of  $1/2n+1$  or a minimum of 1 (one) Sharia PC members consisting of the Chairman or Vice Chairman.
2. In circumstances where the PC Sharia member is unable to attend, the member can be replaced by a substitute appointed by the Sharia PC member.
3. Meeting decisions can be taken when the quorum for holding the meeting is met.

### 2023 WORK PROGRAM REALIZATION

1. Continue initiatives to accelerate lending for resilient sectors and products.
2. Ensure that the Bank's liquidity level is always at an optimum level amidst increasing competition between banks while maintaining efficient funding costs and ensuring the availability of other funding alternatives.
3. Adjust the internal fund transfer pricing model to ensure that pricing signaling is transmitted to all Bank business units and is in line with changes in market interest rates.
4. Optimizing the balance sheet by adjusting the cost of funds and loans, especially in conditions of market interest rates, which are currently on an increasing trend and uncertainty in the global economy.
5. Provide stable and diversified funding for Sharia business units and ensure readiness for spin-offs in accordance with Regulatory provisions.

### 2024 WORK PLAN

1. Continuing the strategy to obtain low cost funding from current accounts and savings through new initiatives and programs.
2. Ensure the transmission of interest rates, especially for loans with floating interest rates and new loans and ensure that interest rate risk in the banking book is managed properly in line with expectations of

- movements in domestic and foreign interest rates.
- Adjust the internal fund transfer pricing model to ensure that pricing signaling is transmitted to all Bank business units and is in line with changes in market interest rates.
  - Ensure that the Bank's liquidity level is always at an optimum level by ensuring the growth of third-party funds including the growth of other balance sheet components in accordance with the business plan and the provisions of applicable regulators.
  - Ensure stable and diversified funding for Sharia business units, and continue to prepare spin-off plans in accordance with Regulatory provisions.

#### CERTIFICATION

ALCO membership does not require any certain certification.

#### INFORMATION TECHNOLOGY STEERING COMMITTEE (ITSC)

##### MAIN FUNCTIONS AND AUTHORITY

ITSC carries out the main function and authority to provide recommendations to the Board of Directors regarding strategic plans, policies, development, and implementation of the Bank's information technology.

##### STRUCTURE AND MEMBERSHIP

In line with the Board of Directors' Charter, ITSC members constitute a minimum of 2/3 (two thirds) of the total number of members of the Board of Directors, plus Executive Officers one level below the appointed Board of Directors. The ITSC membership structure consists of, which also constitutes or is recognized as the assignment of the Chairman, Vice Chairman and Members of the Committee, as mentioned below.

The ITSC Membership Structure has been adapted to OJK Regulation No. 11/POJK.03/2022 concerning the Implementation of Information Technology by Commercial Banks.

##### ITSC MEMBERSHIP STRUCTURE

Chairman : President Director  
 Vice Chairman 1 : Operations & Information Technology Director  
 Vice Chairman 2 : Strategy, Finance & SPAPM Director

##### Member:

- Risk Management Director
- Consumer Banking Director
- Treasury & Capital Markets Director
- Sharia Banking Director
- Business Banking Director
- Compliance, Corporate Affairs & Legal Director
- Human Resources Director
- Chief Audit Executive
- Chief of Network & Digital Banking
- Head of Information Technology (concurrently Secretary)
- Head of Cyber Security

The profiles of ITSC members are presented in the Profiles of the Board of Directors and Senior Executives in the Company Profile Chapter of this Annual Report.

#### DUTIES AND RESPONSIBILITIES

ITSC's duties and responsibilities are to provide recommendations related to:

- IT strategic plan that is in line with the Bank's corporate plan.
- IT policies, standards and procedures.
- Conformity between IT development plans and IT strategic plans.
- Conformity between the implementation of IT development and the IT development plan.
- Evaluation of the effectiveness of IT costs towards achieving planned benefits.
- Monitoring IT performance and efforts to improve IT performance.
- Efforts to resolve various IT-related problems that cannot be resolved by IT user and operator work units effectively, efficiently and on time.
- Adequacy and allocation of IT-related resources owned by the Bank.
- A Cybersecurity Strategic Plan that is in line with the Bank's risk appetite, and is followed by a comprehensive work plan in technology operations and risk management.

#### MEETINGS, QUORUM AND DECISION MAKING

- Meetings must be held at least 4 (four) times a year.
- The meeting attendance quorum is attended by more than 2/3 (two thirds) of the total number of members of the Board of Directors.
- The quorum for meeting decisions is approved by more than 2/3 (two thirds) of the number of members of the Board of Directors present.

#### 2023 WORK PROGRAM REALIZATION

- Determine the IT Strategic Plan 2024-2025.
- Determine the formulation of main IT policies, standards and procedures.
- Determine IT projects for the 2023 financial year.
- Carry out routine monitoring of the development status of Information Technology projects for the 2023 financial year.
- Determine the suitability of IT with the needs of the Bank's management information system and business activities.
- Review/monitor IT budget usage and capital expenditure.
- Monitor IT service efficiency.
- Monitor and provide direction on IT problems.
- Analyze the Bank's IT resources.
- Determine recommendations for a Cyber Security Strategic Plan for monitoring cyber security incidents on the Bank's systems.



Performance  
Highlights



Management  
Reports



Company  
Profile



Management Discussion  
and Analysis



Risk  
Management

## 2024 WORK PLAN

1. Recommendations for the 2024-2025 IT Strategic Plan.
2. Recommendations for the formulation of key IT policies, standards and procedures.
3. Recommendations for budget formulation for IT projects for the 2024 financial year along with project priorities in accordance with the IT strategic plan.
4. Recommendations for implementing IT projects.
5. Recommendations for suitability of IT with management information system needs and Bank business activities.
6. Review/monitor the use of the IT budget and capital expenditure.
7. Monitoring IT service efficiency.
8. Monitoring IT problems.
9. Recommendations for analysis of the Bank's IT resources.
10. Recommendations for a Cyber Security Strategic Plan for monitoring cyber security incidents against the Bank's systems.

## CERTIFICATION

ITSC membership does not require any certain certification.

## CREDIT POLICY COMMITTEE (CPC)

### MAIN FUNCTIONS AND AUTHORITY

CPC assists the Board of Directors in formulating credit policies as well as providing suggestions for improvements related to credit policies. CPC also functions to ensure compliance with the principles of corporate governance in the field of credit policy for the benefit of the Bank and its stakeholders.

### STRUCTURE AND MEMBERSHIP

CPC members consist of at least 2/3 (two thirds) of the total members of the Board of Directors, plus Executive Officers one level below the appointed Directors. The CPC Membership Structure has been adapted to POJK No.42/POJK.03/2017 concerning Obligations for Preparing and Implementing Credit or Bank Financing Policies for Commercial Banks. The CPC membership structure consists of the Chairman, Vice Chairman and Members of the Committee, as mentioned below.

### CPC MEMBERSHIP STRUCTURE

Chairman : President Director  
Vice Chairman 1 : Risk Management Director  
Vice Chairman 2 : Consumer Banking Director

#### Member:

1. Treasury & Capital Markets Director
2. Operations & Information Technology Director
3. Compliance, Corporate Affairs & Legal Director
4. Strategy, Finance & SPAPM Director

5. Sharia Banking Director
6. Business Banking Director
7. Human Resources Director
8. Chief Special Asset Officer
9. Chief Audit Executive

#### Secretary:

Head of Non-Retail Credit Policy and Assurance Testing.

The profiles of CPC members are presented in the Profiles of Directors and Senior Executives in the Company Profile Chapter of this Annual Report.

## DUTIES AND RESPONSIBILITIES

1. Determine the direction of credit policy (including risk acceptance criteria, process and credit approval), in line with the Bank's risk appetite to encourage credit growth with good quality while still considering prudential banking practices.
2. Establish and ensure consistency:
  - a. Bank compliance with credit management policies and applicable regulations, especially those governing significant risk exposures;
  - b. Approval of the Bank's credit management policies and strategies; And
  - c. Supervision of credit policy implementation.
3. Approve the criteria for selecting Bank's Senior Executive as members of the Credit Committee.

## MEETINGS, QUORUM AND DECISION MAKING

1. Meetings are held a minimum of 10 (ten) times a year.
2. A meeting is valid and has the right to make binding decisions if attended and/or represented by more than 2/3 (two thirds) of the total number of members provided that it must include at least more than 2/3 (two thirds) of the members of the Board of Directors.
3. Meeting decisions must be taken based on deliberation to reach consensus.
4. In the event that a decision based on deliberation to reach consensus is not reached, then the decision is taken by voting based on the affirmative votes of more than 2/3 (two thirds) of the total number of members present, provided that it must include more than 2/3 (two thirds) affirmative votes from members of the Board of Directors.

## 2023 WORK PROGRAM REALIZATION

Update and adjustment of Credit Policy (conventional and sharia):

### A. Commercial Credit Terms

Revamp, adjustments and updates to credit policies include:

1. Policies related to Determining Asset Quality in accordance with OJK Regulation No. 19 of 2022 concerning Special Treatment for Financial Services Institutions (including Banks) in Certain Regions and Sectors in Indonesia that are Affected by Disasters.

2. Policies related to Handling Non-Performing Loans regarding:
  - a. Handling of COVID-19 is in accordance with KDK No.34/KDK.03/2022 regarding the Determination of the Sector for Providing Accommodation and Providing Food and Drink, the Textile and Textile Products and Footwear Sector, the Micro, Small and Medium Business Segment, and the Province of Bali as a Sector and Regions That Require Special Treatment for Bank Loan or Financing & OJK Press Release No.85-DHMS-OJK-XI-2022 regarding Targeted and Sectoral Loan and Financing Restructuring Policy to Address the Continued Impact of the COVID-19 Pandemic.
  - b. Temporary Capital Investment is in accordance with POJK No.22 of 2022 concerning Capital Investment Activities by Commercial Banks.
3. Policies related to Providing Loan regarding:
  - a. Revocation of restrictions on granting loan for land acquisition in accordance with POJK No. 27 of 2022, second amendment to POJK No. 11/POJK.03/2016 concerning Minimum Capital Requirements for Commercial Banks.
  - b. Country Risk and Transfer Risk are in accordance with POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks on the implementation of bank risk management which includes Country Risk and Transfer Risk.
4. Regular updating of other provisions related to Credit Programs, Credit Concentration, Appetite Sector, Credit Organization & Authority, Commercial Credit Facilities, Internal Credit Rating (ICR), Credit Collateral, Credit Documents, Appointment of Third Parties Related to Credit (Private Auctioneers, Legal Advisors, and Public Accounting Firms).

#### B. Treasury Provisions

- Revamp, adjustments and updates to credit policies include:
1. Revamp in the counterparty Policy.
  2. Revamp in Delegated of Authority for Treasury Good Fund Transactions at Deal Date (No Lines).
  3. ISDA Policy Revamp.

#### C. Approval Authority

- Revamps, adjustments and policy updates include:
1. Proposed Revamp in Decision Authority regarding Sustainable Financing (SF) Deviations.
  2. Revamp in the Non-Retail TOR related to the Expansion of the Coverage Authority of the Non-Performing Loan Credit Committee (NPLCC).
  3. Revamp in Financial Institution Terms of Reference.

4. Revamp to the TOR and Membership Notification of Special Asset Management Committee (SAMC).

#### D. Provisions Related to Transaction Banking

Revamp, adjustments and policy updates include:

1. Trade Finance Product Policy regarding Pre-Shipment Financing, and other changes including sub-chapters: Anti-Money Laundering, Insurance Provisions on Sight & Usance L/C / SKBDN Issuance, Glossary of Terms & Definitions, Bank Guarantee, Negotiation/Discount on Export Bills (NWE/DWE), and Sub-chapter Update Notification: Trust Receipt (TR), Correspondent Bank Bill Discounting (CBBDD), Shipping Guarantee, Risk Participation, Forfaiting, PTK Trade AP, PTK Trade AR, and Aval.
2. Notification of Trade Finance iB Product Policy.
3. Lending Model Value Chain-As Per Amendment to KKK – Credit Program.

#### E. Provisions related to Emerging Business Banking (EBB) and Consumer

In 2023, there were policy adjustments for Consumer Credit products and the EBB Segment to external policies issued by regulators, government regulations and business strategies in accordance with the risk levels defined by the company.

#### 2024 WORK PLAN

1. Evaluate and update credit policies/strategies to reflect current conditions and regulations in force, including adjustments to macroeconomic conditions, regulatory regulations, and bank risk appetite. This ensures good credit growth while remaining prudent.
2. Approve the proposed credit policy and/or revamp as proposed in point 1 above.
3. Supervise and ensure that the implementation of credit policies is in accordance with applicable internal and external regulations.

#### CERTIFICATION

CPC membership does not require any certain certification.

#### LEGAL BASIS OF APPOINTMENT, TERM OF OFFICE & WORK GUIDELINES OF THE EXECUTIVE COMMITTEE (EXCO)

The legal basis for the appointment and term of office of all Exco members is stipulated in the respective Terms of Reference (TOR) which also constitute the work guidelines for each Exco.





Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

## MECHANISM FOR APPOINTMENT AND DISMISSAL OF EXCO CHAIRMAN

The EXCO Chairman is appointed and dismissed by the Bank's Board of Directors.

## EXCO STATEMENT OF INDEPENDENCE

All Exco member declares that they have fulfilled all independence criteria, are able to carry out their duties independently, uphold the interests of the Bank and cannot be influenced by any party.

## EXCO MEMBERS TRAINING

In 2023, Exco member training is presented in the Bank's training data in the Company Profile Chapter of this Annual Report.

## FREQUENCY AND ATTENDANCE RATE OF BOARD OF DIRECTORS AT THE EXECUTIVE COMMITTEE (EXCO) MEETINGS IN 2023

Name	Frequency and Attendance Rate			
	RMC	ALCO	ITSC	CPC
Lani Darmawan	11/12 (92%)	13/14 (93%)	4/4 (100%)	11/12 (92%)
Lee Kai Kwong	11/12 (92%)	12/14 (86%)	3/4 (75%)	11/12 (92%)
John Simon	11/12 (92%)	12/14 (86%)	4/4 (100%)	11/12 (92%)
Fransiska Oei	11/12 (92%)	-	3/4 (75%)	11/12 (92%)
Pandji P. Djajanegara	10/12 (83%)	12/14 (86%)	3/4 (75%)	11/12 (92%)
Tjioe Mei Tjuen	11/12 (92%)	-	4/4 (100%)	12/12 (100%)
Henky Sulistyio	11/12 (92%)	14/14 (100%)	4/4 (100%)	12/12 (100%)
Joni Raini	12/12 (100%)	-	4/4 (100%)	12/12 (100%)
Rusly Johannes	11/12 (92%)	13/14 (93%)	4/4 (100%)	11/12 (92%)
Noviady Wahyudi	11/12 (92%)	11/14 (79%)	4/4 (100%)	12/12 (100%)

In addition to the four Exco, CIMB Niaga also has a Special Committee (Speco), which is established by the respective Director and is optional and based on the Bank's needs. These committees include the Operational Risk Committee (ORC), Executive Credit Committee (ECC), Non-Performing Loan Credit Committee (NPLCC), Asset Quality Committee (AQC), and Customer Experience Committee (CXC).

Speco members consist of 1 (one) Director in charge and other related Directors (if necessary), as well as several Executive Officers determined at the Speco meeting. The delegation of duties and responsibilities for each Speco is regulated in the Terms of Reference (ToR) of the respective committee.

## Corporate Secretary

CIMB Niaga has a Corporate Secretary who is in charge and responsible of maintaining the Bank's image and protecting the interests, through effective communication and relationships with stakeholders as well as acting as a liaison between the Bank and shareholders and other stakeholders. The Corporate Secretary shall also ensure the Bank's comply with the regulations and legislation, particularly in the Capital Market sector.

## LEGAL BASIS

CIMB Niaga has appointed Fransiska Oei as Corporate Secretary under CIMB Niaga Board of Directors' Circular Resolution No.001/SIR/DIR/IX/2016 dated 21 September 2016, in accordance with POJK No. 35/POJK.04/2014 dated 8 December 2014. The appointment was reported to the OJK on 23 September 2016 and announced to the public via the OJK Electronic Reporting Facility system, or IDXNet, on the same date.

## CORPORATE SECRETARY (HEAD OF CORPORATE SECRETARY) PROFILE



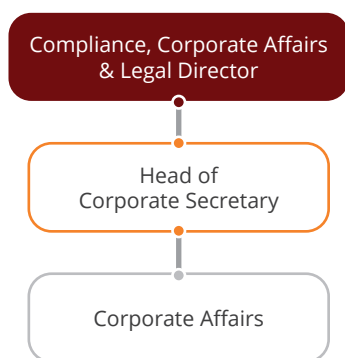
Corporate Secretary

The complete profile is presented in the Board of Directors Profile in this Annual Report.

### TERM OF OFFICE AND DOMICILE

Fransiska Oei has served as Corporate Secretary effective since 26 September 2016 until the present. She is domiciled in Jakarta, Indonesia.

### ORGANIZATIONAL STRUCTURE OF CORPORATE SECRETARY



### DUTIES AND RESPONSIBILITIES

The CIMB Niaga Corporate Secretary's duties and responsibilities include the following:

1. Keep abreast of developments in of the capital market in particular, as well as applicable and the prevailing laws and regulations in the Capital Market.
2. Provide input to the Board of Commissioners and Board of Directors to comply with laws and regulations in the Capital Market.
3. Assist the Board of Commissioners and Board of Directors in implementing Good Corporate Governance, which includes:
  - a. Public disclosure of information, including its availability on the Bank's website;
  - b. Timely submission of reports to the Regulator;
  - c. Implementation and documentation of the GMS;
  - d. Implementation and documentation of meetings of the Board of Commissioners and/or Board of Directors, including the preparation of meeting minutes; and

- e. Organizing the bank-wide orientation program for new members of Board of Commissioners and Board of Directors members.
4. Coordinate with the Investor Relations unit to ensure Annual Public Expose as well as other required Public Exposures, including Analyst Meeting are regularly held.
5. Ensure the delivery of information to shareholders is equally implemented for every shareholders of the Bank.
6. Jointly responsible for the implementation of the Bank's Corporate Actions in coordination with the Finance unit and/or other appointed units as well as with Capital Market supporting institutions.
7. As a liaison between the Bank and its shareholders, regulators, and other stakeholders.
8. The Corporate Secretary and employees in their work units are obliged to maintain the confidentiality of confidential documents, data, and information, except when required to fulfill obligations under applicable laws and regulations or as otherwise specified in applicable laws and regulations.
9. The Corporate Secretary and employees in their work units are prohibited to take any personal advantage, directly or either directly, that would be detrimental to the Bank.
10. The Corporate Secretary and employees in their work units shall improve their knowledge by pursuing education and/or training that will support the implementation of their duties and responsibilities.
11. Prepare and maintain a list of shareholders with ownership of 5% (five percent) or more of the company's shares, as well as a list of the 20 (twenty) largest shareholders, and upload the said information on the Bank's website.
12. Provide a special list containing information regarding the shares of members of the Board of Commissioners and Board of Directors and their families in the Bank, its affiliates, and/or other companies, including, among other things, share ownership, business relationships, and other roles that lead to a conflict of interest with the Bank, and upload such information to the Bank's website.
13. Timely submissions of reports related to provisions in the Capital Market, both periodic and incidental reports to the regulators.
14. Conduct disclosure of information to the public in accordance with applicable laws and regulations.
15. Improve and align the Bank's Governance implementation with the OJK and ASEAN CG Scorecard principles.

### IMPLEMENTATION OF DUTIES IN 2023

Throughout 2023, the Corporate Secretary carried out duties and responsibilities in accordance with her function, as detailed below:



1. Organize a GMS in accordance with POJK No. 15/POJK.04/2020 and POJK No. 16/POJK.04/2020, as well as complied with the COVID-19 protocol, namely the 2023 Annual GMS (AGMS) on 10 April 2023, the First Extraordinary GMS (EGMS) on 9 October 2023, and the Second EGMS on 19 October 2023 as the attendance quorum was not met at the first EGMS. Details of the implementation of the GMS are explained in the GMS Sub-Chapter in the Corporate Governance Report Chapter of this Annual Report.
2. The implementation of the GMS has also provided an alternative to authorize proxy electronically (e-proxy) and electronic voting (e-voting) through the eASY.KSEI application and e-voting at the GMS venue.
3. Continually updating the information on the Bank's website, including information regarding the Bank's corporate data, corporate actions, and information disclosure, particularly regarding Corporate Governance and Investor Relations, in order to improve the quality and accessibility of disclosure information of the Bank to all stakeholders.
4. Keep abreast on development in the capital market particularly applicable laws and regulations, to ensure compliance with new regulations issued by the OJK, IDX, and other capital market regulators, and convey this information to the Board of Commissioners and Board of Directors, among others:
  - a. OJK Regulation (POJK) No. 9 of 2023 concerning the Use of Public Accounting Services and Public Accounting Firms in Financial Services Activities;
  - b. POJK No. 14 of 2023 concerning Carbon Trading via the Carbon Exchange;
  - c. POJK No. 18 of 2023 concerning the Issuance and Requirements for Debt Securities and Sukuk based on Sustainability;
  - d. POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks;
  - e. POJK No. 29 of 2023 concerning Buyback of Shares Issued by Public Companies;
  - f. OJK Circular No. 12/SEOJK.04/2023 concerning Procedures for Organizing Carbon Trading via the Carbon Exchange;
  - g. Decree of the Board of Directors of the Indonesian Stock Exchange No. Kep-00077/BEI/5-2023 dated 31 May 2023, concerning Regulation No. I-L regarding Securities Suspension.
  - h. Decree of the Board of Directors of the Indonesian Stock Exchange No. Kep-00315/BEI/11-2023, enacted on 4 December 2023, regarding Regulation Number I-X concerning the Placing of Equity Securities Listings on the Special Monitoring Board;
  - i. Presidential Decree (KEPPRES) No. 17 of 2023 concerning the Determination of the End of the Corona Virus Disease 2019 (COVID-19) Pandemic Status in Indonesia;
5. Collaborate with the Investor Relations unit in convening the 2023 of Annual Public Expose electronically and quarterly analyst meetings held either in the form of video conferences/teleconferences/webinars or in-house meetings.
6. Organized 8 (eight) Board of Commissioners meetings, held and attended 5 (five) meetings of the Board of Commissioners together with or attended by the Board of Directors, and held committee meetings at the Board of Commissioners level, consisting of: 13 (thirteen) Audit Committee Meetings; 1 (one) Joint Meeting of the Audit Committee and CIMB Group Audit Committee; 12 (twelve) Risk Oversight Committee meetings; 9 (nine) Nomination and Remuneration Committee meetings; and 2 (two) Integrated Governance Committee meetings; as well as prepare and administer minutes of meeting and attendance lists.
7. Organized 43 (thirty-three) Board of Directors meetings and 4 (four) joint Board of Directors meetings with or attended by the Board of Commissioners, as well as preparing and administering minutes of meeting and attendance lists, and organizing and attending Executive Committee (Exco) meetings minutes of meeting.
8. Submit periodic and incidental reports to regulators in accordance with relevant regulations.
9. Disclose information to the public in accordance with applicable regulations.
10. Administer, distribute, and follow up on all incoming letters received by the Bank and addressed to the Board of Commissioners and/or Board of Directors. In 2023, the Bank received 24,555 (twenty-four thousand five hundred and fifty-five) letters addressed to the Board of Commissioners and/or Board of Directors, including those from the OJK, Bank Indonesia, the Indonesia Stock Exchange (IDX), the Indonesian Central Securities Depository (KSEI), the National Private Bank Association (PERBANAS), the Indonesian State Court, the Indonesian National Police, the Director General of Taxes, and others.
11. Prepare documentation and assist the Fit and Proper Test process for prospective members of Board of Commissioners and/or Board of Directors of CIMB Niaga.
12. Conduct orientation programs for prospective members of Board of Commissioners and/or Board of Directors of CIMB Niaga.

## COMPETENCY DEVELOPMENT

Throughout 2023, the Corporate Secretary attended a variety of training/seminars/workshops/knowledge sharing sessions to help develop competencies. The Corporate Secretary's training and competency development have been documented in the Board of Directors section in the Corporate Governance Chapter of this Annual Report.

## DISCLOSURE OF INFORMATION IN 2023

In 2023, the Corporate Secretary disseminated information related to CIMB Niaga to the public via mass media, the IDX website, and the CIMB Niaga website in Bahasa and English. The Corporate Secretary has also submitted periodic and incidental reports to the IDX and OJK, including the following details:

### PERIODIC REPORT

No.	Type of Report	Designation	Reporting Period	Total
1	Monthly Report of Securities Holder Registration of BNGA	OJK & IDX	Monthly	12
2	Consolidated Financial Statements of Bank and Subsidiaries (Unaudited)	OJK & IDX	Quarterly	4
3	Annual Financial Statement (Audited)	OJK & IDX	Annually	1
4	Annual Reports (including the Corporate Governance Report, the Company's Sharia Business Unit Governance Report, and the CIMB Indonesia Financial Conglomerate Integrated Governance Report)	OJK & IDX	Annually	1
5	Sustainability Report	OJK & IDX	Annually	1
6	Annual Rating Results Report	OJK & IDX	Annually	1
7	Annual Report of Parent Entity and Subsidiaries of the Bank (Report of Banks that are part of the business group)	OJK	Annually	1
8	List of Related Parties Details Report	OJK	Semi-annually	2
9	Annual Public Expose Results Report	IDX	Annually	1

### INCIDENTAL REPORT

Throughout 2023, CIMB Niaga has disclosed information 23 (twenty-three) incidental reports to regulators (OJK and/or IDX).

Detailed information regarding the periodic reports and incidental reports above can be found and accessed on the CIMB Niaga website at <https://investor.cimbniaga.co.id/newsroom.html/year/2023> or by scanning the following QR Code:



## Internal Audit Unit (IA)

The main task of the Bank CIMB Niaga Internal Audit Unit (IA) is to ensure that the Bank's management and operational processes are in compliance with applicable rules and regulations while also supporting the Bank's interests and objectives. IA is also responsible for ensuring that the adequacy and internal control processes are functioning properly. IA helps the Bank achieve its objectives by assessing and improving the effectiveness of governance, internal control processes, and risk management. IA CIMB Niaga also provides

independent and objective assurance, consulting, and advisory services that can add value to the Bank's operations.

### INTERNAL AUDIT CHARTER

In carrying out its duties and responsibilities, IA is guided by the Internal Audit Charter, which contains the main principles of IA's professional practices, vision and mission, objectives, structure and position, authorities, duties and responsibilities, function and

scope of assignment, independence and objectivity, professionalism, impartiality, rights and obligations of the Head of IA (Chief Audit Executive), as well as the IA code of ethics. The Internal Audit Charter was last updated on 26 June 2023, and was approved by the President Director and Board of Commissioners.

The Internal Audit Charter is a form of compliance with OJK Regulations and OJK Circular Letters, related to the Implementation of the Internal Audit Function in Commercial Banks, the Establishment and Guidelines for Preparing Internal Audit Charters, Financial Conglomerates, Implementation of Information Technology by Commercial Banks, Implementation of Risk Management for Commercial Banks, Standard Guidelines for Internal Control Systems for Commercial Banks, Confidentiality and Security of Consumer Data and/or Personal Information; as well as best practices in reference to the IPPF (International Professional Practice Framework) standards from IIA (The Institute of International Auditors).

The Internal Audit Charter regulates the implementation of audits and guidelines to ensure:

1. Effectiveness, efficiency and adequacy of internal control system, risk management and sustainable governance.
2. Reliability, effectiveness, and integrity of information management processes and systems, including relevance, accuracy, completeness, availability, and confidentiality of data.
3. Compliance with applicable laws and regulations.
4. Quality of the organization's performance.
5. Interaction with various governance groups has been running as it should.

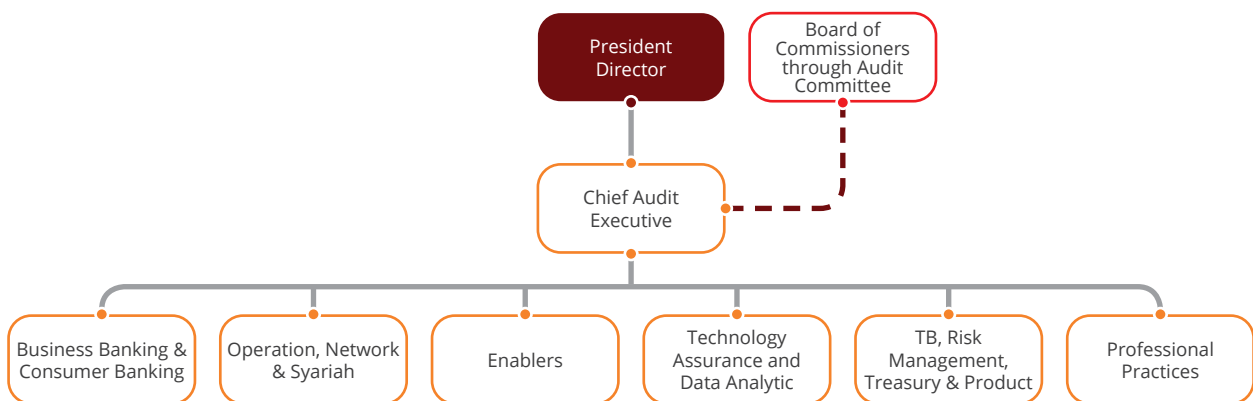
6. Important financial, managerial, and operational information must be accurate, reliable, and timely.
7. Resources are obtained economically, utilized efficiently, and protected adequately.
8. Programs, plans, and targets are achieved well.
9. Quality and continuous improvement are inherent in CIMB Niaga's control processes.
10. Opportunities to improve CIMB Niaga's management controls, profitability, and reputation are identified and disclosed in the audit.

**PARTY WHO APPOINTS AND DISMISSES HEAD OF IA (CHIEF AUDIT EXECUTIVE)**

IA is chaired by the Chief Audit Executive, who is appointed and dismissed by the President Director with the approval of the Board of Commissioners and based on the recommendation from the Audit Committee. Currently, the Chief Audit Executive is Antonius Gunadi, who has been in office effectively since 3 January 2017, based on Decree No. 024/HROB/HRS/XII/2016. The appointment was reported to OJK in letter No. 008/DIR/XII/2016 dated 19 December 2016.

**STRUCTURE AND POSITION OF IA IN THE ORGANIZATION**

In line with POJK No. 1/POJK.03/2019 dated 28 January 2019 concerning Implementation of the Internal Audit Function in Commercial Banks and POJK No. 56/POJK.04/2015 dated 29 December 2015 concerning Establishment and Guidelines to Prepare the Internal Audit Charter, IA is directly responsible to the President Director and, in the matrix, to the Board of Commissioners through the Audit Committee.



## PROFILE OF HEAD OF IA (CHIEF AUDIT EXECUTIVE)



Chief Audit Executive

The complete profile may be found in the Profile of Senior Executives

Trainings for Chief Audit Executive are listed in the Company Profile Chapter of this Annual Report.

### Certification

- ▼ Certified Internal Auditor (CIA)
- ▼ Certificate Business Analytics: From Data to Insights, the Wharton School
- ▼ Level 5 Risk Management Certification

### Organization Membership

- ▼ Bank Internal Auditor Association (Ikatan Auditor Intern Bank or IAIB) – Chairman (2020–2026)
- ▼ Bank Internal Auditor Association (Ikatan Auditor Intern Bank or IAIB) – Head of Membership and Organization (2017–2020).

### Award

- ▼ Top 200 – The Next Leader under 50 in the Financial Sector from Infobank

## DUTIES AND RESPONSIBILITIES OF IA

As stated in the Internal Audit Charter, IA has the following duties and responsibilities:

1. Assisting the President Director and Board of Commissioners in supervision by operationally defining the planning, implementation, or monitoring of audit results.
2. Analyzing and assessing finance, accounting, operations, and other activities through audit.
3. Identifying all opportunities to improve and increase efficient use of resources and funds.
4. Providing suggestions for improvements and objective information about the activities examined in all management activities.
5. Preparing and implementing an annual audit plan based on a comprehensive risk assessment-based methodology. The annual audit plan and budget allocation are approved by the President Director and the Board of Commissioners by taking into account recommendations from the Audit Committee.
6. Executing audit activities and providing assessments on the efficiency and effectiveness in finance, accounting, operations, human resources, marketing, information technology, and other activities.
7. Periodically reporting to the Board of Directors and Board of Commissioners through the Audit Committee regarding the objectives, authority, and responsibilities, as well as the performance of IA activities compared to the plans. Reporting also includes exposing significant risks and control issues.
8. Preparing semester reports on the Implementation Report and Internal Audit Results to OJK for a summary of audit activities and significant audit findings, no later than 1 month after the end of the period.
9. Monitoring the implementation of follow-up on audit findings and recommendations. All significant audit findings will remain in “open” status until the findings are resolved. This includes informing the Audit Committee regarding Management Acceptance of Risk (if any).
10. Informing the status of corrective actions regarding audit findings and audit recommendations to the Board of Directors and Board of Commissioners through the Audit Committee.
11. Informing the Anti-Fraud Management unit about indications of fraud discovered by the audit team.
12. Preparing measurements to assess the success of performance and achievement of IA goals.
13. Preparing and storing adequate audit working papers in accordance with applicable regulations.
14. Implementing and delivering Quality Assurance and Improvement Programs (QAIP) which covers all aspects of IA activities. The QAIP includes evaluating IA compliance with the definition of Internal Audit and Standards, as well as evaluating whether the auditor implements the code of ethics. QAIP also assesses the efficiency and effectiveness of IA activities and identifies opportunities for improvement.
15. Reporting specifically to OJK regarding IA’s findings that may significantly disrupt CIMB Niaga’s business continuity. Reports must be submitted no later than 3 (three) days after discovery.
16. Reporting to OJK regarding the results of external review containing opinions on IA’s work result and compliance with PPFAIB, as well as improvements that can be made.
17. In terms of implementing the Integrated Governance and with CIMB Niaga’s role as the Main Entity that already has an established IA, the implementation of Integrated IA tasks is carried out by the existing IA with the following responsibilities:
  - a. Auditing at Financial Services Institutions (FSI) either individually, joint audits, or based on reports from IA FSI.
  - b. Monitoring and evaluating the implementation of Integrated IA in each member of the CIMB Indonesia Financial Conglomerate, coordinating with all IA members of the CIMB Indonesia Financial Conglomerate according to their functions, and compiling the results of the implementation of Integrated IA from

- each member of the CIMB Indonesia Financial Conglomerate, periodically (every semester).
- c. Preparing and submitting reports on the implementation of the duties and responsibilities of Integrated IA to the Director appointed to supervise FSI in the Financial Conglomerate, Director of Compliance of Main Entity and Board of Commissioners of Main Entity.

### INTERNAL AUDITOR CODE OF ETHICS

The Chief Audit Executive and all IA employees are required to follow the CIMB Niaga Code of Ethics and Code of Conduct, as well as the CIMB Niaga Internal Auditor Code of Ethics, which is based on and refers to the Institute of Internal Auditors' Code of Ethics. Every year, all IA members receive a refresher on the Code of Ethics and sign a statement about it. The CIMB Niaga Internal Auditors Code of Ethics is as follows:



### HUMAN RESOURCES AND PROFESSIONAL CERTIFICATION

As of 31 December 2023, the number of IA employees was recorded at 112 people including the Chief Audit Executive. In developing competencies, IA conducts a comprehensive review of existing competency models (Competency Framework) in accordance with organizational and professional developments, including aligning them with CIMB Niaga's core competencies as well as designing a learning journey for auditors. IA also supports every IA member to become a Digital-Data-Design (3D) talent.

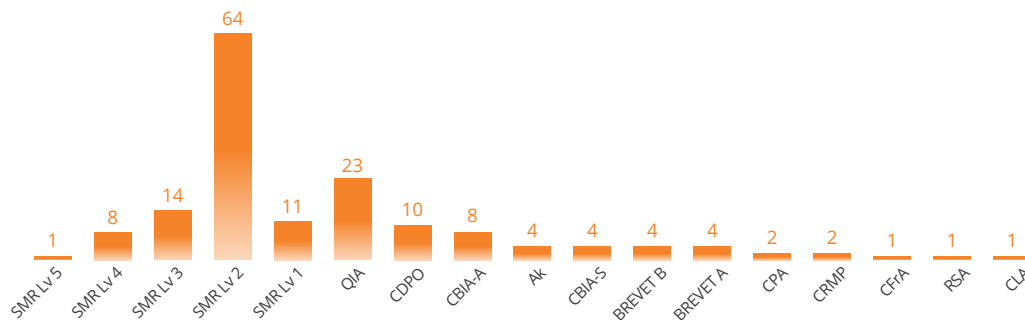
By having a competency model and learning journey, IA can develop a structured and directed auditor development program to be able to produce quality auditors who can perform their duties and responsibilities well. IA continues to improve the expertise and competence of auditors by involving its auditors in various training programs, seminars, workshops, and certification training.

Throughout 2023, IA was active in participating in various training programs totaling 204 trainings which is equivalent to 13,328 hours. The following are examples of several training programs and webinars that were participated in:

Name of Training//Workshop/Conference/Seminar	Organizer	Date & Place
Writing Effective Reports: Easy to Read and Easy to Understand	Tempo Institute	21-22 February 2023 Jakarta
IAIB National Conference 2023: The Future Role of Internal Audit in the Financial Services Industry	IAIB	12-13 July 2023 Tangerang
Cambridge Institute for Sustainability Leadersip	Cambridge	15 February-30 June 2023 Online

IA also obtained very diverse certifications, starting from required certifications such as Risk Management Certification, as well as local & international certifications that support audit performance.

### National Certifications

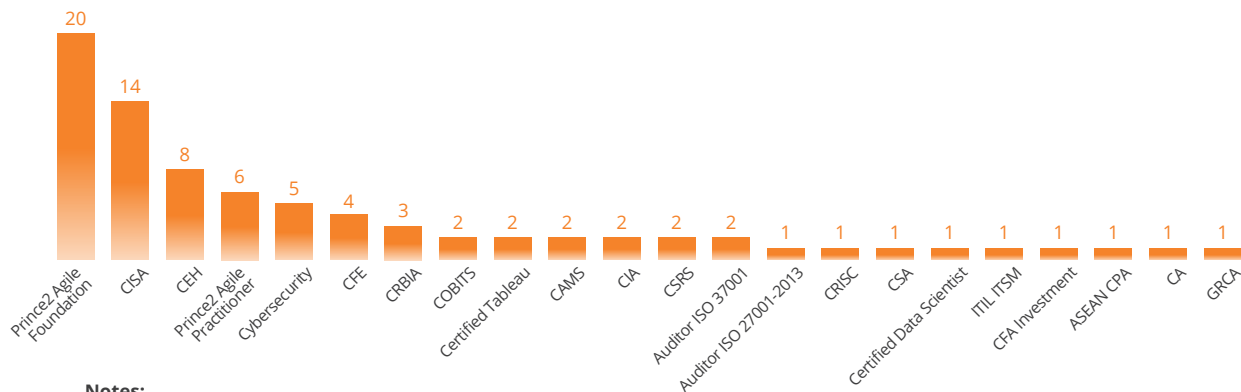


**Notes:**

- SMR Lv 1 - 5 : Risk Management Certification Level 1 - 5
- QIA : Qualified Internal Auditor
- CDPO : Certified Data Protection Officer
- Ak : Accountant
- CBIA-A : Certified Bank Internal Auditor level Auditor
- CBIA-S : Certified Bank Internal Auditor level Supervisor

- Brevet A, B : Tax Certification
- CPA : Certified Public Accountant
- CRMP : Certified Risk Management Professional
- CFA : Certified Forensic Auditor
- RSA : Registered Securities Analyst
- CLA : Certified Legal Auditor

### International Certification



**Notes:**

- CISA : Certified Information System Auditor
- CEH : Certified Ethical Hacker
- COBIT5 : Certified Objective for Information and Related Technology
- CRBIA : Certified Risk Based Internal Auditor
- CSRS : Certified Sustainability Reporting Specialist
- CRISC : Certified in Risk and Information System Controls
- CFE : Certified Fraud Examiner

- ISC2 : Cybersecurity Certification from International Information System Security Certification Consortium
- CSA : Certified Securities Analyst
- ASEAN CPA : ASEAN Chartered Professional Accountants
- CA : Chartered Accountant
- CAMS : Certified Anti Money Laundering Specialist
- CIA : Certified Internal Auditor
- ITIL ITSM : ITIL Foundation Certificate in IT Service Management
- CFA Investment : Chartered Financial Analyst - Investment
- GRCA : Governance Risk Compliance Audit

## PARTICIPATION IN PROFESSIONAL ASSOCIATIONS

IA participated in a number of internal audit professional associations, including the Institute of Internal Auditors (IIA) Indonesia, the Information Systems Audit and Control Association (ISACA), the Indonesian Accountants Association (Ikatan Akuntansi Indonesia, or IAI), and the Bank Internal Auditors Association (IAIB). IA also participated as a speaker at various institutions and seminars about benchmarking audit practices at IA CIMB Niaga. IA's participation in professional associations includes:

### IA PARTICIPATION IN EXTERNAL ORGANIZATIONS

Organization	Position	Period
Ikatan Auditor Intern Bank (IAIB)	Chairperson	2020-2026
	Head of Communication Department	
	Member of Communication Department	
	Member of Education and Training Department	
IIA Young Leaders Ambassador	Member	2023-2024



### IA CIMB NIAGA'S PARTICIPATION AS SPEAKER IN EXTERNAL SEMINAR/WEBINAR

Name of Training/Workshop/Conference/Seminar	Organizer	Date & Place
Internal Capital Adequacy Assessment Process (ICAAP)	IAIB	12 January 2023 Jakarta
Master Class GRC Foundation – Information Technology Audit	Internal Audit Division Communication Forum for SOE	27 June 2023 Online
National Conference - Retaining Talents and Developing Leaders	IIA Indonesia	30 August 2023 Batam
Development of Probis and HRM Governance, Risk and Compliance (GRC) Functions in the Digital Era	OJK	6 October 2023 Jakarta
Strengthening Internal Audit in the Insurance, Guarantee, Pension Fund, Financing Institutions, Venture Capital Companies, and Other Financial Services Institutions Sectors	OJK	12 October 2023 Jakarta
Critical Thinking and Root Cause Analysis in Banking Audit	OJK	17 November 2023 Bogor
PwC Global Internal Audit and Global Risk Survey 2023	PwC	5 December 2023 Jakarta

### AUDIT MANAGEMENT INFORMATION SYSTEM

IA uses the “TeamMate” audit management information system to monitor each stage of an audit, starting with audit planning, audit implementation, reporting, and monitoring the progress in completing follow-up audit recommendations, as well as documenting audit working papers. The use of TeamMate aims to increase the effectiveness and efficiency of IA’s operational activities. TeamMate is still used today as an Audit Management Information System that continues to be developed to meet the needs of and support IA activities.

### AUDIT METHODOLOGY

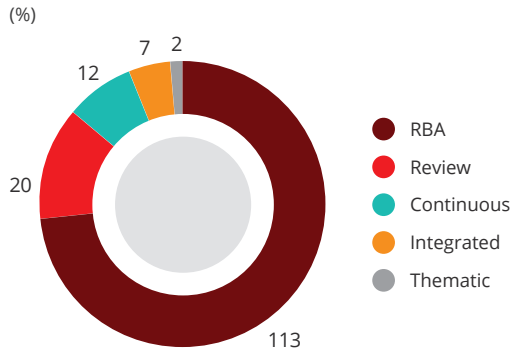
IA implements a risk-based audit methodology in a comprehensive manner, starting with the annual audit planning stage and audit implementation. Risk assessments are carried out comprehensively, including risk assessments in work units at the head office, areas, and branches.

Through this effort, IA can determine the risk rating and audit frequency of each business or business support unit in the Bank. IA also continues to improve processes, methods, and tools, as well as enhance the quality and skills of its human resources so they can become trusted business partners who provide added value to the Bank.

### IA ACTIVITY REPORT FOR 2023

In 2023, IA completed 100% of audit assignments in accordance with the initial assignment plan (a total of 144 audits). In addition to the initial assignment plan, IA also conducted audit assignments according to additional requests from management, bringing audit realization to 107% (154 of 144 audits). The realization of the implementation of these audit activities is depicted in the following diagram:

Audit Realization in 2023



In 2023, IA issued 923 audit recommendations, 309 of which were not yet due by 31 December 2023. All audit recommendations that were due were promptly followed up on.

IA also carried out several activities apart from the routine audit assignments, as follows:

1. Continued IA’s role in providing independent consultative reviews and advisory services to business units and business support. This includes IA providing input/review for every new CIMB Niaga product development and activity proposed by each Product Owner (PO) to the New Product and Activity (NPA) Reviewer.
2. Conducted internal quality assurance & improvement program (QAIP) review of CIMB Niaga’s IA, including through an “in flight review”. The independent internal team (Professional Practices) reviewed audit assignments during ongoing audit implementation (In Flight Review) to be able to provide real-time recommendations with more added value and were more timely.
3. Continued to strengthen collaboration with each line of business unit and support unit to improve the Bank’s performance through good governance, risk management, and internal control, with IA serving as a trusted business partner.

4. Continued to review policies and procedures that were applicable for IA to ensure they are always up to date and in accordance with standards.
5. Published a Bulletin and distributed a “Weekly Refresher” as communication and sharing media to all IA staff with materials regarding audit methodology updates, knowledge sharing, and also latest topics of the period.
6. In line with the Bankwide and Foward23+ programs, IA actively participated in Employee Volunteer Program (EVP) where IA participated in recycling activities, donating used goods, donating basic food packages, blood donations, and charity runs/walks.
7. In line with Foward23+, Centers of Excellence (COE) was formed at IA with the aim of developing the ability of IA staff to become experts in certain fields. COE also functions as a platform for sharing knowledge, collaboration and innovation.
8. IA also organized an internship program “Audit Graduation Program” which was aimed to develop enthusiastic young candidates in starting their careers in Internal Audit, by providing practical and professional trainings. This program equipped participants with the skills, knowledge, and good attitude to be an auditor.

### KEY INITIATIVES IN 2023

IA sustainably implemented several initiatives and work plans in order to support the achievement of IA’s objectives to a world class Internal Audit and a trusted business partner. IA also maximized the use of Data Analytics which capable of conducting bankwide data audit, including covering 100% of branches and was carried out continuously (continuous auditing). Specifically for branch inspections, the audit approach was conducted in layers. Other than with continuous auditing, audits of branches were also carried out through Thematic Audits, Area Based Audits, CCTV reviews, branch calls, and physical branch visit to certain branch offices.

During 2023, several key initiatives carried out by IA are as follows:

#### 1. Data Analytics Development

IA utilized Artificial Intelligence (AI) in the bank audit process. IA continually improved and developed Data Analytics (DA) in line with the industrial revolution 4.0 which was dominated by the development of digital devices, namely being able to develop oneself as a “3D (Digital, Data, Disruption) Ready” individual.

The development carried out by Data Analytics, through continuous reviews of existing data analytics parameters and machine learning models to be able to detect early deviations/indications of deviations that had occurred more effectively and make sure these were corrected immediately.

Improvement and development of data analytics were also conducted to be in line with the development of the IA organization and the growth of the Bank’s business and operations. Based on the results of this periodic study, the number of parameters produced by data analytics increased from 360 parameters in 2022 to 416 parameters in 2023. Meanwhile, there were 10 machine learning models that had been developed until 2023. Data alerts generated from data analytics parameters will be analyzed by auditors (including the data analytics audit team), and the results will be submitted to management in a continuous auditing report.

#### 2. Visualization

IA continues the visualization and development of analytical data results in a clearer, more structured, and easier-to-understand manner for the stakeholders. Data visualization could be in the form of diagrams, maps, graphs, or other visuals. Data visualization could describe relationships or patterns between existing variables/parameters. Thus, visualization also helped the management make effective decisions for problems that needed immediate action. Visualization used the Tableau dashboard.

#### 3. Thematic Audit

IA continued to conduct audits with a thematic approach, which provided audit focus on certain areas/processes/products. By conducting a thematic audit, auditors could identify the root of the problem and provide comprehensive and effective recommendations that could be implemented bankwide.

#### 4. Quick hit consulting

Continuing IA’s role in providing consultative reviews to business units and business supports, including conducting Quick Hit Consulting—brief discussions with BU. BU responded positively to these activities because IA provided services beyond audit, which added value. IA continued to maintain independence in all of its activities.

## 5. Business Monitoring

Business Monitoring was carried out routinely and is not part of an audit. Business Monitoring offered benefits to both IA and management, including the following:

- Developing strong collaborative relationships with business/business support units.
- Having deeper understanding of the business and operational activities of the business/business support units.
- Acquiring the latest information regarding changes in business strategy, processes, risks, and controls.
- Facilitating the sharing of key audit issues and changes in audit methods.
- Facilitating the networking between auditors and Heads of related business/business support units.

## 6. Aligned Assurance

In 2023, IA continued its aligned assurance program with other assurance functions, such as the Compliance team and Risk Management team, to ensure that various assurance functions could collaborate in planning a joint audit schedule so as not to disrupt the auditee's smooth operation during the audit while also ensuring the assurance function could run effectively and efficiently.

## 7. Attachment Program

The Attachment Program is a program in which the auditor is assigned to perform a role (attachment/on the job) in a business/support/operational unit with the goal of providing the auditor with a better understanding of a business process, including the risks and controls implemented. In 2023, IA added six auditors to this program for placement in the Business/Support Unit.

The benefits of the attachment program included:

- Increasing the auditor's understanding on business processes, risks, and control in related units.
- Increasing the auditor's understanding on the role of a task, including challenges in performing the said task.

- Providing input to the Management in improving control, as well as work and business efficiency and effectiveness.

There was Collaboration Audit which was an Internal IA - attachment program in which auditors were exchanged between audit groups for one ongoing audit assignment to increase their knowledge of business processes, risks, and controls in the related unit. In 2023, 6 (six) auditors participated in this activity.

## 8. Guest Auditor Program

IA continued the Guest Auditor program by inviting business units/support units to be involved in audits as guest auditors in order to facilitate the sharing of best practices and provide guest auditors with an understanding of the audit process and control framework, which could then be used and implemented in business units and support units, respectively. Aside from that, the program aimed to provide guest auditors with an understanding of the internal control framework, risk identification, and control establishment, as well as an understanding of the importance of the auditor's role in assisting management in achieving the Bank's goals and strategies. In 2023, the Guest Auditor Program had 15 (fifteen) guest auditors.

## 9. Agile Audit

IA also implemented the "Agile Audit" methodology in audit assignments in 2023 with the aim of simplifying the audit process by focusing on the scope of the audit and monitoring the progress status of the audit process, increasing interaction with auditees to avoid surprise findings.

## POLICY AND FREQUENCY OF MEETINGS WITH THE BOARD OF DIRECTORS, BOARD OF COMMISSIONERS AND AUDIT COMMITTEE

Throughout 2023, IA participated as meeting participant or delivered presentations in meetings of the Board of Directors, Board of Commissioners, and Audit Committee with the following frequency of attendance:

Description	BOD Meeting	Audit Committee Meeting	BOC Meeting
Frequency of Attendance	38	14	1*

\* Joint meeting of BOC with BOD

## IA PERFORMANCE EVALUATION

The Audit Committee conducts the IA performance assessment directly, which includes several assessment aspects such as audit report quality, presentation skills, and IA performance. The evaluation of IA performance is conducted through questionnaires to the auditees after the audit is completed and evaluation by Audit Committee. The questionnaire distributed to auditees covers several assessment areas, including audit management, audit implementation, and audit results delivery.

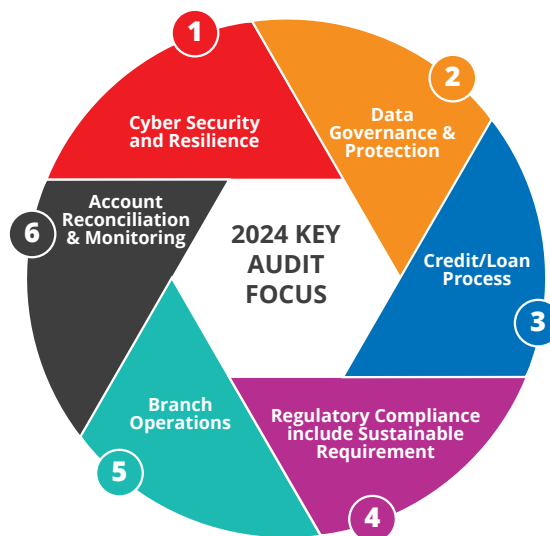
The range of IA performance evaluation score from the Audit Committee is from 1 (far below expectations) to 5 (far above expectations). In 2023, assessment from the Audit Committee for IA resulted in a score of 4.87, an increase from the previous year score of 4.83.

they are able to provide added value to business units and business supporters and support every IA member to become a 3D Talent.

Additionally, in 2023, PT. Deloitte Consultant Indonesia carried out a Quality Assurance Review of IA activities with the result that IA activities were generally in line (Generally Conform) with POJK No. 1/POJK.03/2019, POJK No. 11/POJK.03/2022, including SEOJK 21/SEOJK.03/2017 and IPPF.

### WORK PLAN FOR 2024

For 2024, IA has created and established a work plan with strategic priorities in continuing to optimize the role of data analytics and visualization to support the entire audit and continuous auditing process; continuing the attachment program initiative, guest auditor program, business monitoring, and aligned assurance; continuing IA's role in providing consultative reviews and advisory to business units and business supporters; and continuously improving the competency of auditors so



## Compliance Management Unit

Head of Compliance Management leads the Compliance Management Unit (CMU) of CIMB Niaga with the role and function of enhancing the Compliance Culture in supporting good corporate governance practices. The CMU continuously takes preventive measures to reduce compliance risk in business activities. Furthermore, the CMU also ensures that policies, provisions, systems, and procedures, as well as business activities carried out by the Bank are in accordance with Financial Services Authority (OJK) regulations as well as applicable laws and regulations, including ensuring that the Bank has met all commitments to regulators on time.

### LEGAL BASIS

The establishment of the CMU is based on POJK and SEOJK on the Implementation of Governance for Commercial Banks, Integrated Governance, Bank Soundness Assessment, and Implementation of the Compliance Function in Commercial Banks.

### APPOINTMENT AND DISMISSAL MECHANISMS OF THE HEAD OF COMPLIANCE MANAGEMENT

Head of Compliance Management is appointed and dismissed based on the decision of the Board of Directors and has been reported to the OJK.

## PROFILE OF HEAD OF COMPLIANCE MANAGEMENT



**Liston  
Siahaan**

**Head of Compliance Management**

### Age/Gender

55/Male

### Nationality

Indonesia

### Domicile

Jakarta

### Educational History

- ▼ Bachelor Degree from Bandung Institute of Technology (1992)
- ▼ Management Magistrate from Prasetya Mulya Business School (1996)

### Work Experience

- ▼ Head of Compliance Management, CIMB Niaga
- ▼ Division Head of Risk Management Group at Bank Niaga
- ▼ Group Head at National Banking Restructuring Agency (BPPN)
- ▼ Analyst at PT Pefindo (Credit Rating Agency)

### Certification

- ▼ Level 2 Compliance Certification
- ▼ Level 4 Risk Management Certification (BSMR)

### Legal Basis of Appointment

Decree No.253/HRPA/HRS/XI/2013 dated 1 November 2013

## TRAINING OF HEAD OF COMPLIANCE MANAGEMENT IN 2022

No	Name of Training/Workshop/Conference/Seminar	Organizer	Date & Place
1	Cambridge Institute for Sustainability Leadersip (CISL)	CISL	15 Februari – 13 June 2023 Online
2	Personal Data Protection & PDP Law Implementation for Banks	CIMB Niaga	12 April 2023 Jakarta
3	Future of Self-service AI and Analytics	Deloitte	16 Juni 2023 Online
4	ESG Socialisation by PwC	PwC	28 August 2023 Online
5	RCU Leadership Program : Nunchi	CIMB Niaga	3 October 2023 Jakarta
6	Sharia Strategy & Innovation Training – Executive Leaders 2023	CIMB Niaga	11 October 2023 Jakarta

## COMPLIANCE PRINCIPLES

To facilitate the implementation of a Compliance Culture, CIMB Niaga has a policy that serves as a standard compliance procedure and guide for all employees. With a Compliance Culture, the Bank's activities are consistent with regulations and the principle of prudence. These policies and procedures are reviewed on a regular basis to ensure that they meet the bank's needs and remain current with regulatory changes.

The implementation of the Compliance Function is an important part of Governance implementation. As a result, CIMB Niaga is committed to complying with the rules and regulations through compliance risk management.

The principles of compliance at CIMB Niaga are as follows:

1. Compliance starts at the top;
2. Compliance is the responsibility of all parties;
3. Compliance is carried out to comply with laws and regulations;

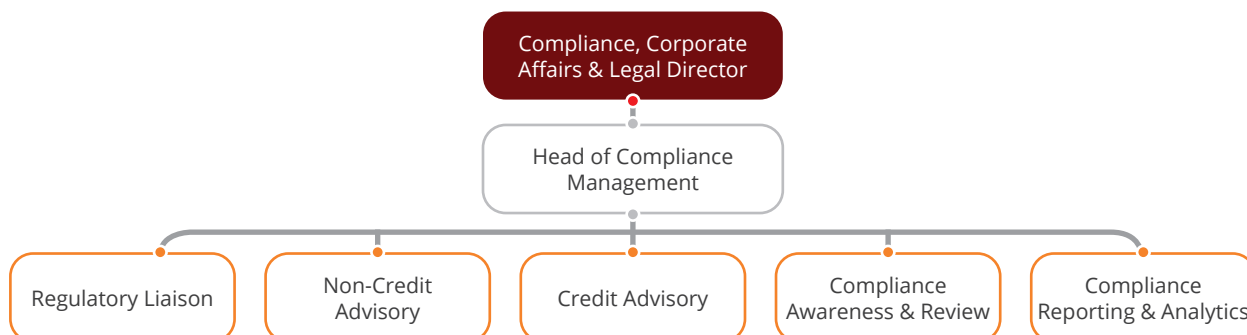
4. Compliance is implemented with competence and integrity in accordance with its responsibility;
5. Stakeholder-oriented;
6. Dedication to the Bank; and
7. Problem solving-oriented.

## COMPLIANCE FUNCTION AT THE BANK

The implementation of the Compliance function at CIMB Niaga aims at the following:

1. Realizing the implementation of compliance culture at all levels of the Bank's organization and business activities;
2. Managing compliance risks encountered by the Bank;
3. Ensuring that the policies, rules and regulations, systems and procedures, as well as the activities carried out by the Bank are in accordance with the regulations of OJK, other relevant laws and regulations, including Sharia Principles for Sharia Commercial Banks and Sharia Business Units; and
4. Ensuring the Bank's compliance with the commitments made by the Bank to OJK and/or other competent supervisory authorities.

## ORGANIZATIONAL STRUCTURE OF COMPLIANCE MANAGEMENT UNIT



### DUTIES AND RESPONSIBILITIES OF THE COMPLIANCE MANAGEMENT UNIT

1. Establishing compliance policies and procedures and performing periodic reviews or updates.
2. Establishing a compliance program to support the development of a Compliance Culture in all of the Bank's business activities at every level of the organization.
3. Identifying, measuring, monitoring, and controlling the Compliance Risk per the requirements for implementing Risk Management in Commercial Banks and Sharia Business Units (SBU).
4. Assessing and evaluating the effectiveness, adequacy, and conformity of CIMB Niaga's policies, guidelines, systems, and procedures based on the regulatory requirements. In addition, the Compliance Unit also reviews compliance aspects in the other work units.
5. Conducting review and providing recommendations for updating and refining current policies, guidelines, systems, and procedures of the Bank in accordance with the requirements from authorities, including Sharia Principles for the SBU.
6. Acting as the Bank's liaison officer when dealing with the regulators, particularly regarding the implementation of compliance and regulatory audit.
7. Reporting the implementation of CIMB Niaga's compliance function and compliance status to the Board of Directors and Board of Commissioners through Compliance Director.
8. Providing input/clarification regarding questions from business units related to the implementation of BI/OJK regulations.
9. Preparing training/socialization programs regarding external regulations for business/working units in the Bank.
10. Perform other tasks related to the Compliance Function.

### HUMAN RESOURCES AND PROFESSIONAL CERTIFICATION

In 2023, CIMB Niaga had 27 (twenty-seven) employees in the Compliance Management Unit, including the Head of Compliance Management. All Compliance Management Unit employees have received compliance and risk management certifications.

Throughout 2023, Compliance Management Unit employees received a variety of education and training courses to support their functions and roles, including:

1. Effective Communication and Presentation Skill
2. Personal Data Protection & PDP Law Implementation for Banks
3. Diversity Inclusion at the workplace
4. Compliance Data Management
5. RCU Leadership Program - "NUNCHI communication technique"
6. Learning on the Go/LOG (such as: Data Management, IT Security Awareness, Enforce AML & CFT, Cybercrime, Refreshment Mandatory Certification Program)

CIMB Niaga also has employees whose tasks are directly related to compliance risk management in their work units in accordance with the compliance framework. This work unit is on the first line (work unit) and is called the Risk Control Unit (RCU). As of 2023, 43 (forty three) RCU employees have received compliance certification.

### COMPLIANCE MANAGEMENT UNIT WORK PLAN IN 2023

1. Programs and Activities of Compliance Awareness
  - a. Updating the database of banking regulations.
  - b. Socialization activities or training on external regulations. The socializations and trainings activities are carried out through online and other electronic communication media.
  - c. Training Program for RCU and Designated Compliance & Operational Risk Officers (DCORO). The CMU will actively cooperate with the RCU to improve the competence of the RCU and monitor the implementation of compliance in the work unit. The implementation will be carried out through the RCU Forum, which is carried out regularly.
2. Programs and Activities in Compliance Testing
  - a. Compliance testing on new product/activity plans and new policies/procedures and their amendments.



- b. Providing advisory recommendations/opinions from the Compliance Unit upon request for advice from other work units related to the fulfillment of compliance aspects.
3. Programs and Activities in Monitoring Compliance Implementation
  - a. Strengthening the function and role of RCU in implementing the compliance framework, as well as increasing RCU competency through discussions/forums and training.
  - b. Risk Control Self-Assessment (RCSA) self-assessment by RCU and reporting the results to CMU.
  - c. CMU reviews the RCSA self-assessment report, including checking the implementation of compliance in work units.
  - d. Monitoring follow-up of Bank's commitments to the authorities.
  - e. Monitoring compliance status within members of the CIMB Indonesia Financial Conglomeration (CIFC).
  - f. Implementation of compliance monitoring through ReCoM (Regulatory Commitment Monitoring) monitoring application. As well as developing ReCoM to automate processes in implementing the compliance framework.
4. Programs and Activities in the Compliance Reports and Key Performance Indicators (KPI)
  - a. Self-assessment of compliance risk profile in the Bank Health Level Report.
  - b. Regular Compliance Reports to the Board of Directors, Board of Commissioners and Financial Services Authority.
  - c. Preparation of KPIs related to compliance for Directorates and Work Units, as well as KPIs for RCU.
5. Integrated Compliance Function Activities
  - a. Submit Integrated Compliance report on the implementation of compliance in KKCI periodically to the Board of Directors and Board of Commissioners of the Bank as the Main Entity.
  - b. Aligning the compliance framework with Compliance Function of FSIs who are members of the CIFC.

### COMPLIANCE INDICATORS IN 2023

- The Minimum Capital Adequacy Ratio (CAR) (for credit, market and operational risk) is 23.50%, meeting the minimum regulatory requirements.
- There are no exceedances or violations of the Legal Lending Limit (LLL).
- Net Non-Performing Loans (NPL) is 0.71%, meeting the maximum limit of 5%.
- Average Daily Rupiah Minimum Reserve Requirement (GWM) is 8.97%, meeting the minimum requirement of 9%.
- Average Daily Minimum Reserve Requirement (GWM) for Foreign Exchange is 4.09%, meeting the minimum requirement of 4%.

- Liquidity Coverage Ratio (LCR) is 252.31%, meeting the minimum limit requirement of 100%.
- Net Stable Funding Ratio (NSFR) is 114.61%, meeting the minimum threshold requirement of 100%.
- Net Open Position (on and off-balance sheet) is 3.05%, meeting the maximum limit of 20%.
- Audit follow-up commitments to regulators can be fulfilled within the target time.

### IMPLEMENTATION OF COMPLIANCE MANAGEMENT UNIT DUTIES IN 2023

1. Training and Socialization of Regulations (Compliance Awareness Program).  
CMU carries out regulatory socialization through Compliance News media (email) and training applications (e-learning LoG). CMU also administers and updates banking regulations database on the Bank's internal portal (e-Manual). Various socialization and training activities include:
  - RCU Forum and RCU Leadership.
  - Compliance Agent Rewards for Business Units.
  - Bi-Weekly Meeting Compliance Management
  - Socialization of new regulations, workshops and refreshment on compliance aspects.
  - Compliance Certification.
  - Develop compliance learning modules through LoG
2. Compliance Testing and Compliance Advisory.  
CMU carries out compliance tests on internal policies as well as new products and/or activities to ensure they comply with regulatory requirements. CMU also provides opinions/advice to work units based on the principle of prudence and compliance with external regulations.
3. Implementation and Development of the Regulatory Compliance Management System (ReCoM).  
CMU continues to develop the ReCoM system to support compliance programs and activities. The ReCoM application consists of the following modules.
  - COMMITMENT module, namely:
    - for monitoring and following up on the results of inspections/audits that have been carried out by the Regulator; And
    - monitoring of reports (excluding periodic reports submitted online) that must be submitted to the Regulator.
  - FAQ (Frequently Asked Question) module, for a database of questions and answers related to Compliance, both sourced from questions and answers from Regulators and business units.

- P&P REVIEW (Policy & Procedure Review) module: to review/test compliance with policies and/or procedures by Compliance Management for work units.
- RCSA (Unit Self-Assessment on Compliance Risk) module: used to document compliance risks/issues inherent in a work unit and the controls it has. The work unit carries out its own risk assessment and control adequacy to ensure that internal control in the work unit is adequate and effective as well as identify necessary corrective actions to reduce risk exposure/compliance issues based on the results of the unit's self-assessment.
- MGA (Matrix Gap Analysis and New Regulation Update) module: for administering external provisions and distributing summaries of new provisions, including establishing follow-up on new provisions and identifying RCSA updates.

At the end of 2023, CMU has completed the development of 3 new modules for the ReCoM which will be implemented in 2024.

#### 4. Compliance Monitoring

CMU monitors the implementation of compliance in work units through the RCSA self-assessment carried out by each RCU/DCORO as well as the results of other independent audits (such as from the Internal Audit unit, Risk Management unit) and the results of inspections by the competent authorities. In addition, CMU also conducted a Compliance Management Services Survey for internal and external parties.

#### 5. Compliance Review

The CMU carries out compliance reviews (unit reviews, periodic reviews and thematic reviews) in work units. The review was carried out to verify the self-assessment process carried out by the work unit on RCSA and assess whether there were any compliance problems in the work unit. In addition, CMU carries out compliance reviews on the implementation of RCSA self-assessments in work units. CMU has carried out compliance reviews for 30 (thirty) work units throughout 2023.

#### 6. Supervision by Regulators

CMU is tasked with coordinating regulatory audit activities at CIMB Niaga. Throughout 2023, CMU has coordinated the audit activities of the OJK Conventional Supervisor, OJK Sharia and Bank Indonesia. Based on Bank's monitoring results, Bank's commitment to the regulatory audit results has been followed up on in accordance with the target date, and there is no audit follow-up commitment with an "overdue" status to the regulator.

#### 7. Compliance Report

CMU submits reports on Bank's compliance and compliance activities to the internal parties and authorized regulators in accordance with the provisions.

Compliance Activities	2023
Socialization of New Provisions by CMU	81 new provisions
Training by CMU	5,526 training participants
Compliance test by CMU	488 compliance tests

In addition to the above activities, CMU also carries out various initiatives to support and develop a Compliance Culture, including:

- 1) Implementing and strengthening RCU functions and infrastructure to support first-line functions in Work Units in managing compliance risks.
- 2) Application of self-assessment on the implementation of Compliance Aspects in Work Units by Work Units itself (1<sup>st</sup> line) through RCSA periodically.
- 3) Implementation of Compliance Reviews in Work Units using the Aligned Assurance method where the CMU collaborates (liaises) with Internal Audit in compliance reviews.
- 4) Updating the methodology and implementation of KPI Compliance Risk for assessing the performance of the Board of Directors and all employees, including considering fines from the Regulator on the KPI of related employees.
- 5) Develop a data analytic approach for monitoring compliance in work units (such as monitoring indications of violations of the code of ethics in Treasury activities).

### COMPLIANCE MANAGEMENT UNIT WORK PLAN IN 2024

1. Programs and activities in compliance awareness, namely: updating the regulatory database as well as socialization and training.
2. Regular training program for RCU and DCORO functions to increase competency and strengthen the RCU function through the RCU Forum.
3. Programs and activities in Compliance Testing, which include compliance testing of new product/activity plans and policies/procedures, as well as providing advisory recommendations/opinions related to the fulfillment of compliance aspects.
4. Programs and activities in monitoring compliance implementation, including:
  - Self-assessment of RCSA by RCU and reporting the results to CMU.
  - Monitoring the follow-up of the Bank's commitments to the competent authorities.
  - Monitoring compliance status in each member of the CIMB Indonesia Financial Conglomerate (CIFIC).





Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

- Implementation of compliance monitoring through the ReCoM application and future development of ReCoM to include a compliance review process.
5. Programs and activities in the KPI Compliance and Assessment Report
    - Regular Compliance Reports to the Board of Directors, Board of Commissioners and Otoritas Jasa Keuangan.
  6. Integrated Compliance Function Activities
    - Preparation of KPIs related to compliance for directorate and work units, as well as KPIs for RCU.
    - Conduct Integrated Compliance reporting on the implementation of compliance in CIFC periodically to the Board of Directors and Board of Commissioners of the Bank as the Main Entity.
    - Aligning the compliance framework with the Compliance Function of FSIs who are members of the CIFC.

## Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Counter-Proliferation Financing of Weapon of Mass Destruction (CPFWMMD) Program

The implementation of the Anti-Money Laundering, Counter-Terrorism Financing, and Counter-Proliferation Financing of Weapons of Mass Destruction (AML, CTF, and CPFWMMD) programs is an obligation for all parties, particularly the Bank as financial service providers. This is mandatory for the Bank, considering perpetrators' methods for using banks as a means for money laundering crimes (MLC), terrorism financing crimes (TFC), and proliferation financing of weapons of mass destruction (PFWMD) are becoming more diverse.

CIMB Niaga has established a special Anti-Money Laundering (AML) Work Unit, which reports directly to the Compliance Director and is responsible for the implementation of the Bank's AML, CTF, and CPFWMMD programs. CIMB Niaga also runs AML, CTF, and CPFWMMD programs that use a risk-based approach to assess its risks at both the customer (customer risk rating) and bank-wide (Bank AML rating) levels.

### AML, CTF & CPFWMMD POLICIES

CIMB Niaga implements the AML, CTF, and CPFWMMD programs as part of the Bank's Board of Directors and Board of Commissioners' commitment to fostering a risk culture at all levels of the organization, as well as preventing the misuse of the Bank's products, services, and e-channels as a conduit

for money laundering, terrorism financing, and proliferation financing of weapons of mass destruction. This AML, CTF, and CPFWMMD program refers to Money Laundering Crime Law No. 8 of 2010, Prevention and Eradication of Terrorism Financing Crimes Law No. 9 of 2013, POJK No. 8 of 2023, SEOJK No. 32/SEOJK.03/2017 concerning Implementation of the AML/CTF Program in the Financial Services Sector, and SEOJK No. 47/SEOJK.04/2017 concerning Implementation of Anti-Money Laundering and Counter-Terrorism Financing Programs in the Capital Markets Sector, and is based on internationally a CIMB Niaga also fulfills its obligations to the POJK and SEOJK in terms of implementing the AML, CTF, and CPFWMMD programs, as well as guidelines for the immediate blocking of customer funds in the financial services sector whose names appear on the List of Suspected Terrorists and Terrorist Organizations and the List of Proliferation Financing of Weapons of Mass Destruction.

### MECHANISM FOR THE APPOINTMENT AND DISMISSAL OF THE HEAD OF AML & CTF WORK UNIT (HEAD OF ANTI MONEY LAUNDERING (AML))

The Head of AML is appointed and dismissed based on the decision of the Board of Directors and reported to the OJK.



Supporting Business Review



Corporate Governance Report



Corporate Social Responsibility



Other Corporate Data



Consolidated Financial Report

## HEAD OF AML PROFILE



**Peter  
Gunawan**

**Head of Anti Money Laundering (AML)**

### Age/Gender

45/Male

### Nationality

Indonesia

### Domicile

Jakarta

### Educational Background

Bachelor of Science in Mathematics from Bandung Institute of Technology (2001)

### Work Experience

- Senior Vice President – Head of AML at CIMB Niaga (2022 – present)
- Vice President – AML Business Alignment & Awareness Head at CIMB Niaga (2019 – 2022)
- Vice President – AML Policy & System Head at UOB Indonesia (2013 – 2018)
- Senior Manager – Process Design Retail Credit Loan Operations at UOB Indonesia (2011 – 2013)
- Manager – Operations & Policy Management Retail at UOB Indonesia (2009 – 2010)
- Manager – Operation Development at OCBC NISP (2001 – 2008)

### Certification

- Level 4 Risk Management Certification
- Level 2 Compliance Certification
- CAMS Certification

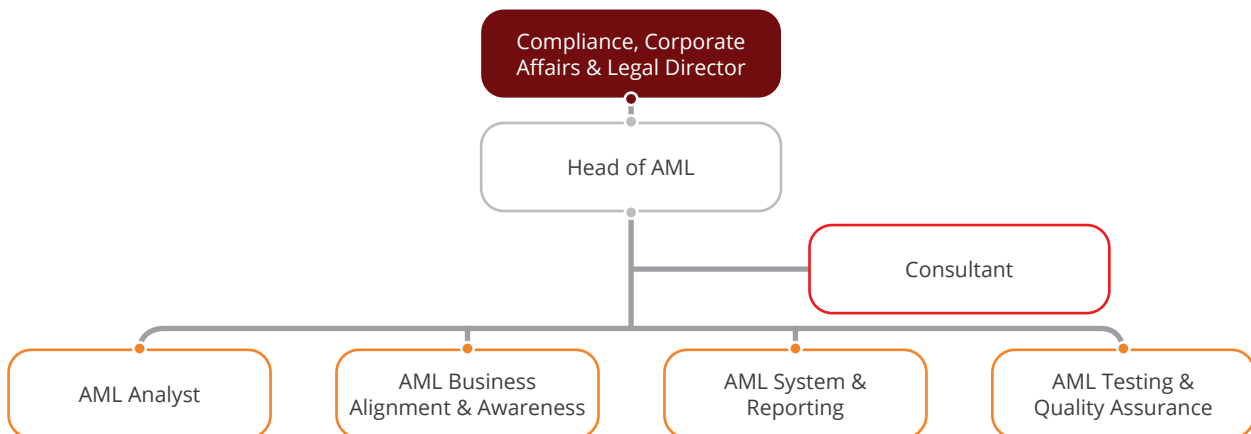
### Legal Basis of Appointment

Decree No. 314/OMTKA/SS/HR/III/2022

## TRAINING OF HEAD OF AML IN 2023

Name of Training/Workshop/Seminar	Organizer	Date & Place
CIMB-CISL Sustainability Leadership Programme Module 1, 2, 3	Cambridge Institute for Sustainability Leadership (CISL)	11-12 January 2023 Online
CIMB Compact Leadership Programme Series	CIMB Niaga	16-17 January 2023 Jakarta
The Strategic Role of the Financial Transaction Analyst Profession in Revealing High Risk Financial Crimes	Association of Indonesian Financial Transaction Analysts (AATKI)	4 April 2023 Online
Anti Money Laundering in Digital Era: Lesson Learned from Selected Countries	OJK Institute	6 April 2023 Online
International Seminar "Oversight Asset Recovery on Green Financial Crimes and Transnational Laundering on High-Risk Predicate Crimes"	PPATK	17 April 2023 Depok, Jawa Barat
International Seminar on Anti-Money Laundering and Countering the Financing of Terrorism (AML-CFT) in Digital Economy and Finance	Bank Indonesia Institute	7 – 8 June 2023 Online
Lunch and Learn : Future of Self-service AI and Analytics	CIMB Niaga	20 June 2023 Jakarta
Socialization of POJK Number 8 of 2023 concerning Implementation of the AML CTF and CPFWMD Programs in the Financial Services Sector	OJK	6 July 2023 Online
The Cooler Earth Sustainability Summit	CIMB Group	13 September 2023 Jakarta
RCU Leadership 2023	CIMB Niaga	2 October 2023 Jakarta
Sharia Excellence Summit 2023 : Sharia Quiz Challenge and Sharia Strategy & Innovation Training – Executive Leaders 2023 with theme "Enrich Sharia Strategy & Win Innovative Economic Competition"	CIMB Niaga	11 October 2023 Jakarta
Socialization of "Strengthening the Legal Framework related to Prevention and Eradication of the Proliferation Financing of Weapons of Mass Destruction"	PPATK	19 October 2023 Online
Sanction Compliance 2023 Workshop	CIMB Group	22 November 2023 Online
Welcoming Crypto Assets in Strengthening the Digital Financial Ecosystem in Indonesia	OJK Institute	22 December 2023 Online

## ORGANIZATIONAL STRUCTURE OF THE AML WORK UNIT



### DUTIES AND RESPONSIBILITIES OF THE AML WORK UNIT

The AML Work Unit has the following duties and responsibilities:

1. Plan and develop strategies for implementing the AML, CTF & CPFWMD Programs to identify the inherent risks and measure and manage those risks to ensure proper mitigation.
2. Develop Bank AML, CTF & CPFWMD policies and procedures in accordance with applicable laws, regulations, and best practices that will guide employees in running business and banking operations.
3. Evaluate and maintain every Policies and Procedures for products, services, and e-channels owned by CIMB Niaga to prevent them from being misused as a medium for money laundering and financing of terrorism or proliferation.
4. Prepare an information system to support the implementation of the AML, CTF & CPFWMD programs in the identification and classification of customers according to the type of risk, monitoring transactions, and ensuring screening results against the AML watchlist.
5. Identify the risks of AML, CTF & CPFWMD based on NRA, SRA, and the criteria and parameters of 5 (five) risk factors, namely customer profile, business, country and geography, products used, and types of business entities that are vulnerable to money laundering.
6. Measuring AML, CTF & CPFWMD risks and controlling the mitigation of those risks through the Risk Control Self-Assessment (RCSA) mechanism in order to minimize the incidence of potential money laundering in Business Units and Branch offices.
7. Map these risks bank-wide and carry out assessments and validations from time to time in Branch offices and Business Units, both off-site and on-site.
8. Increase AML awareness within the First Line of Defense as the front line of the Bank's defense in the implementation of AML, CTF & CPFWMD.
9. Ensure that the Bank's responds to and fulfills data and information requests from authorized agencies as regulated in applicable laws and regulations related to money laundering, terrorism, and proliferation financing.
10. Provide information services in the form of suggestions or recommendations to Business Units and Branch Offices with regards to AML, CTF & CPFWMD.
11. Undertake the reporting process for Suspicious Financial Transactions (LTKM), Cash Financial Transactions (LTKT), IFTI, Integrated Service User System (SIPESAT), Suspected Terrorism Financing Information System (SIPENDAR), OJK Online Reporting Application (APOLO), Anti Money Laundering and Counter Terrorism Financing Programs Information System (SIGAP) and other reports in accordance with applicable laws and regulations in an accurate and timely manner.
12. Monitor the implementation of AML, CTF, and CPFWMD at the Business Unit and Branch Office levels using Testing and Quality Assurance methods for Risk Control Self-Assessment (RCSA), and provide ratings to Business Units and Branch Offices for future corrective action.
13. Update the information system to reflect the most recent developments in technology, transactions, products, services, and activities.

## IMPLEMENTATION OF THE AML, CTF & CPFWMD PROGRAMS IN 2023

CIMB Niaga has implemented 3 (three) lines of defense to fulfill the implementation of the AML, CTF & CPFWMD Programs, as follows:

### 1. First Line Defense

The First Line of Defense is carried out by Business Units/Branch Offices, which perform daily company activities on the front lines of the organization. In each Business Unit/Branch Office, there is a person in charge of implementing the AML, CTF & CPFWMD programs named as Local AML, who also has access to the information system for handling AML, CTF & CPFWMD.

### 2. Second Line of Defense

The Second Line of Defense serves the monitoring function to ensure that the First Line of Defense has done its function properly. The AML Work Unit, which is accountable for the second line of defense, develops strategies, steps, and systems to strengthen the implementation of the AML, CTF & CPFWMD programs.

### 3. Third Line of Defense

The Third Line of Defense serves the supervisory function for the implementation of the AML, CTF & CPFWMD programs carried out by the first and second lines of defense. This function is carried out by internal audit, external audit, and the Board of Commissioners to ensure that the first-line and second-line defense functions are operating effectively.

The Board of Directors, in collaboration with the Board of Commissioners, actively supervises the implementation of the AML, CTF & CPFWMD programs through the following:

#### 1. Establish a special organization for the Anti-Money Laundering (AML) Unit that serves the function of implementing the AML, CTF & CPFWMD programs.

In carrying out its functions, the AML unit reports to and is directly responsible for the Compliance Director. Staff in the AML unit have adequate banking knowledge and experience regarding risk assessment and mitigation related to the implementation of AML, CTF & CPFWMD programs. All staff have undergone compliance training and certification.

As of December 2023, the AML unit was staffed by **30 (thirty) people**. Furthermore, given the Bank's large size, each Branch Office and business unit has a DCORO and a Local AML Team who ensure the implementation of AML, CTF & CPFWMD in the relevant area and are in charge of accessing and

monitoring current customer transactions, with the AML team currently totaling **5,914** employees.

#### 2. Risk-based AML, CTF & CPFWMD policies and procedures in accordance with the complexity of the Bank's business, which include provisions related to the following:

- a. Customer Due Diligence (CDD) in the context of Customer Identification and Data Updating, including classification methods for determining customer risk in terms of potential money laundering, terrorism financing, and proliferation financing of weapons of mass destruction, Beneficial Owner identification, and customer data filtering against the Anti Money Laundering Watchlist (AML) database screening. The updated data realization in 2023 is **110,501 CIF (96.08%) of 115,000 CIF**.
- b. AML, CTF & CPFWMD risks measurement is carried out using Risk Based Approach (RBA) indicators/parameters, which include Customer Risk Rating and Bank AML Risk Rating.
- c. Control and management of AML, CTF & CPFWMD risks is carried out through the implementation of the Customer Due Diligence (CDD) or Enhanced Due Diligence (EDD) process to determine customer profiles and analyze the suitability of transactions with the Customer/WIC profile as well as the socialization of policies and procedures, training of all Bank employees, and evaluating the implementation of APU, PPT & PPPSPM in Branch Offices through Risk Control Self-Assessment (RCSA).
- d. Continuous monitoring and analysis to identify conformity between customer transactions and customer profiles, including closing business relationships and rejecting transactions in the context of implementing AML, CTF & CPFWMD.
- e. Identification and assessment of risks of money laundering, terrorism financing and proliferation financing of weapons of mass destruction related to Bank products and services as well as e-channels opening.
- f. Identification and Reporting of LTKM, LTKT, Overseas Financial Transactions (LTKL), SIPESAT, Suspected Terrorism Financing Information System (SIPENDAR) to the PPATK, OJK Online Reporting Application (APOLO) and other reports.
- g. New employee screening procedures and employee transaction monitoring as part of the Know Your Employee (KYE) implementation.
- h. Administration of CDD documents and other documents related to AML, CTF & CPFWMD.
- i. Follow up on the results achieved and report AML, CTF & CPFWMD risks exposure to senior management, committees, and regulators.

j. Internal Control, includes:

- 1) Preparation of processes and controls as business unit guidelines and to ensure compliance and understanding of the AML, CTF & CPFWMD programs. Controls are contained in policies and procedures (SOP) related to AML, CTF & CPFWMD.
- 2) Testing and Quality Assurance (QA) processes to ensure that Branch Offices and Work Units have implemented AML, CTF & CPFWMD.
- 3) according to applicable policies and procedures.
- 4) Assessment of risk indicators based on risk considerations and appropriate methodology and documentation.

3. Management Information System in the context of implementing AML, CTF & CPFWMD.

CIMB Niaga has an application system for the purposes of monitoring customer profiles and transactions that can identify and determine customer risk levels, as well as analyze, monitor, and provide reports on the characteristics of customer transactions, such as identifying suspicious financial transactions.

This application is capable of carrying out comprehensive monitoring of all customer transactions at the Bank, including credit card products, wealth management, and custody. This application is equipped with parameters and thresholds that are continuously evaluated in accordance with developments in money laundering modes, terrorism financing, and proliferation financing of weapons of mass destruction.

Additionally, this application also serves the function of carrying out the screening process for watchlists as well as reporting LTKM, LTKT, LTKL & SIPESAT, SIPENDAR, APOLO, SIGAP, and other reports. The AML system can also monitor updates to customer data and the completeness of data when opening an account. The Bank is also constantly improving the applications used to add new functions to the system, increasing its effectiveness and efficiency.

4. Screening of the Watchlist

The Bank carries out screening for every account opening and customer business relationship against watchlists issued by the competent authorities and watchlists commonly used in international best practices (including the Office of Foreign Assets Control (OFAC) List, United Nation (UN) List, Suspected Terrorists and Terrorist Organizations (DTTOT) and Proliferation List, Politically Exposed Person (PEP) List, and negative news (adverse news). In addition, the Bank has subscribed to the watchlist database from Thomson Reuters-Worldcheck. The Bank also carries out re-screening of all existing customers every time there is an update/addition to the watchlist.

5. AML, CTF & CPFWMD Risks Assessment

The Bank has developed a risk-based approach method to measure AML, CTF & CPFWMD risks at the customer (customer risk rating) and bank-wide (Bank AML risk rating) levels:

- a. Customer AML Risk Rating (CRR), which measures the AML, CTF & CPFWMD risks associated with each customer using indicators such as customer identity/profile, geographic/country and business factors, products/services/channels used by customers, and type of business entities, is classified as Low, Medium, or High.

CIMB Niaga's risk profile in 2023 is as follows:

No	Customer Risk	Total	%
1	Low Risk	33	0.00
2	Medium Risk	5,641,277	94.48
3	High Risk	329,281	5.52

- b. The Bank AML Risk Rating (BARR) is the result of an assessment of CIMB Niaga's AML, CTF & CPFWMD risk measurement, which is determined based on the inherent risk and the level of AML, CTF & CPFWMD risk control and control at the Bank. Based on our assessment, **the Bank's overall AML, CTF & CPFWMD Compliance Risk Profile at the end of Semester 2 2023 is "Low-Moderate"**. In 2023, assessments have been carried out on 116 branches and 22 business units by providing input to branches and business units for future improvements.

6. Internal Control to evaluate the adequacy and effectiveness of the AML, CTF & CPFWMD programs.

In order to ensure that the implementation of the AML, CTF & CPFWMD programs is in accordance with predetermined policies, self-assessment procedures are implemented at branch offices or through the Risk Self-Assessment method.

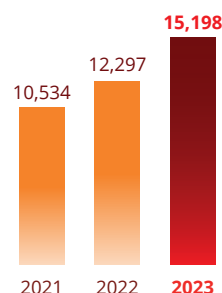
7. Compliance testing and providing opinions regarding AML, CTF & CPFWMD

In 2023, the AML work unit reviewed policies, procedures, products/activities/channels to ensure compliance with applicable laws and regulations related to AML, CTF & CPFWMD. In addition, the AML work unit provided **7,427** opinions to business work units and other work units regarding various questions and problems related to the implementation of AML, CTF & CPFWMD.

### 8. AML, CTF & CPFWMD Training (Certification) for Employees

AML, CTF & CPFWMD training must be attended by all employees periodically. Training methods are carried out both in class and through e-learning. The number of employees participating in Bank AML, CTF & CPFWMD training in 2023 reached **15,198**, including online training via the Learning on the Go (LoG) application.

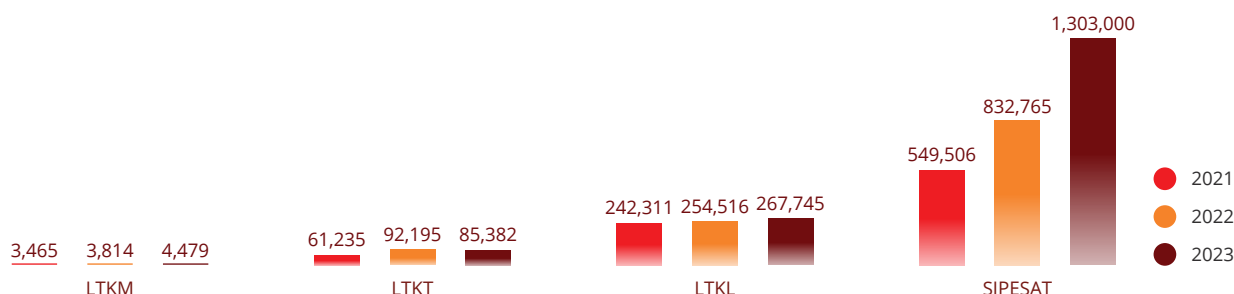
AML Training



### 9. Reporting and Submission of data to regulators and law enforcement.

Reporting to PPATK in the context of AML, CTF & CPFWMD implementation is carried out by the AML work unit at head office as follows:

Data Report to PPATK in 2021-2023



### NUMBER OF CORRESPONDENCE WITH REGULATORS IN 2023

Agency	Total Data Request
PPATK/BNN/KPK/OJK/POLRI	753
Investigation	116

### 10. Improvement initiatives in 2023

In 2023, in order to improve the implementation of the AML, CTF & CPFWMD programs, the AML work unit is implementing several initiatives, as follows:

- Carrying out system development related to Collaborative Analysis Team (CAT) reporting for the 2024 Election.
- Developing parameters to identify transactions related to Green Financial Crime (GFC).
- Carrying out system development related to updating existing customer data based on trigger events.
- Developing a system to administer acceptance approvals for customers with a high-risk profile in the BDS system.
- Developing systems related to transaction analysis dashboards and potential STR with Artificial Intelligence.
- Upgrading the version/revamping the AML system gradually.
- Aligning AML, CTF & CPFWMD policies/procedures in order to ensure compliance with applicable regulations (especially POJK No.8/2023).

- Aligning policies and implementation of AML, CTF & CPFWMD with subsidiaries & CIMB Group.
- Carrying out AML, CTF & CPFWMD risks measurements at the financial conglomerate level.
- Carrying out an assessment process for the implementation of AML, CTF & CPFWMD at the Business Unit/Branch Office level and subsidiaries (CNAF&CNS) which have higher risks.

### AML, CTF & CPFWMD PLAN FOR 2024

In 2024, CIMB Niaga has prepared a work plan to support the implementation of AML, CTF & CPFWMD as follows:

- Developing the AML system related to the SIPESAT reporting plan via Go AML to PPATK, improving the transaction analysis dashboard, automation of monitoring of Trade Base Money Laundering (Over/Under Invoice), upgrading the version/revamping of the AML system, reporting of the Collaborative Analysis Team (CAT) for the 2024 Election, parameters for identifying transactions related to investment fraud in cooperatives/savings and loan cooperatives.



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

- b. Aligning AML, CTF & CPFWMD policies/procedures in order to ensure compliance with applicable regulations and CIMB Group policies.
- c. Carrying out an assessment process for the implementation of AML, CTF & CPFWMD at the Business Unit/Branch Office level and subsidiaries that have higher risks.

## Public Accountant

### POLICY FOR APPOINTMENT OF PUBLIC ACCOUNTANT

In accordance with OJK Regulation No. 37/POJK.03/2019 concerning Transparency and Publication of Bank Reports, OJK Regulation No. 9 of 2023 concerning the Use of Public Accounting Services and Public Accounting Firms in Financial Services Activities, and the Annual GMS resolution on 10 April 2023, based on the recommendations from the Board of Commissioners and the Audit Committee, it was decided that Bank CIMB Niaga appointed Jimmy Pangestu, S.E., and Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member firm of the PricewaterhouseCoopers Global Network), which are respectively registered with the OJK as Public Accountant (PA) and Public Accounting Firm (PAF) to examine the Bank's Consolidated Financial Statement for the 2023 financial year.

In carrying out the audit, PAF Tanudiredja Wibisana, Rintis & Partners demonstrated an independent, competent, professional, and objective attitude in accordance with the Professional Standards for Public Accountants, ensuring that the Bank's Consolidated Financial Statement is presented fairly and transparent.

### PERIOD OF SERVICE OF PUBLIC ACCOUNTING AND PUBLIC ACCOUNTING FIRM

CIMB Niaga employs audit services for historical financial information in accordance with OJK Regulation No. 9 of 2023, specifically from the same PA for a maximum of 7 (seven) consecutive years. Meanwhile, the Audit Committee determines the use of PAF services based on its assessment of the potential risks associated with using the same PAF services for an extended period of time.

In 2023, PA Jimmy Pangestu, S.E was appointed as the first following a change from the previous AP, with PAF Tanudiredja, Wibisana, Rintis & Rekan (a member firm of the PricewaterhouseCoopers Global Network), which received approval from the OJK through letter No. S-106/PM.22/2018 dated 15 January 2018.

### EFFECTIVENESS OF AUDIT IMPLEMENTATION BY PUBLIC ACCOUNTANT

The Audit Committee actively communicates with the appointed PA and/or PAF before the audit process begins about issues that concern the Audit Committee, as well as evaluating the audit implementation process by the PA and/or PAF after the audit process is completed and the results are submitted to the OJK.

### SUPERVISION AND COMMUNICATION BETWEEN PUBLIC ACCOUNTANTS AND THE BANK

CIMB Niaga also requires PA to communicate the audit plan for the Bank's financial statements to the Audit Committee, as well as submit the audit plan, audit methodology, and audit samples for use to Internal Audit. The Audit Committee and Internal Audit continue to monitor and ensure the smoothness and conformity of the external audit process with applicable regulations as well as evaluating the quality of the audit process.

The Board of Directors discusses the supervision and monitoring of PA and/or PAF performance at Audit Committee meetings attended by Internal Audit and relevant Board members. The meeting also discussed how PA and/or PAF can follow up on audit findings in order to provide comprehensive and optimal audit results through coordinated efforts.

## NAMES, PERIODS, AND FEES FOR PUBLIC ACCOUNTING FIRM AND PUBLIC ACCOUNTANTS CONDUCTING THE AUDIT ON THE BANK'S ANNUAL FINANCIAL STATEMENTS IN THE LAST 5 (FIVE) YEARS

Year	Public Accountant Firm	Public Accountant (Partner in charge)	PAF Period	PA Period	Fee (excluding Tax)	PAF License
2023	KAP Tanudiredja, Wibisana, Rintis & Rekan	Jimmy Pangestu, S.E.	9	1	Rp11,000,000,000	KEP-241/KM.1/2015
2022	KAP Tanudiredja, Wibisana, Rintis & Rekan	Drs. Irhoan Tanudiredja, CPA			Rp10,226,700,000	
2021	KAP Tanudiredja, Wibisana, Rintis & Rekan	Drs. Irhoan Tanudiredja, CPA		3	Rp9,880,000,000	
2020	KAP Tanudiredja, Wibisana, Rintis & Rekan	Drs. Irhoan Tanudiredja, CPA			Rp9,700,000,000	
2019	KAP Tanudiredja, Wibisana, Rintis & Rekan	Angelique Dewi Daryanto, S.E., CPA		3	Rp12,913,500,000	

<sup>\*)</sup> The audit fees have included the Subsidiary's audit fees.

## OTHER SERVICES PROVIDED BY THE PUBLIC ACCOUNTING FIRM AND PUBLIC ACCOUNTANT OTHER THAN THE AUDIT ON THE LAST ANNUAL FINANCIAL STATEMENTS (NON-AUDIT FEES) IN 2023

In 2023, there are non audit fee provided by PAF Tanudiredja, Wibisana, Rintis & Rekan with total fee as amounted to RM126,000 and Rp677,100,000.

# Risk Management System

## OVERVIEW OF RISK MANAGEMENT SYSTEM IMPLEMENTATION AT CIMB NIAGA

CIMB Niaga implements Enterprise Wide Risk Management (EWRM) framework for risk management, which provides the basis for proactive and forward-looking risk management to achieve sound and sustainable business growth, maximize shareholder value, and manage capital comprehensively.

The main objective of EWRM is for the Bank to be able to achieve its targets and business plans while adhering to the principles of prudence, maintaining good financial performance, comply with applicable regulations, and the franchise/brand value owned by CIMB Niaga.

In the EWRM framework, risks are managed in an integrated manner by aligning risk appetite with the business strategy. The EWRM design includes complementary "top-down strategic" and "bottom-up tactical" risk management approaches. The main components in the EWRM framework are:

1. Risk Culture  
The risk management culture is described as employee awareness, attitude, and action towards risk and the Bank's risk management. In order to strengthen risk culture, the implementation of risk management in the Bank adheres to the three lines of defense philosophy, in which risk is managed from the point of risk-taking activities to ensure clear accountability on risk throughout the organization and the Risk Management Unit (RMU) as an enabler of business units.
2. Governance  
The Bank's governance structure through risk committees is intended to enhance the four-eye principle mechanism, independency and transparency in the entire risk management process to ensure consistency in EWRM implementation.



### 3. Risk Appetite

The type and amount of risk that the Bank is willing to accept in order to meet its strategic and business objectives, as described in the Risk Appetite Statement (RAS). The RAS includes Red-Amber-Green indicators and thresholds, and the information in the RAS will provide management with an overview of the Bank's conditions, allowing management to take corrective action in a timely manner.

### 4. Risk Management Process

This process is part of daily activities to ensure that risks can be considered, evaluated, and responded to in a timely and appropriate manner. This process includes business planning, risk identification and assessment, risk measurement, risk management, and control, as well as monitoring and reporting.

### 5. Risk Management Infrastructures

An effective risk management infrastructure is essential for EWRM implementation can run effectively. Risk management process supported by risk management infrastructure consists of 3 components which are: policies, methodologies and procedures; as well as human resources (HR) and technology and data.

Risk management becomes an integral part form Bank's culture and decision-making process. The Bank's risk management culture is realized through the three lines of defense philosophy, which connecting all risk management activities at early stage of the process of identification, assessment, control, and reporting to Senior Management, as well as supervision by the Board of Directors and Board of Commissioners.

The Bank's risk management process is carried out by the Risk Management Unit (RMU), as an independent unit from Business Unit. RMU is in charge of developing a comprehensive risk management process that includes risk identification, measurement, monitoring, and control, as well as submitting risk rating report and developing an internal control system. In addition, RMU coordinates and socializes all risk management processes within the Bank.

A comprehensive explanation of the Bank's risk management implementation will be explained in detail in the Risk Management Chapter of this Annual Report.

## RISK MANAGEMENT UNIT

### RISK MANAGEMENT ORGANIZATIONAL STRUCTURE AND POSITION

The Risk Management Unit (RMU) is led by the Risk Management Director, who is responsible directly to the President Director. Information on the structure of the Bank's Risk Management Unit is presented in the Risk Management Chapter of this Annual Report.

### PROFILE OF HEAD OF RISK MANAGEMENT UNIT

RMU Head held by Risk Management Director, which is subject to the appointment, dismissal, and term of office of the Board of Directors, as described in the Board of Directors discussion in this Annual Report's Corporate Governance Report.



Risk Management Director

The complete profile is presented in the Profile of the Board of Directors.

## MEMBERS OF THE RISK MANAGEMENT UNIT

### Koei Hwei Lien

Head of Retail Credit Risk Management

The complete profile is presented in the Profile of Senior Executive.

### Julius Wiantara Tjhioe

Head of Operational Risk Management (ORM)

The complete profile is presented in the Profile of Senior Executive.

### Diva Mahdi

Head of Market Risk Management & Model Validation

The complete profile is presented in the Profile of Senior Executive.

### Wahdinie Musmar

Head of Non-Retail Credit Policy and Assurance Testing

The complete profile is presented in the Profile of Senior Executive.

### Sandi Maruto

Head of ALM Risk

The complete profile is presented in the Profile of Senior Executive.

### Tjahjadi Yapeter

Head of Non-Retail Credit Risk Management

The complete profile is presented in the Profile of Senior Executive.

## CERTIFICATION OF RISK MANAGEMENT UNIT LEADERS

Name	Certification
<b>Henry Sulisty</b> Risk Management Director	Certification data is presented in the profile of Board of Director
<b>Koei Hwei Lien</b> Head of Retail Credit Risk Management	Level 4 Risk Management Certification
<b>Julius Wiantara Tjhioe</b> Head of Operational Risk Management (ORM)	Level 4 Risk Management Certification
<b>Diva Mahdi</b> Head of Market Risk Management & Model Validation	Level 4 Risk Management Certification
<b>Wahdinie Musmar</b> Head of Non-Retail Credit Policy And Assurance Testing	Level 4 Risk Management Certification
<b>Sandi Maruto</b> Head of ALM Risk	<ul style="list-style-type: none"> <li>• Certified Financial Risk Manager (FRM)</li> <li>• Level 4 Risk Management Certification</li> </ul>
<b>Tjahjadi Yapeter</b> Head of Non-Retail Credit Risk Management	Level 4 Risk Management Certification

## ROLES AND RESPONSIBILITIES OF THE RISK MANAGEMENT UNIT

1. Monitor the implementation of risk management strategies recommended by the Risk Management Committee (RMC) and approved by the Board of Directors.
2. Provide feedback to the Board of Directors, among others, on the development of Risk Management policies.
3. Monitor the position or overall risk exposures for each risk type and each type of functional activity.
4. Perform stress testing to identify the impact of significant external conditions on performance, liquidity, and capital.
5. Perform periodic reviews of the risk management process.
6. Perform reviews on proposals for new products or activities applied or developed by a certain unit. The review shall focus mainly on the capability of the Bank to deliver such a new product/activity, including the systems and procedures to be used and their impact on the overall risk exposures.
7. Provide recommendations related to the amount or maximum risk exposure that the Bank could tolerate to the operational units (Risk Taking Unit) and the Risk Management Committee in accordance with their respective authorities.
8. Evaluate the accuracy of the risk model and the validity of the data used in risk measurement, in the event that the Bank uses a risk model for internal purposes.
9. Prepare and submit risk profile reports to the Board of Directors, RMC, and the Sharia Supervisory Board (for SBU Risk Profile) on a regular basis.
10. Monitor risk management policy implementation, including developing procedures for risk identification, measurement, monitoring, and control methods.
11. Review proposed new strategic business lines that will have a significant impact on the risk exposure of the Financial Conglomerate.
12. Perform independent reviews of the credit underwriting process, including post-mortem reviews.
13. Perform the duties of the Integrated Risk Management Unit with regard to the implementation of Integrated Risk Management.
14. Provide feedback to the Integrated Risk Management Committee regarding the formulation and enhancement of Integrated Risk Management policies.
15. Prepare and submit regular Integrated Risk Profile Reports to the Integrated Risk Management Committee.
16. Provide information to the Integrated Risk Management Committee regarding issues that need to be followed up on related to the results of evaluations on the implementation of Integrated Risk Management.
17. Review methodology for implementing risk management in the Bank based on the most recent best practices, as well as efforts to harmonize the implementation of risk management in Subsidiary Companies.

## COMPETENCY DEVELOPMENT AND PROFESSIONAL CERTIFICATION PROGRAMS FOR RISK MANAGEMENT UNIT PERSONNEL

In 2023, the RMU has a total of 204 (two hundred and four) personnel. In order to support the competency development and improvement of RMU personnel, the head and personnel of the RMU attended a variety of training programs during 2023, among others:

No	Name of Training/Workshop/Conference/Seminar	Organizer	Date & Place
1	Credit Academy	Internal Bank, Moody's, Alta Perfecto	Jan, Feb, Aug, Sep, Oct, Nov, and Dec Jakarta & West Java
2	Anti Fraud Awareness	CIMB Niaga	Jan, Feb, Mar, May, Aug, and Sep Jakarta & Online
3	Risk Management Certification Lv1, 2, 3 and Refreshment Program	LPPI, BSL, GPS, RDS, Cambridge Institute	Jan, Feb, Mar, Apr, May and August Jakarta & Online
4	Anti Money Laundering (AML) Enforcement	Regulation Asia	1 March 2023 Online
5	Cyber Risk Management Fundamental	Center For Risk Management dan Sustainability (CRMS)	15 March 2023 Online
6	Crime And Risk Prevention in Financial Sector	Info Bank	20 June 2023 Jakarta
7	Strategy Analysis and GRC in the Banking Business	Infobank Institute	20 July 2023 Jakarta
8	Basel Framework and IRB Models	CIMB Group	21 August 2023 Online
9	Risk Posture Workshop with the Combined Boards	CIMB Group	24 August 2023 Online
10	Managing Environmental, Social, and Governance Risks and Opportunities	OJK Institute and The London Institute of Banking and Finance	19 October 2023 Online

## RISK MANAGEMENT CERTIFICATION

The number of Bank personnel who have obtained the Risk Management Certification (RMC) is as follows:

Level	Mandatory RMC			Total Personnel with Risk Certification (mandatory & non-mandatory)	
	Passed	Has not Passed	%	Passed	%
1	1,237	317	74%	2,341	189%
2	1,079	62	94%	1,304	120%
3	420	0	100%	447	106%
4	67	0	100%	106	158%
5	13	1	92%	15	115%
<b>Total</b>	<b>2,816</b>	<b>380</b>		<b>4,213</b>	

## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE PERFORMANCE OF THE RISK MANAGEMENT UNIT

The Board of Directors' assessment of RMU performance is crucial for ensuring effective risk management at the Bank. The RMU periodically reviews, evaluates, and assesses the effectiveness of its operations. Several indicators, such as asset quality, operational risk losses, and completed initiatives, can be used to make the main assessment.

In 2023, the overall assessment indicators remained at a level that can be managed by the Bank, reflecting well performance by RMU. The main risks faced by the Bank in 2023 are still within the established Bank's Risk Appetite. This is in line with the completion of several initiatives, such as the improvement of asset quality, the implementation of best practices in operations, optimal capital management, as well as development of advanced analysis and digitalization.

A more detailed discussion on the focus of risk management in 2023 can be seen in the Risk Management Chapter of this Annual Report.

## RISK MANAGEMENT

Risk system management begins with the risk identification stage, with the objective of determining material risks on products and activities to be further measured, which will enable the Bank to determine the risk level to be faced. CIMB Niaga determines which risks will be taken, avoided, transferred, or managed by considering the risk impact as well as the cost and benefit of the Bank's products or activities.

As part of risk management, CIMB Niaga also ensures the availability of reporting and reviews on the effectiveness of the Bank's risk management system. In addition, the Bank also strives to implement a risk management process that is based on the prudence principle, as

well as establish a risk culture, a risk management infrastructure, and good corporate governance.

In accordance with OJK Regulation No. 17/POJK.03/2014, the CIMB Indonesia Financial Conglomerate (FC) faces 9 (nine) types of risk in an integrated manner, including credit risk, market risk, liquidity risk, operational risk, strategic risk, reputation risk, legal risk, compliance risk, and intragroup transaction risks. Meanwhile, specifically for the Sharia Business Unit, there are two additional types of risk, namely investment risk and return risk.

The Bank's risk management process is proactive and forward-looking, in accordance with the EWRM framework, which broadly includes various processes such as business planning, risk identification and assessment, risk management and control, the implementation of an internal control system as part of supervision mechanisms, and monitoring and reporting.

A more detailed discussion on the types and efforts of the Bank in risk management is presented in the Risk Management Chapter of this Annual Report.

### **STATEMENT OF THE BOARD OF DIRECTORS AND/OR BOARD OF COMMISSIONERS OR THE AUDIT COMMITTEE ON THE ADEQUACY OF THE RISK MANAGEMENT SYSTEM**

The Board of Directors and the Board of Commissioners stated that the Bank has an effective and adequate internal control system in place to manage the risks it faced in 2023. The risks faced remain within tolerance limits (risk appetite) in support of the Bank's objectives, as evidenced by operations that are carried out effectively and efficiently, the delivery of accurate and reliable financial statement submission, the security of Bank assets, and comply with applicable laws and regulations.

### **RESULT OF EVALUATIONS ON RISK MANAGEMENT SYSTEM EFFECTIVENESS**

RMU is continually reviewed and evaluated. The assessment are conducted on a regular basis to see the effectiveness of performance. Asset quality indicators, operational risk losses, and initiatives undertaken are all examples of the main assessment.

In 2023, a number of assessment indicators remained within the Bank's manageable level, indicating that RMU's operations are proceeding smoothly.

Main risks such as credit risk, liquidity risk, market risk, and operational risk remained within the Bank's predetermined risk appetite range.

Throughout the year, regulator provides positive response on risk management processes, resulting in Risk Based Bank Rating or Bank soundness level being rated as sound. In addition to Risk Management Committee, CIMB Niaga has various Executive Committees focused on risk management to delve deeper into specific risks, including the Asset Liability Committee (ALCO), Operational Risk Committee (ORC), and Credit Policy Committee (CPC).

In 2023, the results of the Bank's risk management system evaluation shows that it is functioning properly and effectively. All committee decisions have also been thoroughly documented. The Board of Commissioners evaluates the implementation of risk management strategies through the Risk Oversight Committee (ROC). A more detailed explanation is presented in the Risk Oversight Committee (ROC) section.

## **Internal Control System**

CIMB Niaga implements an Internal Control System (ICS) to achieve the Bank's objectives and to identify potential incidents that could have an impact on the Bank. ICS is an important monitoring component in managing the Bank and serves as a reference point for the Bank's sound secure, and controlled operational activities. ICS is intended to provide adequate confidence in safeguarding and securing the Bank's assets, ensuring the availability of accurate reports, increasing compliance with applicable regulations, mitigating the impact of financial losses and irregularities, including fraud and violations of prudential

aspects, and increasing organizational effectiveness and cost-effectiveness.

### **BASIS OF IMPLEMENTATION**

The implementation of ICS will help the Bank achieve its vision and mission, increase value for stakeholders, and reduce the risk of loss. ICS CIMB Niaga is carried out in accordance with the OJK Circular Letter No. 35/SEOJK.03/2017 on Internal Control Standard Guidelines for Public Banks.



## OBJECTIVE OF INTERNAL CONTROL SYSTEM IMPLEMENTATION

The objectives of the Bank's Internal Control System include:

### 1. Compliance Purpose

Ensure that all Bank business activities are carried out in accordance with applicable laws and regulations of the Government, Banking Supervision Authority, and Capital Market Authority, as well as internal policies, rules and procedures.

### 2. Informational Purpose

Provide accurate, complete, timely, and relevant information needed to make appropriate and accountable decisions, including financial and non-financial reporting as required by internal and external parties.

### 3. Operational Purpose

Increase the Bank's effectiveness and efficiency in using its assets and other resources, as well as protect it from the risk of loss, including those caused by fraud.

### 4. Risk Culture Purpose

Identify weaknesses, assess deviations early, and constantly reassess the appropriateness of the Bank's internal policies and procedures.

## IMPLEMENTATION OF INTERNAL CONTROL SYSTEM, FINANCIAL, AND OPERATIONAL AND THEIR CONFORMITY WITH THE COSO-INTERNAL CONTROL FRAMEWORK

### FINANCIAL AND OPERATIONAL CONTROL

The ICS of CIMB Niaga consists of two aspects: financial control and operational control, which include conformity with applicable laws and regulations. The Bank's operational control system includes the following:

1. Conduct a Board of Directors' review by requesting an explanation and report on the Bank's operational performance so that the Board of Directors can detect weaknesses in control, errors in financial reports, or other frauds.
2. Conduct a review of the risk assessment (risk profile report) produced by the Risk Management Unit and analyze operational data by the Internal Audit Unit.

3. Conduct a review of the work plan and budget realization.
4. Control the information technology, which includes control on data center operation and application control.
5. Document all policies, procedures, and operational instructions.

The Bank's financial control includes:

1. Separating the functions in the Bank so that each person in their position does not have opportunities to commit or hide mistakes or irregularities in performing their duties.
2. Update all policies, procedures, and operational instructions regularly to reflect actual operational activities that conform to applicable regulations and accounting standards.
3. Approval on fund spending and expenditure realization.
4. Control over customer's account and the Bank's account.
5. Control over transactions in the Bank's ledger.
6. Control over physical assets, which includes securing assets, records, and documentation, and limiting access to application programs.

### INTERNAL CONTROL CONFORMITY WITH THE COSO FRAMEWORK

Internal control is a system or process implemented by a company's Board of Commissioners, Board of Directors, Management, and employees to ensure that control objectives are met. The CIMB Niaga internal control framework is based on the COSO (Committee of the Sponsoring Organizations of the Treadway Commission)—Internal Control Integrated Framework. This framework can ensure that the Bank has adequate operational control, financial, financial reporting, operational effectiveness, and efficiency, as well as conformity with applicable laws and regulations.

COSO - Internal Control Framework has five control components: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring. CIMB Niaga has also implemented the Three Lines Model concept, a control strategy in the COSO - Internal Control Framework monitoring system, as explained in the Risk Management chapter of this Annual Report.

In 2023, CIMB Niaga has implemented an Internal Control System which refers to COSO as follows:

Internal Control Elements According to COSO	Internal Control System Implementation in CIMB Niaga
<p><b>Control Environment</b> The control environment is the basic of all internal control components.</p> <p>Control environment factors include integrity, ethical values, and competencies of people and entity, management philosophy and style, how the management confer authority and responsibility and organize and develop its people, as well as the attention and direction provided by the Board of Commissioners.</p>	<p>The Board of Commissioners, through other established committees, carry out regular review of the control environment and make independent assessment which will be reported to the Board of Directors for follow-up actions.</p>
<p><b>Risk Assessment</b> Risk Assessment is a mechanism designed to identify, analyze, and manage all risks related to all operational activities of the organization</p>	<p>The Board of Directors has established a procedure to anticipate, identify, and respond to incidents and challenges which could impact the achievement of the Bank's objectives. The Board of Commissioners, through the Risk Oversight Committee, ensures that the Board of Directors has managed the risks well.</p>
<p><b>Control Activities</b> Control Activities is the implementation of policies and procedures established by the management to ensure the achievement of objectives</p>	<p>All policies and procedures for the main business units and business supporting units have been written and approved by the Board of Directors, updated regularly by the relevant business unit/business supporting unit, and reviewed by the Risk Management Unit.</p> <p>The Compliance Unit is responsible for disseminating applicable regulations in banking, carrying out compliance tests on new internal policies, product recommendations, or new activities, implementing Anti-Money Laundering and Prevention of Terrorism Financing programs, as well as monitoring compliance through the designated officers in other work units, which will be verified by the Independent Unit on the 2<sup>nd</sup> or 3<sup>rd</sup> Line. The Compliance Unit submits compliance reports regularly to the Board of Commissioners, the Board of Directors, and the Regulators.</p> <p>The Bank's officers carry out periodic reviews of the existence and effectiveness of control, divide the tasks properly, carry out routine verification of data accuracy, as well as establish and test an emergency response plan.</p>
<p><b>Information and Communication</b> Information and Communication is a system which enables people or entity to receive and share necessary information to carry out, manage, and control their operational activities.</p>	<p>There are adequate procedures for data collection as well as information technology that can produce reports on business activity, financial condition, risk management implementation, and the fulfillment of other provisions that support the tasks of the Board of Directors and the Board of Commissioners.</p>
<p><b>Monitoring</b> The implementation of internal control system shall always be monitored to ensure that the system has been carried out appropriately.</p>	<p>The Board of Directors, the Bank's officers, and IA have carried out continuous monitoring of the overall effectiveness of internal control system implementation.</p> <p>Monitoring of main risks, including periodic evaluation, has been prioritized and has become a part of the daily activities of the Bank. The Board of Directors and the Bank's officers are committed to carrying out follow-up actions on past monitoring results and IA recommendations.</p>

## EVALUATION ON INTERNAL CONTROL EFFECTIVENESS

The Internal Control System is designed to manage and control risks appropriately, not eliminate risks. In monitoring the Bank's Internal Control System, the Board of Directors, the Board of Commissioners, and the Audit Committee have evaluated the effectiveness of the Bank's internal control system. In 2023, the evaluation found that the Bank's Internal Control System is still aligned with the control principles and, overall, reflects that the Bank's Internal Control System is well implemented.

The Board of Directors has been informed about the adequacy of the internal control system, as well as follow-up actions to reduce risks. The report was also presented to the Board of Commissioners through the Audit Committee.

## STATEMENT FROM THE BOARD OF DIRECTORS AND/OR THE BOARD OF COMMISSIONERS REGARDING THE ADEQUACY OF THE INTERNAL CONTROL SYSTEM

The Board of Directors and the Board of Commissioners have re-stated that CIMB Niaga owns an effective and adequate Internal Control System to manage risks faced by the Bank in 2023. The risks remain within the risk appetite in the achievement of Bank's objectives, which is reflected through effective and efficient operational activities, the submission of accurate and reliable financial reports, the securing of the Bank's assets, and compliance with applicable laws and regulations.

## Important Cases

### NUMBER OF CASES FACED BY THE BANK

Throughout 2023, the Bank was involved in numerous important civil, criminal, and tax cases. In civil cases, the Bank acts as the Defendant, whereas in criminal cases, the Bank is the Reported Party. The details of the cases (excluding Sharia cases, which are disclosed in the Sharia Business Unit Governance Report) are as follows:

Legal Case	Total					
	Civil		Criminal		Tax	
	2023	2022	2023	2022	2023	2022
<b>Number of Cases Faced</b>	<b>219</b>	<b>223</b>	<b>9</b>	<b>17</b>	<b>32</b>	<b>40</b>
Settled Cases (Final and Legally Binding)	66	83	4	8	24	26
Cases in Settlement Process (as of December)	153	140	5	9	8	14

### IMPORTANT CASES FACED BY THE BANK

Throughout 2023, the Bank faced the following civil legal issues with a case value of more than Rp10 billion, as well as quantitative risk information:

No.	Cases	Case Subject	Case Status	Risk faced by the Bank	Efforts of the Bank's Management	Case Value
1	Case No.359/Pdt.G/2019/PN.Jkt. Sel between IH (Plaintiff I) IRMAS (Plaintiff II) and Bank (Defendant I)	The debtor defaulted and filed a lawsuit for the cancellation of an auction	At the cassation level at the Supreme Court of the Republic of Indonesia	Compensation of the value of the lawsuit	The Bank prevailed in the District Court and confirmed by a decision at the High Court level, the plaintiffs filed the cassation. The Bank will follow the cassation process and carry out maximum legal efforts to support the Bank's position.	Material: Rp110,000,000,000 Immaterial: Rp100,000,000,000
2	Case No. 206/Pdt.G/2020/Pn.Dpk between MAK (Plaintiff) and Bank (Defendant V)	Lawsuit regarding collateral ownership from Plaintiff to Defendant I where it is deemed null and void, which subsequently making the object pledged as collateral to the Bank null and void.	At judicial review level at the Supreme Court of the Republic of Indonesia.	Compensation of the value of the lawsuit to be paid with other defendants.	The Bank lost at the District Court but prevailed in an appeal at the High Court and cassation at the Supreme Court. Currently, the Bank is following the judicial review process and carry out maximum legal efforts to support the Bank's position.	Material: Rp22,764,520,000 Immaterial: -
3	Case No. 666/Pdt.G/2020/PN Jkt. Pst between DKU (Plaintiff) and Bank (Defendant)	The Plaintiff claims that the Bank has committed an unlawful act because the fiduciary process carried out by the Bank on the Plaintiff's collateral did not meet the requirements under fiduciary law	At judicial review level at the Supreme Court of the Republic of Indonesia.	Compensation of the value of the lawsuit.	The Bank has prevailed at the District Court, at the High Court and cassation at the Supreme Court. Currently, the Bank will follow the judicial review process and carry out maximum legal efforts to support the Bank's position.	Material: Rp109,468,075,179.13 Immaterial: Rp150,000,000,000
4	Case No. 131/Pdt.G/2021/PN.Skt between SBH (Plaintiff I) LA (Plaintiff II) and Bank (Defendant I)	The plaintiffs claimed to be intimidated by the Bank regarding vacating the collateral object that will be executed.	At the cassation level at the Supreme Court of the Republic of Indonesia.	Compensation of the value of the lawsuit to be paid with other defendants.	The Bank has prevailed at the District Court and confirmed by the decision at the High Court level, the plaintiff filed a cassation. Currently the Bank is following the cassation process and making maximum legal efforts to support the Bank's position.	Material: Rp20,000,000,000 Immaterial: Rp20,000,000,000

No.	Cases	Case Subject	Case Status	Risk faced by the Bank	Efforts of the Bank's Management	Case Value
5	Case No. 308/ Pdt.G/2021/PN.Jkt. Sel between CP (Plaintiff) and Bank (Defendant VI)	Lawsuits brought by third parties regarding cessie made by the Bank.	At the District Court level	Compensation of the value of the lawsuit to be paid with other defendants.	The Bank has prevailed in the District Court and the plaintiff filed an appeal. The Bank will follow the trial process and make maximum legal efforts to support the Bank's position.	Material: Rp7,823,907,261.36 + USD1,893,450.07 Immaterial: Rp5,000,000,000
6	Case No. 783/ Pdt.G/2021/PN.Jkt. Brt between DS (Plaintiff) and Bank (Defendant II)	Lawsuits regarding cancellation of credit agreements and auction of collateral objects.	At the cassation level at the Supreme Court of the Republic of Indonesia	Compensation of the value of the lawsuit.	The Bank has prevailed in the District Court and lost at the High Court level, Bank filed a cassation. Currently the Bank is following the cassation process and making maximum legal efforts to support the Bank's position.	Material: Rp406,888,957,188.5 + USD22,877,290.91 Immaterial: Rp200,000,000,000
7	Case No. 109/ Pdt.G/2019/PN.Jkt. Tim between DJ (Plaintiff) and Bank (Defendant)	The Plaintiff was a defaulting debtor of the Bank, and the Bank conducted an auction of the collateral.	At the High Court level	Compensation of the value of the lawsuit.	The bank has prevailed in the District Court and the plaintiff filed an appeal at the High Court. The Bank will follow the appeal process and make maximum legal efforts to support the Bank's position.	Material: Rp11,400,000,000 Immaterial: -
8	Case No. 348/ Pdt.G/2021/PN.Jkt. Pst Between SM (Plaintiff I) AS (Plaintiff II) SL (Plaintiff III) and Bank (Defendant I)	Lawsuit regarding an unlawful act, in which the plaintiffs objected to the auction limit of the plaintiffs' assets used as collateral by the Bank.	At the cassation level at the Supreme Court of the Republic of Indonesia	Compensation of the value of the lawsuit.	The Bank has prevailed in the District Court and the High Court. Plaintiff filed a cassation. The Bank will follow the cassation process and make maximum legal efforts to support the Bank's position.	Material: Rp12,000,000,000 Immaterial: Rp3,000,000,000
9	Case No. 855/ Pdt.G/2020/PN.Jkt. Sel between KIL (Plaintiff) and Bank (Defendant I)	Cancellation of sales of Receivables (Cessie) carried out by the Bank.	At the High Court Level	Compensation of the value of the lawsuit to be paid with other defendants.	The Bank has prevailed at the District Court and at the High Court. The Bank is currently still monitoring whether or not there will be further legal action from the Plaintiff	Material: Rp15,000,000,000 Immaterial: Rp10,000,000,000
10	Insurance Product Disputes in Arbitration	Default	Arbitration Process	Compensation of the value of the lawsuit to be paid with other arbitration respondents.	The Bank is involved in a dispute related to one of the insurance products which is currently still in the process of being resolved in arbitration. The Bank will follow the arbitration process and make maximum legal efforts to support the Bank's position.	In the amount of Rp35,247,000,000, - up to Rp41,705,000,000, -
11	Case Number 1092/ Pdt.G/2023/PN.Jkt. Sel. between A (Plaintiff) and Bank (Defendant I)	Unlawful Act	At the District Court level	Compensation of the value of the lawsuit to be paid with other defendants.	The Bank will follow the trial process and make maximum legal efforts to support the Bank's position.	Material: Rp10,074,500,000 Immaterial: Rp5,000,000,000
12	Case No. 393/ Pdt.G/2021/PN.Bdg between YW, R, VZ, SMP (Plaintiff) and Bank (Defendant II)	Unlawful act	At the cassation level at the Supreme Court of the Republic of Indonesia.	Compensation of the value of the lawsuit	The Bank was prevailed at the District Court, and confirmed by a decision at the High Court level. Currently the Bank is following the cassation process and making maximum legal efforts to support the Bank's position.	Material: Rp10,000,000,000 Immaterial: -
13	Case No. 612/ Pdt.G/2023/PN.Jkt. Sel between AD (Plaintiff) and Bank (Defendant V)	Lawsuits for unlawful act and compensation.	At the District Court level	Compensation of the value of the lawsuit to be paid with other defendants.	The Bank will follow the trial process and make maximum legal efforts to support the Bank's position.	Material: Rp12,000,000,000 Immaterial: Rp5,000,000,000

Throughout 2023, there were no criminal law issues with claims exceeding Rp10 billion.



## TAX SANCTIONS

Over the last three years, the Bank received unfavorable decisions from the highest court regarding tax matters. The unfavorable decisions were not caused by the Bank's non-compliance with the tax regulations, but because there were different interpretations in each panel of judges regarding several tax cases in the banking industry, which resulted to different decisions for the same dispute. Bank CIMB Niaga is still continue pursuing legal actions in accordance with the applicable law.

## LEGAL ISSUES FACING INCUMBENT MEMBERS OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE BANK

Throughout 2023, no current members of the Bank's Board of Commissioners or Board of Directors had been involved in a civil or criminal case or dispute.

## IMPORTANT CASES FACED BY SUBSIDIARIES

In 2023, the legal issues involved by the Subsidiaries consist of civil, criminal, and tax cases, which can be observed in the table as follows:

Subsidiaries	Legal Cases	Total					
		Civil		Criminal		Tax	
		2023	2022	2023	2022	2023	2022
CIMB Niaga Auto Finance (CNAF)	<b>Number of Cases Faced</b>	<b>18</b>	<b>10</b>	<b>1</b>	<b>1</b>	-	-
	Settled Cases (Final and Legally Binding)	10	3	-	1	-	-
	Cases in Settlement Process (as of December)	8	7	1	-	-	-
CIMB Niaga Sekuritas (CNS)	<b>Number of Cases Faced</b>	-	-	-	-	-	-
	Settled Cases (Final and Legally Binding)	-	-	-	-	-	-
	Cases in Settlement Process (as of December)	-	-	-	-	-	-

## IMPORTANT CASES FACED BY INCUMBENT MEMBERS OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF SUBSIDIARIES

Throughout 2023, no current members of the Board of Commissioners or Directors of Subsidiaries had been involved in a civil or criminal case or dispute.

## IMPACT OF LEGAL ISSUES ON BANKS AND SUBSIDIARIES

All legal issues faced in 2023 have no material impact on the status, position, and continuity of the Bank and its Subsidiaries' business activities.

# Administrative Sanctions Imposed by Relevant Authorities

In 2023, no material administrative sanctions affected the business continuity of CIMB Niaga, nor were there any administrative sanctions imposed by the regulators on members of the Board of Commissioners and the Board of Directors.

# Governance Framework, Management and Control of Tax Aspects

In the rapidly changing banking industry, managing and controlling tax aspects is one of the most critical pillars for ensuring long-term viability and shareholder trust. As a business entity, CIMB Niaga is responsible for adhering to complex tax regulations. By taking a targeted approach, the Bank can ensure both operational reliability and legal compliance.

CIMB Niaga manages and controls tax matters by establishing sufficient governance framework, from enacting clear tax policies and procedures, as well as providing guidance on tax reporting, tax obligations, and tax risk mitigation. CIMB Niaga also benefits from the implementation of an integrated tax information technology system, which enables the bank to manage financial data more efficiently. This system enables accurate tax recording and reporting while also ensuring the Bank's consistency and adherence to tax regulations and applicable recording rules and regulations.

## Anti-Bribery and Corruption Policy

### PROGRAMS AND PROCEDURES

CIMB Niaga implements anti-bribery and corruption programs and procedures as outlined in Anti-Bribery and Corruption Policy No. M.11 and Anti-Bribery Management System Policy (ABMS) No. M.14. These two policies are a statement of the Bank's principles and commitment to promoting anti-bribery and corruption practices, which are also classified as acts of cheating or fraud.

These policies aim to raise awareness of the risks of bribery and corruption in the Bank's business processes among all employees, including the Board of Commissioners, Sharia Supervisory Board, Independent Party Committee members of the Board of Commissioners, and Board of Directors. They also encourage participation in preventing and avoiding such practices. The implementation of the Anti-Bribery and Corruption Policy, as well as the ABMS Policy, aims to combat corruption, kickbacks, fraud, bribery, and gratification practices.

It is expected that the implementation of this policy will result in bribery and corruption-free business practices, thereby protecting the Bank and all employees from negative consequences such as legal risks, financial losses, negative reputation, and customer loss. Implementing this policy can also help the Bank maintain its reputation and the trust of its shareholders, stakeholders, and the wider community.

One concrete form of the Bank's commitment is demonstrated through the obtainment of SNI ISO 37001 certification – Anti-Bribery Management System (ABMS) for Strategic Procurement and Admin Property Management in 2023.

CIMB Niaga's Anti-Bribery and Corruption Policy regulates programs and procedures including, among others:

1. Bank principles in supporting anti-bribery and corruption practices;
2. Anti-bribery and corruption commitment (Integrity Pact) carried out by all management and employees (both permanent and non-permanent) on a regular basis;
3. Responsible parties;
4. Programs and procedures to prevent bribery and corruption practices, including through:
  - a. Implementation of awareness programs;
  - b. Regular signing and attestation of the Integrity Pact by all CIMB Niaga management and employees as well as Business Partners who will collaborate with CIMB Niaga;
  - c. Implementation of Due Diligence such as Know Your Customers (KYC) and Know Your Employee (KYE);
  - d. Delivery and publication of Anti-Gratification reminders to the Bank's Business Relations, a minimum of twice a year;
  - e. Prohibition of giving and/or receiving gratifications, kickbacks and political donations;



- f. Provisions for donations must be channeled through CSR or Qardhul Hasan Funds, as well as conducting Due Diligence on the recipients;
  - g. Provisions for entertainment and sponsorship costs;
  - h. Conflict of Interest
5. Violations and sanctions;
  6. Documentation and Reporting;
  7. Risk Assessment;
  8. Training and Communication.

The Bank's website provides detailed information about the Anti-Bribery and Corruption Policy and the ABMS Policy. CIMB Niaga also has anti-bribery and corruption policies that complement one another, such as the Code of Ethics and Code of Conduct, Anti-Fraud Policy, and Whistleblowing Policy.

### DECLARATION OF INTEGRITY PACT, CODE OF ETHICS AND ANTI-BRIBERY AND CORRUPTION COMMITMENT

In addition to implementing the Anti-Bribery and Corruption Policy and SMAP Policy, CIMB Niaga has an anti-bribery and corruption commitment, which is expressed in the form of a written declaration and made public to all parties, both internal and external, including via e-mail and the website. The declaration of anti-bribery and corruption commitment, which is part of the **Integrity Pact Declaration, Code of Ethics, and Anti-Bribery and Corruption Commitment**, includes the following:

1. The Bank is committed to conducting business based on the values of integrity and guided by the Bank's Code of Ethics and Personnel Behavior.
2. The Bank is constantly striving to improve and enhance every business process so that it adheres to the principles of integrity.
3. The Bank implements the principle of zero tolerance for actions related to corruption, bribery, and/or violations of applicable laws and regulations.
4. The Bank prohibits all members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, Independent Party Members of the Board of Commissioners Committees, employees (both permanent, contract, and non-permanent employees), consultants, advisors, outsourced, vendors, or other parties who work for and on behalf of the Bank from enticing, promising, or giving to State Officials and/or Civil Servants within the scope of their duties.
5. The Bank prohibits all members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, Independent Party Members of the Board of Commissioners Committees, employees (both permanent, contract, and non-permanent employees), consultants, advisors, and those outsourced within the scope of the Bank's work from requesting gifts from individuals and organizations

related to their positions, duties, and responsibilities at the Bank.

### RISK ASSESSMENT ON BRIBERY AND CORRUPTION

CIMB Niaga conducts a bribery and corruption risk assessment to anticipate the risks and consequences of bribery and corruption, as well as to evaluate the effectiveness of existing controls in mitigating the risk of bribery and corruption. This assessment is conducted on a monthly and annual basis.

The Good Corporate Governance and Sustainability unit conducts risk assessments on a monthly basis, comparing data on the number of allegations or cases of bribery and corruption to data on the number of complaints received by the Bank about suspected bribery and corruption in that month. Meanwhile, each work unit, with the assistance of RCU/DCORO, conducts annual risk assessments to identify risks, mitigation controls, and the level of risk of bribery and corruption in their work units, which are reviewed each year.

### ANTI-BRIBERY AND CORRUPTION TRAINING/ SOCIALIZATION

CIMB Niaga encourages all employees, work partners, and other stakeholders to take an active role in preventing bribery and corruption. This effort is carried out by conducting anti-bribery and corruption socialization, such as e-mail blasts on Anti-Bribery and Corruption, socializing the prohibition on receiving or giving gratifications, raising anti-fraud awareness among all employees, as well as conveying anti-gratification appeals to the Bank's business partners, including customers. Periodically, at least twice a year, via letter, e-mail, website, social media, Bank ATM screen, OCTO Clicks, and OCTO Mobile applications.

CIMB Niaga has also signed the Declaration of Integrity Pact, Code of Ethics, and Anti-Bribery and Corruption Commitment (Pact) by the CIMB Niaga Board of Commissioners and Board of Directors on a regular basis since 2020. **In 2023, the signing took place on 22 May 2023**, and was published on the CIMB Niaga website. The signing of this Integrity Pact is followed up at all levels of the organization by requiring all employees, both permanent and non-permanent, to annually attest to the Integrity Pact Declaration, Code of Ethics, and Anti-Bribery and Corruption Commitment via the Y.O.D.A. (Your Own Digital Assistant) application.

Other initiatives implemented in 2023 in terms of prevention and socialization to increase understanding of anti-bribery and corruption include:

1. Socialization of the contents of the Anti-Bribery and Corruption Policy and the new ABMS Policy to all employees via email.

2. The Bank has added bribery and corruption clauses to its legal agreement document format with external parties, such as the Loan Agreement, General Terms and Conditions for Opening Accounts, and Work Orders (vendor partners), which are effective on 1 January 2023.
3. In collaboration with consultants, provide SNI ISO 37001 - ABMS training and awareness to the Board of Commissioners, Board of Directors, senior management, and employees.
4. SNI ISO 37001 - ABMS Certification in the Strategic Procurement and Administrative Property Management Sub-Directorate.

In support of anti-bribery and corruption policies, CIMB Niaga continues to improve the Whistleblowing System channel as a medium for reporting, including corruption-related reports. Information regarding the Whistleblowing System has been described in detail in the Whistleblowing System discussion in this Annual Report.

## Provision of Funds to Related Parties

### POLICY

CIMB Niaga considers provisions such as the Commercial Credit Policy and the Consumer Credit Policy when providing funds to related parties. This policy regulates that funds be provided to related parties, such as members of the Board of Commissioners, members of the Board of Directors, Executive Officers, and related or other affiliated parties with the Bank, on reasonable terms and in accordance with applicable credit provisions and procedures.

### PROCEDURE

CIMB Niaga Board of Commissioners is obliged to approve the provision of funds to parties related to the Bank in accordance with OJK Regulation No. 32/POJK.03/2018 concerning the Legal Lending Limit and Provision of Large Exposure for Commercial Banks and internal Bank regulations. Before carrying out material transactions with related parties or transactions that have the potential to cause a conflict of interest for the Bank, the approval of the Board of Commissioners must be based on Audit Committee recommendations

prior to the material transactions with the affiliated parties, as stipulated in the Audit Committee Charter. These transactions must be reported to the OJK, and information must be disclosed to the public in accordance with OJK Regulation No. 42/POJK.04/2020 concerning Affiliate Transactions and Conflicts of Interest and OJK Regulation No. 17/POJK.04/2020 concerning Material Transactions and Changes in Business Activities.

In 2023, CIMB Niaga did not record any violations or exceed the Legal Lending Limit (LLL) when providing funds to parties related to the bank.

### DISCLOSURE

In 2023, CIMB Niaga did not engage in any material transactions with affiliated parties with a potential conflicts of interest. The Notes to the Consolidated Financial Statements, which are included in this Annual Report, provide detailed information on the provision of funds to related parties, including the nature of the relationship, the nature of transactions, and the transaction value in 2023.



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

# Policy for Disclosure of Information Regarding Share Ownership of Members of The Boards of Directors and Board of Commissioners

The Conflict Management Policy states that members of the Bank's Board of Directors and Board of Commissioners must disclose share ownership information in accordance with internal regulations/guidelines. This policy stipulates that every member of the Board of Directors and Board of Commissioners who conducts Bank and other company securities transactions submit a transaction plan to the Bank Control Room (Corporate Affairs) at least 2 (two) working days in advance of the planned transaction and to report it back to the Bank Control Room no later

than 2 (two) working days after the transaction occurs. In addition to these policies, the Bank's Corporate Governance Policy, the Board of Directors' Charter, and the Board of Commissioners' Charter all contain similar arrangements.

The Company Profile Chapter of this Annual Report includes information on the direct and indirect share ownership of members of the Board of Directors and Board of Commissioners of the Bank in 2023.

## Access to Corporate Data and Information

CIMB Niaga continually makes it easy for all stakeholders to access information about the Bank's performance, both financial and non-financial, via available communication channels such as social media, websites, email blasts and public exposure for customers and the public, press releases, and a special internal communication channel for CIMB Niaga employees.

The Bank's Annual Report, which serves as a source of information and data for the company, is available on the bank's website in both Bahasa and English. Additional information can be accessed through:

1. **Contact Center Service:** 14041 or +6221-2997-8888 (from overseas)
2. **Preferred Assistance:** 1500 800 (CIMB Preferred only)
3. **Email:** 14041@cimbniaga.co.id
4. **Business Banking Contact Center:** 14042 or +6221- 8065-5111 (from overseas)
5. **Website:** www.cimbniaga.co.id
6. Investors can directly contact the **Bank's Investor Relations Unit** via the web page: <https://investor.cimbniaga.co.id> and e-Mail: [investor.relations@cimbniaga.co.id](mailto:investor.relations@cimbniaga.co.id).

### INVESTOR RELATIONS

CIMB Niaga has an Investor Relations unit that is constantly working to improve the Bank's image by developing relationships and communicating with investors both interactively and periodically. In addition to providing access to company information and data, the Investor Relations unit is responsible for communicating relevant information and assisting investors in making investment decisions, including

instilling investor perceptions and expectations about the Bank's strategy, business prospects, operations, and financial performance.

The duties and responsibilities of Investor Relations are as follows:

1. Developing communication strategies, particularly with investors, shareholders, analysts, investment managers, rating agencies, and the capital market community in general.
2. Prepare Bank performance presentation materials for analyst meetings, Public Expose, Investor Day, and other types of investor meetings to ensure transparency.
3. Transparency in company information, including financial and non-financial information, as well as Bank strategies.
4. Communicating the Bank's performance to external parties such as investors, shareholders, analysts, and other players in the capital market.
5. Maintain good relations and serve as a liaison between the Bank and stakeholders by managing communication and correspondence with investors, shareholders, analysts, securities companies, and rating agencies.
6. Maintain the confidentiality of information concerning the Bank or its customers as appropriate, and do not use this confidential information for personal gain or the benefit of certain other parties.
7. Coordinate the annual report's preparation, publication, and distribution to all stakeholders.
8. Providing data, information, and other related reports on the Bank's performance via the Investor Relations website for easier and wider access.

## INVESTOR RELATIONS ACTIVITIES

In 2023, the Investor Relations unit had organized various activities and interactions by inviting investors, shareholders, analysts, and capital market players, as follows:

1. Organized 4 (four) Analyst Meetings in a year:

Date	Topic	Description
17 February 2023	CIMB Niaga 4Q22 Performance	Video conference call
27 April 2023	CIMB Niaga 1Q23 Performance	Video conference call
31 July 2023	CIMB Niaga 2Q23 Performance	Video conference call
27 October 2023	CIMB Niaga 3Q23 Performance	Video conference call

2. Interactions and discussions with investors, shareholders and analysts via teleconferences and in-house meetings are as follows:

Type of Meeting	Number of Meeting	Number of Analyst/Investor
Bilateral Meeting	29	104
Investor Conference	-	-
Webinar	2	40
<b>Total</b>	<b>31</b>	<b>144</b>

3. Organized the Annual Review with national and international credit rating agencies, as follow:

Date	Rating Agency
15 May 2023	Moody's
29 August 2023	Pefindo
23 November 2023	Moody's

4. The 2023 Annual Public Expose was held online on 24 November 2023, via video conference call using the Zoom Webinar platform. At the Public Expose, the Bank's Board of Directors explain the Bank's operational and financial performance, as well as its strategy, to the public, which includes investors, shareholders, analysts, and the media.

## SOCIAL MEDIA

Currently, CIMB Niaga has managed 6 (six) social media accounts that serve as a medium for communicating information about the Bank's activities such as brands, product promotions, tips, and other information. Several social media platforms also respond to questions from fans/followers, whether they are or are not bank customers. In addition, CIMB Niaga uses social media as a communication channel to convey information about the Bank's activities, with the goal of assisting customers in receiving clear information and assistance if they encounter problems while conducting banking transactions.

The six Banks' social media accounts are as follows:

1. **Facebook** : CIMB Niaga (<https://www.facebook.com/CIMBIndonesia>)
2. **Instagram**: @cimb\_niaga ([https://www.instagram.com/cimb\\_niaga](https://www.instagram.com/cimb_niaga))
3. **Twitter** : @CIMBNiaga (<https://twitter.com/CIMBNiaga>)
4. **Youtube** : CIMB Niaga (<https://www.youtube.com/@CIMBNiagaIndonesia>)
5. **LinkedIn** : CIMB Niaga (<https://www.linkedin.com/company/pt--bank-cimb-niaga-tbk/>)
6. **Tiktok** : CIMB Niaga (<https://www.tiktok.com/@cimb.niaga>)



Performance  
Highlights



Management  
Reports



Company  
Profile



Management Discussion  
and Analysis



Risk  
Management

## INTERNAL COMMUNICATIONS

Internal communications at the Bank are delivered via a variety of channels, including e-mail blasts (Galeri News & HR Info), e-Portrait digital magazines, and interface displays on computer screens or wallpaper. Employees can access information using computers or smartphones.

Throughout 2023, the e-Portrait digital magazine was accessed approximately 40,500 times, both through smartphone devices and computers, and was amplified via Instagram eportrait.internal, which had 196 posts and 5,520 followers. CIMB Niaga also provides over 1,600 editions of information to employees about Bank developments via the Galeri News and HR Info, which are updated every working day.

## PRESS CONFERENCE

CIMB Niaga believes that mass media plays an important role in its journey, growth, development, and achievement. Therefore, one of the Bank's primary goals is to establish and maintain positive relationships with the mass media through a variety of activities, including the distribution of press releases.

In 2023, CIMB Niaga issued 75 (seventy-five) press releases. The title and complete contents of all CIMB Niaga press releases are available at <https://www.cimbniaga.co.id/id/tangan-kami/berita>.

No	Theme of Press Release	Number of Press Release
1	Company	29
2	Products and Services	22
3	Corporate Social Responsibility (CSR) & Sustainability	9
4	Branding dan Sponsorship	15
	<b>Total</b>	<b>75</b>

# Goods and Services Procurement Policy

CIMB Niaga has a Goods and Services Procurement Policy that was updated in 2023. This policy is supported by a Standard Operating Procedure (SOP) for Procurement of Goods and Services, which was last updated in 2022. The CIMB Niaga Goods and Services Procurement Policy and Standard Operating Procedure (SOP) became the primary reference for all goods and/or service procurement activities carried out by the Bank's work units, both conventional and Sharia business unit. Furthermore, CIMB Niaga has a Third-Party Risk Management SOP, which governs appropriate control standards and systems used in collaboration with vendors to manage/send/process/store non-public data and confidential customer information.

## BASIC PROCUREMENT PRINCIPLES FOR GOODS AND SERVICES

1. Obtaining reliable and excellent Vendors of goods and/or services required by the Bank effectively and efficiently.
2. Creating a fair, sound, and controlled climate of competition through improved transparency in selecting suppliers of goods and/or services.
3. Selecting Vendors based on the GCG and Sustainability principles.
4. Complying with the applicable taxation provisions for every procurement of goods and/or services by the Bank with Vendors of the goods and/or services.

## VENDOR CODE OF CONDUCTS

The CIMB Niaga Vendor Code of Conducts is applicable to vendors who provide goods or services to CIMB Niaga (Partner). Vendors must comply with specific provisions as stated in the cooperation agreement with CIMB Niaga, including general terms and conditions in Purchase Orders and Work Agreement, etc. The VCOC includes three key areas (Economic, Environmental, and Social or EES), where CIMB Niaga encourages the Vendors to make voluntary disclosures.

Vendors must sign and comply with the applicable Vendor Code of Conducts in the process of procuring goods and services, with the context and definitions articulated in CIMB Niaga policies relating to:

### 1. Legal Compliance

Vendors must comply with the laws and regulations governing the applicable jurisdiction. Vendors are strictly prohibited from being involved in transactions linked to the financing of parts mainly or solely used for arms and munitions, and/or casinos, and/or gambling.

### 2. Anti-corruption, bribery, and illegal payments

Vendors are not permitted to engage in any form of corruption, bribery, or kickbacks, including giving, offering, or requesting payments or other forms of benefits conferred to improperly influence decision-making.

### 3. Gift and Entertainment

The Bank has implemented a "No Gifts" policy to demonstrate its commitment to high ethical standards. As a result, vendors are not permitted to offer, send, or exchange gifts and entertainment with Bank employees because the Bank is committed to operating with the highest level of integrity. This is to prevent any conflicts of interest or the appearance of such in our business dealings. The Bank periodically (at least twice a year prior to Idul Fitri and Christmas/New Year) delivers Anti-Gratification letters and/or announcements to Vendors, outsourcing companies, Corporate Social Responsibility partners, and others.

### 4. Conflict of Interest

Vendors must disclose any information that may raise a possible conflict(s) of interests, such as a relationship with a Bank employee (including family members, spouses, or close friends).

### 5. Labour Practices & Human Rights

- a. Vendors must comply with all applicable labour & employment laws and regulations, including those pertaining to minimum wages.
- b. Vendors must provide equal opportunities and treatment for all of their employees.
- c. Vendors must avoid all forms of discrimination and respect respect the personal dignity and rights of each individual.
- d. Vendors must not employ or force anyone to work against his or her will, involving child labour, forced labour, or human trafficking.





## 6. Confidentiality and Protection of Confidential Data.

- a. Vendors must keep all data or information shared by Bank confidential at all times (both during and after the business relationship). Vendors must not share such data and information with third parties unless the Bank provides official written consent.
- b. In situations where the Bank's confidential data or information is to be disclosed to a vendor or another external party, it is mandatory to execute a Non-Disclosure Agreement (NDA) before disclosure to protect the Bank's information and interests and those of its customers.
- c. Vendors must comply with all applicable laws, rules, and regulations governing confidentiality, Bank secrecy, personal data and privacy protection.

## 7. Employee Health and Safety

- a. Vendors must take reasonable steps to control hazards and a safe working environment for their employees.
- b. Vendors must take precautionary measures against accidents and occupational diseases

## 8. Environmental Protection

- a. Vendors must comply with all applicable environmental laws and regulations.
- b. Vendors must minimize environmental pollution and continuously strive to protect the environment.
- c. Vendors are strictly prohibited from engaging in illegal logging or using uncontrolled fire to clear forest land, which destroys natural carbon, habitat, and ecosystems.
- d. Vendors are strictly prohibited from engaging in transactions related to the development of natural resources within UNESCO World Heritage Sites unless they have prior agreement with the relevant government authorities and UNESCO that such transactions will not have a negative impact on the site's outstanding universal value.

## 9. Healthy competition

Vendors are not permitted to discuss prices, distribution procedures, customers, product development, and plans or activities with competing companies, and they must comply with all applicable competition and anti-trust laws and regulations.

Vendors who violate or fail to comply with the Code of Conducts will be immediately reported and may face serious consequences, including contract termination and inclusion on the Bank's Blacklist of vendors providing goods or services. The Bank has an AYO LAPOR Whistleblowing System in place to handle complaints, allowing them to be investigated and resolved objectively. Vendors can raise concerns about illegal, unethical, or questionable matters/practices (particularly those outlined in the Code of Conducts) confidentially and without risk. Detailed information about the Vendor Code of Conducts can be found on the Bank's website at <https://investor.cimbniaga.co.id/misc/governance-policy/Kode-Etik-Rekanan-2022.pdf>.

## ELECTRONIC PROCUREMENT OF GOODS AND/OR SERVICES (E-PROCUREMENT)

The electronic procurement process for goods and/or services is carried out through a web/internet-based system by utilizing communication and information technology facilities. The Bank provides online access to Vendors who provide goods and/or services for the Vendor registration process, tender/bidding, billing process for goods and/or services by Vendors, and bill payments.

Electronic procurement of goods and/or services aims to increase transparency and accountability, improve procurement process efficiency, support monitoring and audit processes, and meet the need for real-time access to information and equal information for all procurement Vendors. The Bank has also used an electronic payment application known as SMART (Spending Management & Automated Reporting Tool) to automate routine payments of Bank bills and vendor bills outside of the e-Procurement application, so that all Bank bill payments are no longer made manually.

## VENDOR DUE DILIGENCE FOR 2023

CIMB Niaga routinely conducts annual due diligence on vendors. In 2023, the Bank has been evaluated 91 new vendors for goods and services procurement.

1. Vendor evaluation, which is the process of implementing due diligence on the existence and condition of a prospective Vendor, is conducted at the first time the Bank intends to use the vendor services.
2. The Vendor Selection team conducts the following steps in Vendor evaluation:
  - a. Receive the proposal for New Vendor submission, which is done in writing using the form of a New Vendor Submission Form that has been approved by the D-2 Officer of the Work Unit who submitted the proposal.

- b. Contact prospective Vendors to complete the relevant documents and provide the necessary forms, comprising:
  - i. Vendor Code of Conducts;
  - ii. List of Information from Vendor/Prospective Vendor containing a Sustainability Due Diligence (SDD) questionnaire related to sustainability both from an economic, social, and environmental perspective, as well as a statement of whether there is a relationship with the Bank's employees;
  - iii. Statement letter regarding the company's deed of establishment in the form of share ownership structure and the company Board of Director's structure.
  - iv. Statement of the appointment of a PIC who will work with the Bank;
  - v. Statement regarding any involvement in a litigation case.
- c. Requesting information of client(s) that have cooperated, or is currently cooperating, with the Prospective Vendor.
  3. Fill out the SDD questionnaire to ensure that prospective Vendors are not involved in or carrying out activities listed as prohibited business activities, such as weapons and ammunition, casinos, entertainment games, illegal logging or illegal burning, or activities that have a negative impact on cultural heritage sites, as well as do not have a negative reputation in social and environmental issues.
  4. Periodic assessment of Vendors providing goods and/or services. The Vendors Selection team will create documentation on the results of the Vendor performance assessment carried out, at random, by the team that undertakes the procurement of goods and/or services as well as the user's work unit, using the vendor's annual assessment form.
  5. Vendor evaluation for users in project work can be followed up by an assessment of the results of vendor performance for each completed project.

## Code of Ethics and Code of Conduct

CIMB Niaga always upholds integrity by having and implementing behavioral guidelines, namely the Bank CIMB Niaga's Code of Ethics & Code of Conduct. CIMB Niaga's Code of Ethics & Code of Conduct is the basis for employee attitudes and actions to work professionally and ethically based on principles that refer to the Bank's vision, mission, and values, as well as applicable internal and external regulations. Bank CIMB Niaga's Code of Ethics & Code of Conduct apply to all levels of the organization, including the Board of Commissioners, Board of Directors, and all employees.

### PURPOSE OF THE BANK CIMB NIAGA CODE OF ETHICS & CONDUCT

The objectives of implementing the Bank CIMB Niaga's Code of Ethics & Code of Conduct are as follows:

1. To serve as guidelines in preparing policies, procedures, and management practices at the Bank.
2. To regulate the attitudes, actions, and responsibilities of employees and people who work for and on behalf of the Bank to ensure they work professionally and ethically.
3. To serve as a basic guideline for attitudes and actions when executing tasks and making decisions.
4. To provide an understanding of the appropriate conduct of employees in establishing relationships with the Bank, between colleagues, with customers, with regulators, with business partners, and with the general public.
5. To ensure similarity and consistency of employee attitude and action in daily operational activities.

## PRINCIPLES/CONTENTS OF BANK CIMB NIAGA'S CODE OF ETHICS & CODE OF CONDUCT

Bank CIMB Niaga's Code of Ethics & Code of Conduct contains 6 (six) basic ethical principles for every CIMB Niaga employee when interacting professionally in their daily work, including:



In addition to the principles above, Bank CIMB Niaga's Code of Ethics & Code of Conduct also regulates a code of behavior that serves as guidance for employees in behaving and interacting with stakeholders. The main contents of the Code include:

1. Provisions regarding Investment Activities, External Business, and Conflicts of Interest;
  - Trading using Non-Public information (insider trading)
  - Personal Investment
  - Behavior in managing personal finance
  - Employment outside the Company/external business interests
  - Financial benefit outside the Company
  - Manage conflict of interest
2. Provisions regarding Acceptance of Gifts (Gratuities), Anti-Bribery, and Corruption
  - Policy on giving and receiving gratuities
  - Anti-Bribery and Corruption
3. Provisions regarding Personal and the Company's Good Name
  - Use of social media
  - Maintaining the Company's reputation
  - Maintaining personal reputation
  - Public speaking on behalf of the Company
  - Speaker in external training/as source/writer
4. Misuse of Facilities, Company Assets, and Authority
  - Fraud actions
  - Misuse of employee facilities
  - Use of Company assets
  - Acting responsibly and according to authority
  - Compliance with Company policies and procedures
5. Provisions regarding Data and Information
  - Accuracy of Data and Reports
  - Ownership of Information
  - Confidentiality of Information
  - Whistle blowing
6. Discipline, Comfort, Work Safety, and Security
  - Employee discipline
  - Paid leave
  - Work Safety and Comfort
  - Actions that violate the law
  - Skills and competencies
  - Responsibilities at the end of employment relationship
7. Culture of mutual respect, appreciation and support, and adequate supervision;
8. Prohibition of Preferential Treatment;
9. Provisions regarding business transactions related to customer account and fund;
10. Provisions regarding personal transactions with customers;

11. Provisions regarding handling customer complaints;
12. Compliance and reporting to regulators;
13. Anti-competitive policies;
14. Fair and objective evaluation in goods and services procurement;
15. Provisions regarding Sustainability Culture;
16. Provisions regarding Corporate Social Responsibility Culture.

### STATEMENT OF THE BANK CIMB NIAGA CODE OF ETHICS & CONDUCT APPLIES TO ALL LEVELS OF THE ORGANIZATION

Bank CIMB Niaga's Code of Ethics & Code of Conduct apply to all Bank employees, including the Board of Directors and Board of Commissioners. All employees are required to study and understand the contents of this policy and sign a commitment statement form every year. The implementation and application of the Bank CIMB Niaga's Code of Ethics & Code of Conduct are the responsibility of all employees at all levels of the organization, as well as one of the Bank's commitments in implementing Good Corporate Governance to achieve the vision and mission.

### SIGNING OF INTEGRITY PACT

CIMB Niaga has been conducting the signing of Declaration of Integrity Pact, Code of Ethics & Anti-Bribery and Corruption Commitment which is done by CIMB Niaga's Board of Commissioners & Board of Directors periodically and presents this to the public via the website since 2020. The signing of the Integrity Pact is followed up at all levels of the organization through the obligation to attest to the Declaration of Integrity Pact, Code of Ethics & Anti-Bribery and Corruption Commitment every year by all employees, both permanent and non-permanent, through the Y.O.D.A. (Your Own Digital Assistant) system. In 2023, the signing took place on **22 May 2023**.

### DISSEMINATION AND MONITORING OF THE IMPLEMENTATION OF BANK CIMB NIAGA'S CODE OF ETHICS & CODE OF CONDUCT

The Bank disseminated information to raise awareness and understanding among all employees about conducting behaviors that are in accordance with the Bank's core values in their daily work. Dissemination and monitoring of the implementation of the Bank CIMB Niaga's Code of Ethics & Code of Conduct are carried out using various approaches, including seminars/workshops, training, and the dissemination of articles from the Bank CIMB Niaga's Code of Ethics & Code of Conduct through the Bank's internal media channels to all employees.

CIMB Niaga also created guides and online learning materials related to the Bank CIMB Niaga's Code of Ethics & Code of Conduct through the Learning on the Go (LoG)

application. This was done in an effort to ensure that materials to help better understand Bank CIMB Niaga's Code of Ethics & Code of Conduct could be accessed by employees anywhere and at any time. CIMB Niaga also uploaded the Bank CIMB Niaga's Code of Ethics & Code of Conduct document on the Bank's internal policy website (e-Manual) so all employees could easily download it.

CIMB Niaga provides strict sanctions for employees who violate the Bank's applicable Code of Ethics & Code of Conduct to create deterrence for violators and as a learning tool for other employees to always comply with Bank CIMB Niaga's Code of Ethics & Code of Conduct.

To facilitate the process of identifying violations that occur, CIMB Niaga provides a communication channel managed by PT Deloitte Advis Indonesia that can be used by employees as a means of reporting violations of Bank CIMB Niaga's Code of Ethics & Conduct:

- a. Website : [https:// idn.deloitte-halo.com/ayolapor/](https://idn.deloitte-halo.com/ayolapor/)
- b. Email : [ayolapor@tipoffs.info](mailto:ayolapor@tipoffs.info)
- c. Telephone: 14031
- d. SMS & WA : +62 822 11356363
- e. Facsimile : +62 21 2856 5231
- f. Mail : Ayo Lapor PO BOX 3331 JKP 10033

### DISCIPLINE ENFORCEMENT POLICY AND DETERMINATION OF SANCTION FOR VIOLATION

CIMB Niaga implements the Disciplinary Enforcement Policy and Determination of Sanctions for Violations, with No. A.11.07 and A.07.08 regulating the provision of sanctions for employee violations. This policy regulates the roles and responsibilities of direct superiors and work unit leaders, the duties and responsibilities of related units in handling a violation, as well as the duties and responsibilities of the Employee Disciplinary Action Determination Team (TPTDK) in determining guidance for employees who commit violations.

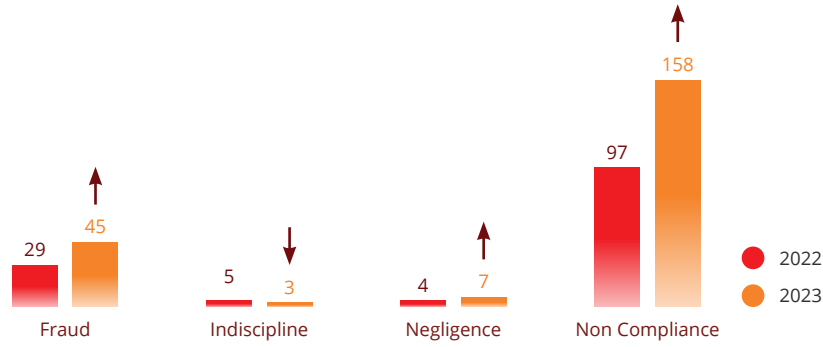
The determination of sanction for a violation is adjusted to the level of the violation committed, starting with reprimands, written warnings, and termination of employment. The determination of sanctions at each level of violation is decided by the TPTDK in accordance with applicable regulations. The types of sanctions given for violations of the Code of Ethics & Code of Conduct in 2023 include:

- 1 Coaching
- 2 Reprimand Letter
- 3 First Warning Letter (SP 1)
- 4 Second Warning Letter (SP 2)
- 5 Third Warning Letter (SP 3)
- 6 Employee Termination

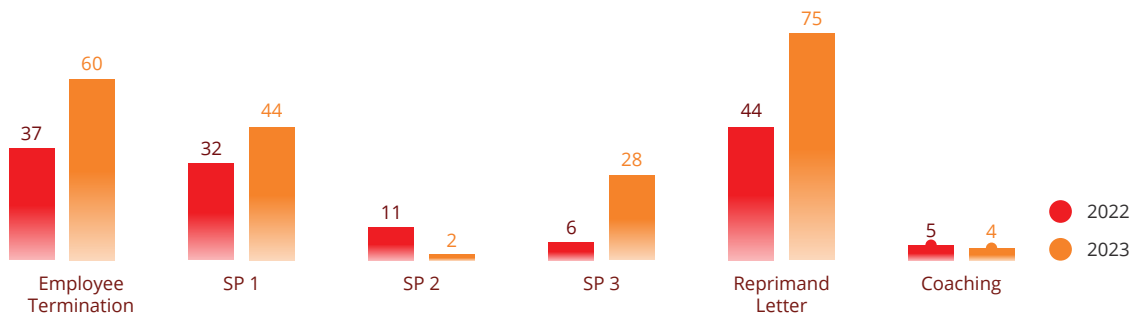
### DATA ON EMPLOYMENT VIOLATIONS IN 2023

In 2023, there were **213 (two hundred and thirteen)** employees who were sanctioned with the following details:

Categories and Number of Violations and Quality Trends in the Implementation of the Code of Ethics & Code of Conduct in 2022-2023



Number and Type of Sanctions in 2022 - 2023



# Corporate Values and Culture

The Corporate Values and Culture of CIMB Niaga have been explained in the Company Profile Chapter of this Annual Report.

## WORK CULTURE ALIGNMENT (EPICC)

Corporate values are the foundations for building corporate culture and serve as a basis for behavioral guidance for all employees in behaving and interacting with stakeholders, colleagues, senior management, customers, regulators, and other external parties. To continuously internalize corporate values and culture in the daily work activities, the Bank has carried out various initiatives, as follows:

### EPICC Communication

It is an effort to build awareness through various online and offline campaigns, such as education on key behaviors that must be adopted by leaders and employees through EPICC publication (bite-size campaign), inspirational stories (EPICC Stories), which are disseminated via email and internal magazine (e-portrait), EPICC Video, various competitions and quizzes, talk show series (HyTalks), EPICC Town Hall, EPICC Podcast, and others. Throughout 2023, more than 11,000 participants from the main and branch offices attended all EPICC Communication programs.

### EPICC Cascading

It is an internalization effort through training/seminars carried out at all organizational levels, from the Board of Directors to employees. The training includes the dissemination of corporate values, EPICC skill building, understanding current and future EPICC conditions, and the establishment of joint commitments to improve the value of EPICC. To ensure continuity and consistency of the program, the Bank organizes EPICC Hours, an interaction forum for leaders and employees to ensure consistent implementation of EPICC values in their work units, and EPICC Briefing, introducing EPICC in all meetings and training.

### EPICC AMBASSADOR

To ensure maximum internalization of EPICC in all work units, the Bank appoints EPICC Ambassadors (Change Agent) from employees who have consistently and successfully adopted EPICC values in their daily work. Through EPICC Connect, the Bank organizes an interactive discussion involving all EPICC Ambassadors to measure the improvement in corporate culture internalization in the work unit. As a token of appreciation for the dedication and contribution of all EPICC Ambassadors, EPICC STAR is awarded to EPICC Ambassadors and the best employee.

### EPICC Hardwiring

Implementation of EPICC Values is carried out through policy and procedure adjustments, such as adjustments to the assessment of potential employees during recruitment, performance assessment, and internal assessment. In addition, the Bank is committed to building a feedback and recognition culture through the ARJUNA platform, where all employees can give their feedback and recognitions to other employees, in order to create a more healthy, productive, and open work environment so that every employee feels appreciated.

## Providing Funds for Social and Political Activities

CIMB Niaga has continuously allocated funds for Corporate Social Responsibility (CSR) programs and activities as one of the Bank's long-term commitments and contributions to the environment and community, especially the communities surrounding the Bank. Detailed information on the Bank's CSR programs and

activities throughout 2023 has been presented in the 2023 Sustainability Report, which is prepared separately from this Annual Report.



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

CIMB Niaga is fully committed not to providing funds for the activities of any political party. Nevertheless, CIMB Niaga continues to provide freedom for all employees to channel their aspirations into political activities with certain limitations in order to avoid potential conflicts of interest.

This commitment has been stated in the Bank's Code of Ethics & Code of Conduct, as well as the Human

Resources Policy regarding Employee Activities Outside the Company related to Political Organizations or Political Activities. These policies regulate certain limitations regarding the involvement of the Bank and its employees in political activities to avoid conflicts of interest, including but not limited to provisions prohibiting the provision of funds for political purposes. The implementation of this policy is expected to maintain the independence and professionalism of the Bank and its employees.

## Protection of Creditor Rights

CIMB Niaga has a Creditor Rights Fulfillment Policy No. M.05 in place to ensure the fulfillment of the rights of creditors and maintains the confidence of creditors. This policy is a guideline for the Bank's acceptance of loans from creditors and is available on the Bank's website.

Creditor Rights Fulfillment Policy No. M.05, which governs honest and transparent information disclosure as well as equal treatment of all creditors without discrimination, is being implemented to protect creditor rights. All of

the Bank's creditors and business partners can access relevant information tailored to their specific needs, allowing each party to make objective decisions based on fair, reasonable, and accurate considerations.

In addition, CIMB Niaga also assures that the rights of creditors are carried out properly, as provided for in the agreement signed by the concerned parties, and endeavors to meet the Bank's obligation as agreed upon in a timely manner in order to avoid delays or negligence that may result in financial losses to both parties.

## Transparency of The Bank's Financial and Non-Financial Condition

CIMB Niaga fulfilled its transparency obligations, and the publication of financial and non-financial conditions is compliant with applicable regulations, which are describes through the submission and publication in print media and on the CIMB Niaga's website:

### TRANSPARENCY OF THE BANK'S FINANCIAL CONDITIONS

1. Monthly Published Financial Statement have been submitted to the regulator in accordance with the provisions at the specified date and have been published on the CIMB Niaga's website.
2. Quarterly Published Financial Statement was submitted to the regulator in accordance with the provisions at the specified date, and it was published on the CIMB Niaga's website as well as in Indonesian language newspapers with wide circulation in Indonesia, despite the fact that publication in newspapers is no longer required under POJK No. 37/POJK.03/2019.

3. Annual Report of CIMB Niaga was prepared and presented in accordance with regulations and submitted to regulators, rating agencies, banking development institutions, research institutions/institutions, and financial magazines, as well as published on the CIMB Niaga's website.

- a. Financial highlights include stock highlights, reports of the Board of Commissioners, reports of the Board of Directors, company profiles, management discussion and analysis on business and financial performance, good corporate governance and corporate social responsibility.
- b. The Annual Financial Statements audited by a Public Accountant and a Public Accounting Firm registered with the Otoritas Jasa Keuangan (OJK). The Annual Financial Statements are prepared for 1 (one) financial year and are presented in comparison with the previous 2 (two) financial years.

- c. The statement of accountability of the Board of Commissioners and Board of Directors for the accuracy of the contents of the Annual Report. The statement is presented on a statement sheet signed by all members of the Board of Commissioners and members of the Board of Directors.
  - d. In accordance with OJK Regulation No. 37/POJK.03/2019 dated 19 December 2019 on Transparency and Publication of Bank Reports, which replaced OJK Regulation No. 32/POJK.03/2016 dated 8 August 2016 on Amendments to OJK Regulation No. 6/POJK.03/2015 and OJK Regulation No. 29/POJK.04/2016 on the Annual Report of Issuers or Public Companies, the Bank has accordingly submitted its Annual Report to OJK and to shareholders according to the specified period.
4. The Quarterly and Annual Published Risk Exposure and Capital Reports have been made public in accordance with OJK regulations through the CIMB Niaga's website.

#### TRANSPARENCY OF THE BANK'S NON-FINANCIAL CONDITIONS

1. Information on Corporate Governance, including the Corporate Governance Annual Report, Corporate Vision, Mission and Core Values, Composition and Profiles of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, and Board of Commissioners, Committees as well as internal provisions pertaining to corporate governance, including the Articles of Association and Committee Charters, is also published on CIMB Niaga's website.
2. Information on the Bank's Products and Services, including its office network, is published in the Annual Report as well as in leaflets, brochures and other printed materials available at each branch office, or in the form of electronic information on CIMB Niaga's website, social media, or via the CIMB Niaga Contact Center, providing customers, investors, and public with easy access to information on the Bank's products and services.
3. Information on Procedures for Submitting Complaints and publication of reports submitted on the CIMB Niaga's website for the implementation of consumer protection provisions and information regarding ownership structure transparency in the Annual Report and CIMB Niaga's website.
4. Important and relevant material information or facts regarding events, incidents, or facts that can influence the decisions of interested parties regarding that information or fact, are always announced to the public via the CIMB Niaga's website and the Indonesia Stock Exchange.
5. Other information aimed at supporting information transparency, financial education and services to the public is delivered through various print and electronic media, including e-mail, websites and various social media owned by CIMB Niaga.

## Reporting Integrity and Information Technology Systems

The Bank's success in implementing transparency in financial and non-financial conditions for stakeholders is based on two key pillars: reporting integrity and information technology system security. The combination of these two factors can also result in accurate, relevant, and reliable information. Both contribute significantly to build trust and reputation of the Bank among stakeholders.

The integrity of CIMB Niaga's reporting is ensured by compiling and presenting reports in accordance with the Otoritas Jasa Keuangan Regulations on Transparency and Publication of Bank Reports. This ensures that the information submitted by the Bank is accurate, complete, and free of errors throughout the data preparation,

collection, and presentation stages. This allows stakeholders to be confident that the information they receive is accurate and reliable.

Furthermore, the Bank ensures Bank's product information transparency and the use of consumer and/or customer data in accordance with the Otoritas Jasa Keuangan Regulations on the Implementation of Commercial Bank Products and the Otoritas Jasa Keuangan Regulations on Consumer and Public Protection in the Financial Services Sector. In terms of reporting integrity, CIMB Niaga prepares and publishes Annual Report and Sustainability Report in accordance with the Otoritas Jasa Keuangan Regulations on Annual Reports and the Implementation of Sustainable Finance





Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

for Financial Institutions, Issuers, and Public Companies. The Bank's Annual and Sustainability Reports are prepared and published in a coordinated manner, putting historical performance into context while also describing the Bank's risks, opportunities, and future prospects.

CIMB Niaga is additionally supported by the use of information technology, which provides channels for disseminating information on which stakeholders can rely. To protect and ensure the integrity of reporting, the Bank employs a dependable and secure Information

Technology (IT) system. The Bank's IT system will ensure that data is always available and easy to access. In contrast, IT security shields data from threats that might compromise its integrity.

CIMB Niaga ensures the availability and adequacy of internal reporting, which is supported by an adequate IT system, in order to improve the quality of decision-making by the Board of Directors and oversight by the Board of Commissioners.

## Conflict Management Policy (Including Insider Trading)

CIMB Niaga has implemented a Conflict Management policy with the goal of establishing policies, identifying, preventing, and managing potential conflicts of interest that may arise as a result of activities carried out by the Bank's business units to obtain information about CIMB Niaga and CIMB Group customers. This policy governs procedures for trading Bank and CIMB Group securities and is intended to mitigate the use of insider information for the personal interests of employees and management (insiders).

This Conflict Management Policy is intended to reaffirm the prohibition on the use of Insider Trading information in private securities transactions by employees and management, specifically members of the Bank's Board of Commissioners and Board of Directors. This policy also governs the existence of a Blackout Period, where all employees and management are not permitted to execute transaction activities in the form of Bank Securities during certain periods.

The Control Room of the Bank (Corporate Affairs) should announce the Blackout Period to all Bank employees, as well as the Control Room of the CIMB Group. Every employee and management who will carry out Bank or CIMB Group Securities transactions (outside the Blackout period) are also required to report and obtain prior written approval from the Control Room of the Bank (Corporate Affairs) no later than 2 (two) working days before the planned transactions and from the CIMB Group Control Room by filling out the employee transaction request form and reporting back to the Bank Control Room no later than 2 (two) working days following the transaction.

## Shares and Bonds Buyback of CIMB Niaga

In 2023, CIMB Niaga did not conduct any buyback of shares or bonds previously issued by the Bank and listed at the stock exchange. Additional information explain in the Management Analysis and Discussion Chapter, the Material Information and Facts section for Events that occurred after the Accountant's Report Date.

# Customer Protection Policy

For CIMB Niaga, the customer is **#YangUtama**, which cannot be separated from the Bank's policies. As a result, CIMB Niaga is constantly striving to meet banking needs, provide a variety of innovative financial solutions, and protect customer interests under the 2023 theme "Aspiration becomes Inspiration." In order to provide the best customer experience for customers, CIMB Niaga implements the EPICC (Enabling Talent, Passion, Integrity and Accountability, Collaboration, and Customer Centricity) work culture, which serves as a role model for all employees in all activities.

CIMB Niaga is guided by POJK No. 6/POJK.07/2022 concerning Consumer and Public Protection in the Financial Services Sector, POJK No. 18/POJK.07/2018 concerning Consumer Complaint Services in the Financial Services Sector, and SEOJK No. 17/SEOJK.07/2018 concerning Guidelines for Implementing Consumer Complaint Services in the Financial Services Sector.

Every customer's voice is an aspiration for CIMB Niaga. The Bank responds to customer complaints about banking and financial products and services through the Customer Care Unit (CCU) in accordance with the Service Level Agreement (SLA). CIMB Niaga also conducts continuous evaluation and innovation to better and faster resolve customer complaints. This effort is also a reflection of CIMB Niaga's commitment to providing the best experience for the customers **#YangUtama**.

CIMB Niaga offers customers a unique banking experience via Digital Services OCTO Mobile, OCTO

Clicks, and BizChannel. This digital banking service enables customers to conduct banking transactions securely at any time and from any location, whether they are individuals or businesses. CIMB Niaga carried this out to address the needs of the customer **#YangUtama**.

In 2023, CIMB Niaga plans to resolve 99% of customer complaints on time. CIMB Niaga also achieved a number of notable milestones and performed admirably during the fiscal year 2023. The Bank uses Net Promoter Score (NPS) measurements as the primary metric for representing the voice of customers; CIMB Niaga's achievement in this survey in 2023 is 52%. This can be achieved through continuous process and service improvements with the goal of providing a positive customer experience for **#YangUtama** customers.

Customer Centricity is one EPICC cultural value that employees applies to all activities, aiming to provide a positive customer experience throughout their journey. CIMB Niaga's efforts to build a customer-centric culture begin with customer experience training for all employees, communication to raise awareness of the importance of having a customer-first mindset, and a series of appreciation programs for employees who consistently demonstrate a customer-centric attitude. CIMB Niaga also actively participates in the Banking Mediation Working Group, in collaboration with Bank Indonesia, Otoritas Jasa Keuangan, and other banks on various customer education programs, including banking seminars and other activities.

## NET PROMOTER SCORE (NPS) RESULTS

Year	NPS Score
2023	50%
2022	50%

## NUMBER OF COMPLAINTS AND RESOLUTION PERCENTAGE

Year	Number of Complaint	Complaint Resolved	Resolution Percentage
2023	53,201	52,488	99%
2022	50,277	49,756	99%

## COMPLAINT TYPE, NUMBER AND RESOLUTION

Complaint Type	2023		2022	
	Number of Complaint	Complaint Resolved	Number of Complaint	Complaint Resolved
<b>Financial</b>	<b>39,301</b>	<b>38,655</b>	33,053	32,662
<b>Non-Financial</b>	<b>13,900</b>	<b>13,833</b>	17,224	17,094
- Service Quality	1,150	1,150	1,227	1,223
- Others	12,750	12,683	15,997	15,871
<b>Total</b>	<b>53,201</b>	<b>52,488</b>	50,277	49,756

## COMPLAINT HANDLING IN 2023

CIMB Niaga publishes the handling of complaints received by the Bank at least once a year in the Annual Report and on the Bank's website in accordance with SEOJK No. 17/SEOJK.07/2018 concerning Guidelines for Implementing Consumer Complaint Services in the Financial Services Sector. Information on complaint handling based on the type of financial transaction in 2023 is as follows:

Type of Financial Transaction	Resolved		In Process		Unresolved		Number of Complaint
	Total	%	Total	%	Total	%	
Bancassurance	-	0.00%	-	0.00%	-	0.00%	-
Deposit	8	100.00%	-	0.00%	-	0.00%	8
Direct Debit	93	100.00%	-	0.00%	-	0.00%	93
Electronic Banking	29,119	99.95%	15	0.05%	-	0.00%	29,134
ATM Card/Debit/ATM Machine	12,924	99.59%	53	0.41%	-	0.00%	12,977
Credit Card	7,825	93.10%	580	6.90%	-	0.00%	8,405
Clearing (Transfer)/Remittance	-	0.00%	-	0.00%	-	0.00%	-
Non-Collateral Loan	137	99.28%	1	0.72%	-	0.00%	138
Vehicle Loan/Financing	1	100.00%	-	0.00%	-	0.00%	1
Home/Apartment Ownership Loan/Financing	38	97.44%	1	2.56%	-	0.00%	39
Other Fund Raising	1,148	100.00%	-	0.00%	-	0.00%	1,148
Other Fund Distribution	2	100.00%	-	0.00%	-	0.00%	2
Saving	942	93.73%	63	6.27%	-	0.00%	1,005
Wealth Management	251	100.00%	-	0.00%	-	0.00%	251
<b>Total</b>	<b>52,488</b>	<b>98.66%</b>	<b>713</b>	<b>1.34%</b>	<b>-</b>	<b>0.00%</b>	<b>53,201</b>

## Internal fraud

### ANTI-FRAUD POLICY

CIMB Niaga implements an anti-fraud framework as part of its internal control system to foster a compliance culture and raise risk awareness of the potential and consequences of fraud at all levels of the organization. CIMB Niaga's Anti-Fraud Policy is prepared based on POJK No. 39/POJK.03/2019 concerning the Implementation of Anti-Fraud Strategies for Commercial Banks, where the scope of implementation, apart from referring to POJK No. 39/POJK.03/2019 concerning the Implementation of Anti-Fraud Strategies for Commercial Banks, also adopts best practices from the Association of Certified Fraud Examiners (ACFE), especially regarding types of fraud (Fraud Tree), where acts of bribery and corruption are considered acts of fraud.

The Anti-Fraud Policy of CIMB Niaga governs the framework, governance, and implementation of strategies to control and address potential internal fraud, which are implemented in the form of a control system. In greater detail, CIMB Niaga's Anti-Fraud Policy is outlined in the Risk Management Chapter of this Annual

Report as part of the Bank's efforts to foster a compliance culture and raise awareness of potential risks, thereby preventing fraud violations and the consequences for perpetrators if such violations are discovered.

CIMB Niaga management is committed to dealing with all types of violations/fraud in a firm and consistent manner, including pursuing criminal charges against those who commit them. This is consistent with one of the key pillars of implementing the Anti-Fraud Policy, Tone from the Top, which eventually leads to Bank CIMB Niaga's firm stance and commitment to reject all types of fraud, also known as Zero Tolerance to Fraud.

The TPTIK (Employee Disciplinary Action Determination Team) is in charge of imposing sanctions on fraud perpetrators, including related employees who commit violations that allow fraud to occur, in order to ensure that Zero Tolerance to Fraud is implemented transparently, fairly, and professionally. CIMB Niaga consistently communicates Tone from the Top regarding Zero Tolerance to Fraud to all levels of the organization

through the Board of Directors' active participation in the socialization program for implementing anti-fraud awareness and a speak up culture through mandatory training, sharing sessions, and other anti-fraud campaigns.

## CIMB NIAGA'S MITIGATION ACTIONS AGAINST FRAUD

### ACTIVE MANAGEMENT SUPERVISION OF FRAUD

CIMB Niaga management actively supervises the implementation of the Anti-Fraud Policy. Management's supervision includes the implementation of an anti-fraud socialization program.

Bank management has also signed an Integrity Pact, which has been implemented at all levels of the bank's organization, including the Board of Directors, Board of Commissioners, Sharia Supervisory Board, and all CIMB Niaga employees without exception. This signing also serves to fulfill POJK No. 39/POJK.03/2019, concerning the Implementation of Anti-Fraud Strategies for Commercial Banks. The integrity pact consists of a commitment to always uphold integrity and oppose all acts of fraud, bribery, and corruption, as well as violations of CIMB Niaga's Code of Ethics and Code of Conduct.

In order to implement good governance, CIMB Niaga routinely sends letters of confirmation to business partners regarding the implementation of anti-fraud, bribery, and corruption measures, the Bank's commitment to an integrity culture, and the mechanism for reporting violations via whistleblower media. The Bank sends an Anti-Gratification Letter to all Bank business partners on a regular basis, such as before Eid Al-Fitr or at the end of the year, in the form of a Notification/Advice regarding the Prohibition of Gratification. This is done in order to prevent all forms of risk of fraud, bribery, and corruption, as well as to provide confidence and maintain business partners' trust in the Bank.

### ANTI-FRAUD SOCIALIZATION PROGRAM

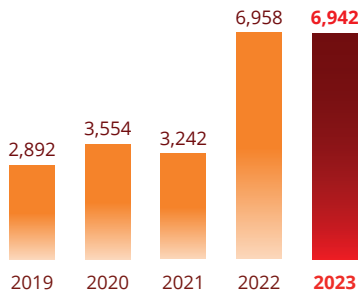
CIMB Niaga continuously implements mitigation measures to ensure that employees do not commit fraud. This is accomplished through continuous outreach to all Bank personnel via a variety of methods and media, including face-to-face, virtual, and e-Learning, as well as other internal communication media such as e-mail blasts, internal bulletins, desktop wallpapers, and posters.

In 2023, CIMB Niaga organized educational programs and socialized anti-fraud campaigns for both internal employees and customers, including:

1. Anti-Fraud Awareness for Employees
  - Mandatory Anti-Fraud Awareness training for employees in the Emerging Business Banking (EBB), Consumer Collection & Recovery (CCNR), and Network and Digital Banking (NDB) work units.
  - Sharing sessions and training held in collaboration between AFM, ORM, BU and HR as follows:
    - o Sharing anti-fraud awareness refreshment sessions for branch frontliners (RM, CS, and Teller) spread across areas in collaboration with BU, RCU, and ORM.
    - o Other training provided by HR Learning, both virtual and in-person, includes anti-fraud training for CS, Teller, Development Program, and The Complete Bankers.
  - As part of cyber risk mitigation, the Bank has disseminated information security awareness to all employees through various programs, including training or sharing sessions, email blasts, and phishing test emails, which were sent to all employees to ensure that employees understood phishing emails. In the event that employees successfully click on the phishing test link, then the employee concerned must take part in the LOG program to relearn the basic cyber security module. Additionally, all employees are required to complete an E-learning module on "Against Cyber Crime" through LOG.
  - Anti-fraud socialization programs, including SPEAK UP culture and whistleblowing, through internal communication facilities and media as follows:
    - o Anti-fraud campaign program with the **EPICC Anti-Fraud** theme by carrying out activities for a period of 1 (one) week from 13 October to 20 October 2023, including a podcast with resource persons from the Director of Risk Management and the Director of Compliance, Corporate Affairs & Legal who convey messages related to the implementation of culture control and speak up, an anti-fraud socialization campaign through email blast media (HR Info and News Gallery), desktop wallpaper for all employees, anti-fraud quiz, internal social media, EPICC stories which are stories from employees who dare to speak up when seeing/knowing about fraud violations that occur, anti-fraud chant competitions and holding sharing sessions at branches.
    - o Learning module via E-Learning Media (LoG) with the theme **Responsible Whistleblower**, which must be completed by all employees
    - o Socialization through internal media (HR Info, Galeri News, Posters, Social Media, Podcast, LOG, TV Announcements, and Digital TV).

- o Awareness programs are carried out regularly by the Business Unit, where material related to anti-fraud and speak-up is part of what is delivered on an ongoing basis
- o Email blast initiated by the Business Unit (BU) with material presented in accordance with fraud cases that occurred at the BU

In 2023, there were 6,942 employees who participated in Anti-Fraud Awareness and Cyber Security Awareness training, both face-to-face and online.



- Do not provide confidential data to other unauthorized parties, including Bank employees, such as Savings Book, ATM Card & PIN, passcode/OTP and CVV.
- Check account statements sent by the Bank and report any suspicious/inappropriate transactions.
- Do not hand over cash for transactions outside the teller counter, including to Bank employees.
- Maintain the confidentiality of transaction data and be alert to fake call centers.
- Do not entrust pre-signed blank forms to any party, including Bank employees.
- Cybercrimes include social engineering, email phishing, and smishing.

CIMB Niaga carries out educational programs regarding anti-fraud awareness in order to ensure that customers are always on alert when carrying out transactions and avoid potential fraud violations committed by employees.

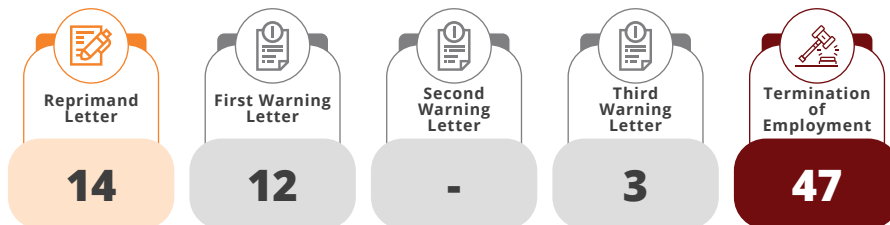
- Customer Anti-Fraud Awareness is carried out through various communication channels, namely social media (Facebook, Twitter, Instagram), WhatsApp/SMS, ATM Screen/CDM/CRM/OCTO Mobile/Clicks screens, electronic mail, account/combined/billing statement, IVR Call Center, and Website. The messages conveyed to customers included an appeal to:

### DATA ON FRAUDS AND INTERNAL FRAUD SANCTIONS

Information regarding data on violations with a nominal value greater than Rp100,000,000 (One Hundred Million Rupiah) committed by Management, as well as permanent and non-permanent employees, as regulated in POJK No. 39/POJK.03/2019 concerning the Implementation of Anti-Fraud Strategy, as follows:

Description	Number of Cases Committed by					
	Board of Commissioner and Board of Directors		Permanent Employees		Non-Permanent Employees	
	2023	2022	2023	2022	2023	2022
Resolved	-	-	7	3	-	-
In the process of internal resolution	-	-	-	2	-	-
Unresolved	-	-	-	-	-	-
Followed-up by legal proceeding	-	-	1	-	-	-
<b>Total Fraud</b>	-	-	<b>8</b>	<b>5</b>	-	-

In 2023, CIMB Niaga imposed firm action in the form of sanctions on 76 (seventy-six) employees, including termination of employment (PHK) for 47 (forty-seven) employees and letters of warning/reprimand (SP/ST) for 29 (twenty-nine) employees, with the following details:



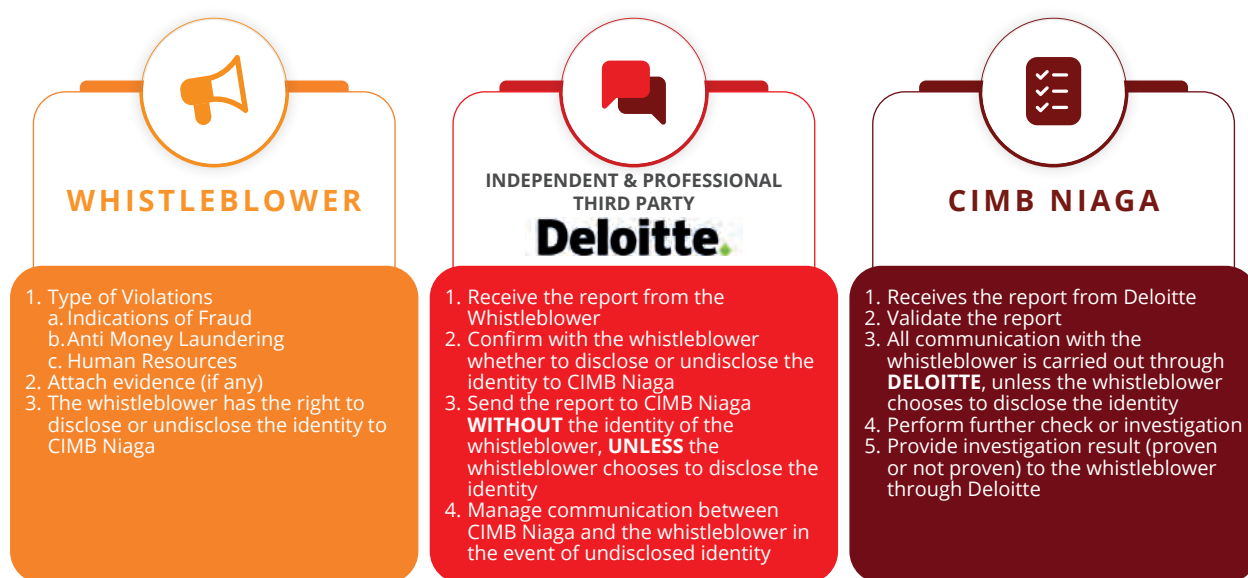
Bank CIMB Niaga believes that fraud must be avoided through active management supervision, a strong compliance culture at all levels of the organization, and various socialization/training programs for both employees and customers. As a result, the Bank continues to work to implement various mitigation measures by empowering other tools found in all directorates/sections and implementing them in accordance with their respective functions.

# Whistleblowing System

In order to foster transparency, fairness, and compliance, CIMB Niaga has implemented the Whistleblowing System (WBS). CIMB Niaga WBS is implemented in compliance with Bank Indonesia (BI) regulations, specifically SEBI No. 13/28/DPNP regarding the Implementation of Anti-Fraud Strategies for Commercial Banks, which has been updated with POJK No. 39/POJK.03/2019 regarding the Implementation of Anti-Fraud Strategies for Commercial Banks.

Since 4 December 2017, CIMB Niaga has engaged into a contract agreement with PT Deloitte Advis Indonesia to manage the whistleblowing reports in a professional and independent manner. It is expected that using an external provider will increase trust to both internal and external parties to submit reports as well as demonstrating the Bank's commitment to implementing good and professional governance principles.

## CIMB NIAGA - DELOITTE WHISTLEBLOWING SYSTEM MECHANISM



### WHISTLEBLOWING CHANNEL

Communication channels managed by PT Deloitte Advis Indonesia:

- Website : <https://idn.deloitte-halo.com/ayolapor/>
- e-Mail : ayolapor@tipoffs.info
- Phone : 14031
- SMS & WA : +62 822 1135 6363
- Facsimile : +62 21 2856 5231
- Mail : Ayo Lapor PO BOX 3331 JKP 10033

### WHISTLEBLOWER PROTECTION

CIMB Niaga strongly commits to protect and keep the secrecy of the whistleblower in accordance with the Bank's internal policies. The whistleblower's full name, identity, email address, and phone number can only be shared under the whistleblowers' consent.

CIMB Niaga promotes freedom to the whistleblower for not providing any evidence of the allegation report. However CIMB Niaga continues to recommend that all whistleblowers have a compelling reason to submit the report of violation with good intention. Any evidence in the form of data, information, or document related to the indication of violation could be attached in the submitted report.

### HANDLING OF WHISTLEBLOWING REPORT

The type of allegation that can be reported to WBS are report regarding fraud, money laundering, code of ethic/ HR.

Every whistleblowing report received will be reviewed and analyzed by the Whistleblowing Officer in accordance with the basic principles of whistleblowing management.



If the information in the submitted report is deemed not valid then the report will be classified as pre-closed. But if the report is deemed sufficient and valid to be further investigated, it will be passed on to the investigator team. If the report provided is not relevant or out of the scope of WBS, the Whistleblowing Officer will route the report to the related party to be followed up.

In the event that additional information regarding the submitted report is required and the whistleblower discloses the identity, phone number/email address, then CIMB Niaga Whistleblowing Officer would contact the whistleblower directly. But if the whistleblower does not provide any identity, phone number/email address then enquiry of additional information would be done through PT Deloitte Advis Indonesia.

Whistleblowers who provide their contact number/email address would be notified of the status of their reports whether the report is invalid and pre-closed, under investigation, or have been investigated and proven or unproven.

The Whistleblowing Officer is responsible for administering all incoming violation reports.

### **PARTIES IN CHARGE OF WHISTLEBLOWING**

The parties appointed to manage WBS CIMB Niaga are:

1. The director in charge of Compliance is the person responsible for WBS CIMB Niaga with the primary duties and responsibilities of supervising the overall implementation and handling of whistleblowing reports to ensure compliance with procedures and regulations.
2. CIMB Niaga Whistleblowing Coordinator is the person heading the Anti-Fraud Management unit with primary responsibility of managing the WBS

operations to ensure all reports are well and properly handled.

3. The Whistleblowing Coordinator Unit comprises of D-1 officials in charge of anti-fraud management (AFM), anti-money laundering (AML), and human resources (HR), in accordance with the scope/type of reports managed by the WBS.

The Whistleblowing Coordinator Unit has the authority to decide and approve whether the report is not valid and pre-closed, to be further investigated, close or re-open the report if additional information is discovered. With this structure, CIMB Niaga WB Coordinator also functions as AFM's WB Coordinator.

4. CIMB Niaga Whistleblowing (WB) Officer is a staff of Anti-Fraud Management unit appointed to support CIMB Niaga WB Coordinator by monitoring the handling of all incoming reports, establish whistleblowing regular reporting, and managing communication with compiling and submitting whistleblower reports, and maintaining cooperation and communication with PT Deloitte Advis Indonesia including managing WBS system access/ user ID (Deloitte Halo).

5. The Whistleblowing Officer is a staff of AFM, AML, or HR units who is appointed to manage whistleblowing reports the respective report type/category. The Whistleblowing Officer's primary duties and responsibilities include conducting report analysis and escalate it to the Whistleblowing Coordinator Unit to obtain actions to be taken as well as ensuring the administration of data status updates.

With this structure, the CIMB Niaga Whistleblowing Officer also functions as the AFM WB Officer.

6. The Chief Audit Executive (CAE) performs an independent oversight over of the management and operations of WBS CIMB Niaga.

### **AUTHORITY FOR HANDLING OF WHISTLEBLOWING REPORTS OVER CIMB NIAGA EMPLOYEE**

In the event that CIMB Niaga's employee/management is reported through WBS the report handling is regulated as follows:

No.	Reported Parties	Report Routed To
1	CIMB Niaga Employees	WB Officer
2	WB Officer	CIMB Niaga Coordinator & WB Coordinator Unit
3	WB Coordinator Unit	CIMB Niaga WB Coordinator & CCAL Director
4	CIMB Niaga WB Coordinator	CCAL Director
5	Member of the Board of Directors	President Director
6	President Director	President Commissioner
7	Member of the Board of Commissioners	President Commissioner
8	President Commissioner	Board of Commissioners

## REPORTING TO MANAGEMENT ON REPORT HANDLING

CIMB Niaga's Whistleblowing Coordinator/Officer provides a monthly update on status of all incoming reports to the Director in charge of Compliance and copied to the Director in charge of Risk Management, the Director in charge of Human Resources, the Chief Audit Executive, and all members of the Whistleblowing Coordinator Unit. As the implementation of supervision by Board of Commissioner, on a quarterly basis the report on whistleblowing is presented to the Board of Commissioners through the Audit Committee

## ROLE OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS

The Board of Directors and Board of Commissioners take an active role for the implementation and oversight of WBS CIMB Niaga in the form of:

1. The Board of Directors reviews and approves the Whistleblowing Policy.
2. The Board of Directors receives and reviews the whistleblowing reports on a monthly and quarterly basis regarding the number of incoming whistleblowing reports along with their status, as well as provide directions on actions to be taken.
3. The Board of Commissioners receives and reviews reports presented through the Audit Committee on a quarterly basis and provides direction on actions to be taken.

## SOCIALIZATION OF IMPLEMENTATION OF THE WHISTLEBLOWING SYSTEM

CIMB Niaga continuously conducts socialization on Whistleblowing System. Internally, the socialization is carried out through various media such as training, sharing session, desktop wallpaper, paper and LED poster, and LOG (Learning on The Go). Externally, the socialization is carried out through CIMB Niaga website and social media (Instagram).

Furthermore, specifically for CIMB Niaga business partners, socialization is stated in the Cooperation Agreement and anti-gratification letters that are sent to partners on a regular basis whereby they are asked to report to the Bank any indications of fraud, corruption, bribery, violations of ethics, policies, and all other forms of violations done by Board of Commissioners, Board of Directors, and employees of CIMB Niaga.

## NUMBER OF WHISTLEBLOWING REPORTS IN 2023 AND 2022

The number of whistleblowing received through whistleblowing system in 2023 was **263 reports** whereby **176 reports valid to be investigated, 85 reports not valid/pre-closed** and **5 reports were waiting for further data/information. 146 out of 176 reports or 83% have been fully investigated** with the result 135 reports were valid, 11 reports not valid. The remaining 30 reports were still under investigation.

Status of Whistleblowing (WB) reports	Total	
	2023	2022
WB Reports not proceed to investigation (Pre-CLOSED)	82	88
WB Reports that have been investigated (CLOSED)	146	52
a. PROVEN WB report	135	43
b. UNPROVEN WB report	11	9
WB Reports in progress (OPEN)	35	24
a. Under investigation process	30	7
b. Awaiting for supporting data/information	5	17
<b>Total Incoming Reports</b>	<b>263</b>	<b>164</b>
Percentage of WB reports that have been completely investigated of the total reports that are valid for investigation (as of the end of December)	<b>83%</b>	88%



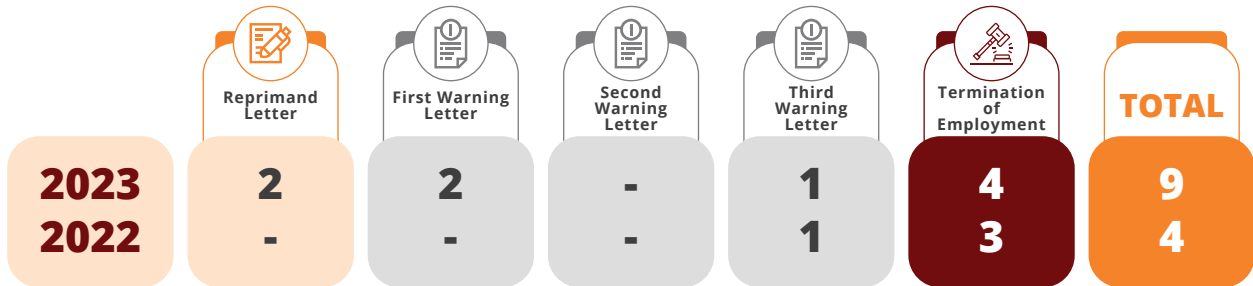
### THEMATIC ISSUES ON 2023 WHISTLEBLOWING REPORTS

Thematic issues reported during the year of 2023 are as follows:



### FOLLOW UP ON VIOLATIONS

CIMB Niaga strongly commits to follow up every whistleblowing report and imposes sanctions to the reported staff based on investigation result. In 2023 there were 9 employees were proven to have committed violation and been sanction as shown in the below table:



## Implementation of the ASEAN Corporate Governance Scorecard

CIMB Niaga’s implementation of Corporate Governance, which refers to the ASEAN Corporate Governance Scorecard, is presented in more detail on the CIMB Niaga website [https://investor.cimbniaga.co.id/gcg/asean\\_cg.html](https://investor.cimbniaga.co.id/gcg/asean_cg.html)



# Indonesian General Guidelines for Corporate Governance (PUGKI)

The National Committee on Governance Policy (KNKG) has issued the 2021 Indonesian General Guidelines for Corporate Governance (PUGKI) as the global standard guidelines for corporate governance practices, which are recommended particularly for corporations listed on the capital market and managing public funds. The application of good corporate governance principles has an important role in increasing the confidence of investors and stakeholders, reducing the cost of capital, strengthening the capital market and the financial services sector, expanding employment and encouraging economic growth, which is in line with the principles of sustainable development.

CIMB Niaga applies the principles and recommendations of the 2021 PUGKI based on the “apply or explain” approach with the following details of implementation at the Bank:

Principle	Recommendations	Implementation at CIMB Niaga	
<b>Principle 1:</b> Roles and Responsibilities of the Board of Directors and Board of Commissioners	<b>1.1 Roles and Responsibilities of the Board of Directors</b>	<p>1.1.1 To achieve sustainable value creation, the Board of Directors carries out its leadership role and seeks to achieve the following governance outcomes:</p> <ul style="list-style-type: none"> <li>a. to be competitive and focused on long-term performance;</li> <li>b. to be ethical and responsible in conducting business;</li> <li>c. to have positive contributions to the community and the environment; as well as</li> <li>d. to be able to survive and grow (corporate resilience)</li> </ul> <p>1.1.2 The Board of Directors must ensure that the corporate mission, vision, goals, objectives, strategies, as well as annual and mid-term plans are consistent with long-term goals, by effectively utilizing innovation and technology.</p> <p>1.1.3 The Board of Directors ensures that the corporation implements an appropriate and effective risk management and internal control system that is aligned with the corporate vision, mission, goals, objectives and strategies, as well as complying with applicable laws and regulations and standards.</p> <p>1.1.4 The Board of Directors ensures that the integrity of the corporate accounting and financial reporting system and the timely and accurate disclosure of all material information about the corporation.</p> <p>1.1.5 The Board of Directors ensures that sustainability reporting has been prepared properly.</p> <p>1.1.6 The Board of Directors builds a framework for corporate information technology (IT) governance that is aligned with corporate business needs and priorities, drives business opportunities and performance, strengthens risk management, as well as supports corporate goals and strategies.</p> <p>1.1.7 For corporations conducting business activities based on Sharia principles, the Board of Directors needs to ensure the authority and availability of adequate supporting tools, allowing the Sharia Supervisory Board to carry out its role effectively.</p> <p>1.1.8 The Board of Directors' Charter is periodically reviewed. The Charter includes, among others, the delegation of roles for the Directors individually, which can be regulated in the Board of Directors' Charter or by a decision letter of the Board of Directors.</p> <p>1.1.9 The Board of Directors has a policy regarding the resignation of members of the Board of Directors if they are involved in a financial crime and are proven to have made a mistake.</p>	<p>Apply</p> <p>The Board of Directors realizes high standards of business ethics and ensures the implementation of a code of ethics that creates a corporate culture with integrity. One of the measures is by implementing a new work culture, namely EPICC (Enabling Talent, Passion, Integrity &amp; Accountability, Collaboration, Customer Centricity).</p> <p>The Board of Directors has made the optimization of the latest information technology implementation as one of the strategic pillars in achieving both short and long-term business targets.</p> <p>The Bank's risk management system and internal control are always aligned with the corporate vision, mission, goals, objectives, and strategies, as well as complying with applicable laws and regulations and standards.</p> <p>The Board of Directors ensures that everyone involved in the preparation and disclosure of corporate information has adequate skills and background to carry out their work. Profile of the Strategy, Finance and SPAPM Director as well as senior management from work units responsible for financial reporting are presented in this Annual Report. The Board of Directors is also responsible for and publishes the Quarterly Financial Reports on the Bank's website and mass media in accordance with applicable regulations.</p> <p>The Board of Directors and management have ensured that the Sustainability Report is prepared based on a reporting framework that is appropriate to the size and complexity of the corporation and meets national and/or global standards.</p> <p>The Bank's IT governance strategy and framework are explained in detail in this Annual Report. The Board of Directors ensures that the Bank has adequate and optimal IT resource allocation policies to support the Bank's goals and strategies.</p> <p>The Board of Directors ensures that the Sharia Business Unit has adequate and effective supporting tools.</p> <p>The Board of Directors' Charter is reviewed periodically. The most recent Charter was updated on 6 June 2023 and uploaded to the Bank's website.</p> <p>Board of Directors' Charter and Bank Nomination Policy No. M.04, contains a policy on the resignation of members of the Board of Directors if they are involved in a financial crime and are proven to have made a mistake.</p>
	<b>1.2 Performance Assessment – Board of Directors and its Members</b>	<p>1.2.1 The Board of Commissioners conducts an annual formal evaluation in an objective and independent manner to determine the effectiveness of the Board of Directors and each individual Director.</p> <p>1.2.2 The Board of Commissioners, with due observance of the Nomination and Remuneration Committee, is responsible for determining performance assessment criteria and assessing the performance of the President Director and other members of the Board of Directors.</p>	<p>Apply</p> <p>The Bank has a policy to assess the performance of the Board of Directors, consisting of collegial assessment on the performance of the Board of Directors, conducted at least 1 (one) time a year and assessment on the individual performance of the Board of Directors, including the President Director, conducted at least 2 (two) times a year.</p> <p>The assessment results are discussed by the Nomination and Remuneration Committee to obtain input and recommendations before seeking approval from the Board of Commissioners.</p> <p>A more detailed explanation is provided in the discussion on the Performance Assessment of the Board of Commissioners and Board of Directors in this Annual Report.</p>



Principle	Recommendations	Implementation at CIMB Niaga
<p><b>1.3 Roles and Responsibilities of the Board of Commissioners</b></p>	<p>1.3.1 The Board of Commissioners reviews the corporate strategy at least annually and approves the corporate mission, vision and strategy formulated by the Board of Directors. The Board of Commissioners also reviews, provides advice, and approves long-term business and financial plans and the company's short-term financial plans. The Board of Commissioners provides advice and monitors the Board of Directors on the management of its implementation. The Board of Directors and Board of Commissioners are involved in decisions that are very important for the corporation, as regulated in the articles of association of the company.</p> <p>1.3.2 The types of decisions that require the approval of the Board of Commissioners must be disclosed in the annual report.</p> <p>1.3.3 Taking into account the recommendation of the Nomination and Remuneration Committee, the Board of Commissioners proposes to, and to be resolved by, the GMS the appointment and/or dismissal of members of the Board of Directors and members of the Board of Commissioners. In proposing the above, the Board of Commissioners takes into account the diversity, non-discriminatory elements, as well as provides equal opportunities regardless of ethnicity, religion, race, class and gender. The Board of Commissioners ensures a formal and transparent selection and nomination process for members of the Board of Directors and members of the Board of Commissioners.</p> <p>1.3.4 The Board of Commissioners or Committees conducting the nomination function formulate a succession policy in the process of nominating members of the Board of Directors. Every year, the Board of Commissioners reviews the report on the implementation of the development and succession plans submitted by the President Director.</p> <p>1.3.5 The Board of Commissioners a). submit to the GMS, which may be preceded by recommendation from Committees conducting the remuneration function, the amount of remuneration for members of the Board of Directors and members of the Board of Commissioners, in line with sustainable corporate development and the long-term interests of the corporation and shareholders; b). periodically reviewing the remuneration system for the Board of Directors and Board of Commissioners.</p> <p>1.3.6 The Board of Commissioners oversees the effectiveness of corporate governance policies and the implementation, as well as proposing changes if necessary.</p> <p>1.3.7 The Board of Commissioners monitors and directs the company to implement the appropriate and effective risk management and internal control systems that are aligned with the corporate goals, objectives and strategies as well as complying with laws and regulations, codes of conduct, and applicable standards.</p> <p>1.3.8 The Board of Commissioners supervises and directs the integrity of the corporate accounting and financial reporting system, as well as the independence of the internal and external audit functions.</p> <p>1.3.9 The Board of Commissioners monitors, reviews, and approves the annual report and sustainability report of the company, and ensures their integrity, as well as oversees the company's disclosure and communication process.</p> <p>1.3.10 The charter of the Board of Commissioners is periodically reviewed.</p> <p>1.3.11 The Board of Commissioners has a policy regarding the resignation of members of the Board of Commissioners if they are involved in financial crimes and are proven to have made a mistake.</p> <p>1.3.12 Independent commissioners are highly expected to be able to contribute to honest, objective, active, and constructive discussions at meetings of the Board of Commissioners.</p> <p>1.3.13 The President Commissioner acts as the coordinator of the Board of Commissioners and ensures its effectiveness. The President Commissioner promotes a culture of transparency and constructive dialogue that allows a variety of views to be expressed, including coordinating the setting of appropriate board meeting agendas and ensuring sufficient time is available to discuss all agenda items. In addition, there should also be opportunities for the Board of Commissioners to meet with the Board of Directors and senior management.</p>	<p>Apply</p> <p>The Board of Commissioners together with the Board of Directors annually conducts studies and reviews on the suitability of the company's vision and mission with the strategy, current condition of the company, and business challenges that will be faced in the future. The Board of Commissioners also reviews, provides advice, and approves business plans and long-term financial plans and short-term financial plans of the corporation and oversees the management of their implementation by the Board of Directors as presented in the discussion of the Bank's Vision and Mission and Joint Meeting of the Board of Commissioners and Board of Directors in this Annual Report.</p> <p>Decisions taken by the Board of Commissioners have been presented in the discussion of the Board of Commissioners in this Annual Report.</p> <p>As stipulated in the Bank's Nomination Policy No. M.04 and Bank Diversity Policy No. M.07, the Board of Commissioners plays an active role in the process of appointing and/or dismissing members of the Board of Directors and members of the Board of Commissioners, taking into account the recommendations of the Nomination &amp; Remuneration Committee and diversity by providing equal opportunities regardless of ethnicity, religion, race, class and gender and carried out in a formal and transparent manner.</p> <p>In order to prepare for leadership regeneration, the Bank has established and implements a succession policy for the Board of Directors and/or Senior Management, which is part of the Nomination and Remuneration Committee Charter and the Bank's Nomination Policy No.M.04 as stated in the Annual Report.</p> <p>The Nomination and Remuneration Committee discusses the remuneration for the Board of Commissioners and Board of Directors by taking into account information on the range and standard of remuneration with similar industries (peer groups) in the market and the capabilities of the Bank; The Nomination and Remuneration Committee provides recommendations for further discussion at the Board of Commissioners Meeting; The Board of Commissioners studies the recommendations from the Nomination and Remuneration Committee and proposes the remuneration to the GMS; and the GMS determines the remuneration for the Board of Commissioners, to then be implemented according to the resolution by the Board of Directors.</p> <p>The Board of Commissioners, either directly or through committees, always supervises and directs the policies and effectiveness of the implementation of governance, risk management and internal control systems carried out by management, and provides input and improvements if necessary. The Board of Commissioners always ensures the integrity of the accounting and financial reporting systems as well as the independence of the internal and external audit functions, which are reflected through the discussions on the Audit Committee and the Internal Audit Unit in this Annual Report.</p> <p>The preparation of the Annual Report and Sustainability Report is reviewed and approved by the Board of Commissioners.</p> <p>The Board of Commissioners' Charter is periodically reviewed. The most recent Charter was updated on 20 Juni 2023 and uploaded to the Banks.</p> <p>The Board of Commissioners' Charter and Bank Nomination Policy No. M.04 has regulated that members of the Board of Commissioners who are involved in financial crimes and/or other criminal acts must resign from their positions.</p> <p>All Independent Commissioners of the Bank have a credible track record and can contribute to the progress of the Bank. This is indicated by the percentage of attendance at the meetings of the Board of Commissioners and Committees, which is on average 100% and the performance assessment results for both the Board of Commissioners and Committees are satisfactory and exceptional.</p> <p>The Bank's President Commissioner has duties and responsibilities, including coordinating the implementation of the duties and responsibilities of the Board of Commissioners, as well as providing recommendations for holding Meetings including the Meeting Agenda. In addition, joint meetings of the Board of Commissioners and Board of Directors are held regularly.</p>

Principle	Recommendations	Implementation at CIMB Niaga
<b>1.4 Establishment of Committees</b>	<p>1.4.1 The Corporation has committees under the Board of Commissioners, consisting of at least: the Audit Committee, Nomination and Remuneration Committee, and Risk Management Monitoring Committee.</p> <p>1.4.2 The Board of Commissioners ensures that all members of the Audit Committee are independent and the majority of other committees established by the Board of Commissioners are independent parties, and all members of the committee are competent, committed, and have sufficient authority to perform their roles in an effective and independent manner.</p> <p>1.4.3 To ensure the monitoring on the implementation of duties of the Audit Committee is carried out in an objective and independent manner, the President Commissioner is not allowed to be the chairman of the Audit Committee, except in extraordinary circumstances, which must be explained in the annual report.</p>	<p>Apply</p> <p>Committees under the Board of Commissioners consist of the Audit Committee, the Risk Oversight Committee, the Nomination and Remuneration Committee, and the Integrated Governance Committee.</p> <p>All members of the Bank's Audit Committee are Independent Commissioners and Independent Parties, and the Chairman of the Audit Committee is held by one of the Independent Commissioners, namely Mr. Jeffrey Kairupan, who is not the President Commissioner.</p> <p>The composition of other committee members is also the majority of which are Independent Commissioners and Independent Parties. This is presented in more detail in the discussion of the Audit Committee and other committees, each separately in this Annual Report.</p>
<b>1.5 Performance Assessment – Board of Commissioners and its Members</b>	<p>1.5.1 The Board of Commissioners conducts an annual formal evaluation objectively to determine the effectiveness of the Board, its committees, and each individual Commissioner.</p>	<p>Apply</p> <p>The performance assessment of the Board of Commissioners is carried out every year (at least once a year). The performance assessment on the Board of Commissioners (including the President Commissioner) uses several criteria as stated in the Annual Report.</p>
<b>1.6 Conflicts of Interest</b>	<p>1.6.1 Members of the Board of Directors with concurrent positions outside the corporation must obtain approval from the Board of Commissioners. A Commissioner notifies the Board of Commissioners and the chairman of the committee carrying out the nomination function, prior to accepting a new appointment as Director or Commissioner of a public company, other Director positions or other positions with a significant time commitment.</p> <p>1.6.2 The Board of Commissioners monitors and manages potential conflicts of interest for management, members of the Board of Directors, Board of Commissioners and shareholders, including misuse of corporate assets and misuse in related party transactions. Commissioners with conflicts of interest do not participate in monitoring and making decisions on potential conflicts of interest involving the Commissioners or affiliates of the Commissioners concerned.</p>	<p>Apply</p> <p>There were no members of the Bank's Board of Directors with concurrent positions outside CIMB Niaga, except for assignments to carry out oversight functions in subsidiaries. The assignment has been approved by the Board of Commissioners. Commissioners who receive appointments from other public companies, must convey this information to the Board of Commissioners and/or the Nomination and Remuneration Committee.</p> <p>One of the duties and responsibilities of the Board of Commissioners is to oversee and manage potential conflicts of interest of the Bank.</p> <p>In carrying out their duties and responsibilities, all members of the Board of Commissioners are committed to avoiding potential conflicts of interest or always position themselves not to be in the potential for conflicts of interest in any situation as stated in the Board of Commissioners' Charter.</p> <p>In the event of a conflict of interest, members of the Board of Commissioners are prohibited from taking actions that may harm or reduce the Bank's profits and must disclose the potential conflict of interest referred to in every decision.</p>
<b>1.7 Competency Improvement of Members of the Board of Directors and Board of Commissioners</b>	<p>1.7.1 The Board of Commissioners ensures that members of the Board of Directors and Board of Commissioners understand their roles and responsibilities, characteristics and operations of the corporation, relevant laws and regulations and other applicable standards and obligations. The Board of Directors through the corporate secretary supports all members of the Board of Directors and Board of Commissioners in updating and refreshing the required skills and knowledge to carry out their roles on the Board.</p>	<p>Apply</p> <p>The Board of Commissioners and Board of Directors have participated in training and education with the aim of enhancing strategic capabilities, adding business knowledge, enhancing leadership, developing new skills, as well as improving and maintaining the quality of banking services. Details of training and education attended by the Board of Commissioners and Board of Directors are presented in the Annual Report.</p>



Principle	Recommendations	Implementation at CIMB Niaga
<p><b>Principle 2:</b> Composition and Remuneration of the Board of Directors and Board of Commissioners</p>	<p><b>2.1 Composition of the Board of Directors and Board of Commissioners</b></p> <p>2.1.1 In determining prospective candidates for Directors, the Board of Commissioners through the Nomination and Remuneration Committee does not only rely on recommendations from the Board of Commissioners, management or majority shareholders. The Board of Commissioners through the Nomination and Remuneration Committee can use independent sources to determine qualified candidates.</p> <p>2.1.2 The Board of Commissioners ensures that the criteria for selecting members of the Board of Directors include at least the required knowledge, abilities, and expertise to properly meet the role of the Board of Directors and takes into account the fulfillment of the diversity of the Board of Directors.</p> <p>2.1.3 The corporate policy regarding diversity among the Board of Directors and Board of Commissioners is disclosed in the Annual Report.</p> <p>2.1.4 The Board of Commissioners ensures that the policies and procedures for the selection and nomination of Commissioners are clear and transparent in order to produce the desired Board composition. The Board of Commissioners uses independent sources to determine qualified candidates.</p> <p>2.1.5 The Board of Commissioners/Committee that performs the nomination function establishes nomination procedures and criteria that are consistent with the Board of Commissioners' expertise matrix, which has been approved by the Board of Commissioners and ensures that the candidate profile meets the established requirements in the expertise matrix and nomination criteria.</p> <p>2.1.6 The composition of the Board of Commissioners must be formed in such a way that its members as a group reflect the diversity in terms of abilities, skills, knowledge, experience, age, cultural background, and gender needed to properly fulfill the role of the Board of Commissioners.</p> <p>2.1.7 To enable the Board of Commissioners to provide independent advice and supervision to the Board of Directors and for roles with potentials for conflicts of interest, the Board of Commissioners consists of a sufficient number of Independent Commissioners, with a limited term of office and there is disclosure of the term of membership of the Board of Commissioners and their independence from a corporate perspective.</p> <p>2.1.8 To facilitate the effective function of the Board of Directors and Board of Commissioners and to increase investor and stakeholder confidence, the Nomination and Remuneration Committee ensures that there is a formal, rigorous, and transparent process for the selection and appointment of members of the Board of Directors and Board of Commissioners.</p>	<p>Apply</p> <p>As stipulated in the Nomination Policy No.M.04, which regulates the process of selecting, appointing, dismissing and/or replacing members of the Board of Commissioners, Board of Directors, and Independent Parties, the Bank may use the services of independent and reputable third parties (search firms) in the selection process for candidates of the Board of Commissioners. Third parties (search firms) appointed by the Bank will assist the selection process.</p> <p>The Nomination Policy also regulates the minimum criteria that must be possessed by candidates of the Bank's Board of Commissioners and Board of Directors in terms of integrity, competence, reputation, domicile, independence, or other special criteria according to the respective field of each Director.</p> <p>The policy on the diversity of the composition of the Board of Commissioners and Board of Directors has been regulated in the Diversity Policy No. M.07 and the achievements have been presented in this Annual Report. The composition of the Board of Commissioners has met the needs of the Bank.</p> <p>The Bank has regulated the diversity of the composition of members of the Board of Commissioners and Board of Directors as stated in the Diversity Policy on the Composition of Members of the Board of Commissioners and Board of Directors No. M. 07 Version 02.2020).</p> <p>The Nomination and Remuneration Committee performs the nomination function based on the procedures and nomination criteria set out in the Nomination Policy No. M.04 and approved by the Board of Commissioners.</p> <p>The Nomination and Remuneration Committee has also carried out its functions and responsibilities in ensuring that the nomination and remuneration process at the Bank runs properly and transparently in the interests of the Bank. This is illustrated in the discussion in this Annual Report.</p> <p>The implementation of duties of the Board of Commissioners, including the composition, term of office, independence, meeting attendance and training throughout the year are presented in detail in this Annual Report.</p>
	<p><b>2.2 Remuneration of the Board of Directors and Board of Commissioners</b></p> <p>2.2.1. The remuneration policy for members of the Board of Directors consists of a remuneration structure that is oriented towards sustainable corporate development and encourages the achievement of long-term goals. The Board of Directors' remuneration must be proposed, through the Nomination and Remuneration Committee, by the Board of Commissioners to be resolved by the GMS. The amount of remuneration proposed to the GMS is determined by taking into account the role of each member of the Board of Directors and the economic situation as well as corporate performance.</p> <p>2.2.2. The remuneration policy for members of the Board of Commissioners consists of a remuneration structure that is oriented towards sustainable corporate development and encourages the achievement of long-term goals. The amount of remuneration proposed by the Board of Commissioners to the GMS is determined by taking into account the role of each member of the Board of Commissioners and the economic situation as well as corporate performance. In addition, consideration should also be given to his/her position as President Commissioner and chairman as well as membership in committees.</p> <p>2.2.3. To ensure that the remuneration package is determined based on the achievements, qualifications, and competencies of the Directors and Commissioners by taking into account the performance of corporate operations, individual performance, and market conditions, the Nomination and Remuneration Committee ensures that there are fair and transparent procedures for establishing remuneration policies for members of the Board of Directors and Board of Commissioners.</p>	<p>Apply</p> <p>The Bank has established and implements the Risk-Based Remuneration Policy No. A. 06.02. The Bank's Remuneration Policy is reviewed periodically which has been updated on 15 September 2023. The Bank's remuneration policy is prepared by prioritizing a competitive, fair, and balanced remuneration system, based on the applicable laws and regulations.</p> <p>The Bank prepares the structure, policies and remuneration amount for each member of the Board of Commissioners by taking into account the duties, authorities, performance, and responsibilities of the Board of Commissioners. The Bank also takes into account the remuneration that applies in similar industries (peer group) as well as the Bank's capabilities.</p> <p>The Nomination and Remuneration Committee discusses the remuneration for the Board of Commissioners by taking into account information on the range and standards of remuneration with similar industries (peer groups) in the market and the capabilities of the Bank. The remuneration for the Board of Commissioners and Board of Directors is determined by the GMS.</p>

Principle	Recommendations	Implementation at CIMB Niaga
<b>Principle 3:</b> Work Relationship between the Board of Directors and Board of Commissioners	<b>3.1 Nature of Work Relationship</b>	<p>3.1.1 There are open discussions between the Board of Directors and the Board of Commissioners and between members of the Board of Directors and members of the Board of Commissioners. However, it is still important to maintain the confidentiality of information to ensure that confidential information does not leak.</p> <p>3.1.2 In accordance with their respective duties and roles, the Board of Directors cooperates with the Board of Commissioners in formulating the corporate missions, visions and strategies, and regularly discusses the implementation.</p> <p>3.1.3 The Corporate Secretary has a crucial role in supporting the effectiveness of the working relationship between the Board of Directors and the Board of Commissioners, encouraging the implementation of good corporate governance practices, including effective communication with shareholders and other stakeholders.</p>
	<b>3.2 Access to Information for the Board of Commissioners</b>	<p>3.2.1 The Board of Directors is responsible for ensuring that the Board of Commissioners has access to accurate, relevant, and timely information. The Board of Commissioners itself ensures that it obtains sufficient information. The Board of Directors provides information to the Board of Commissioners regularly, without delay, and comprehensively on all matters relevant to the corporation. The Board of Commissioners may at any time request additional information to the Board of Directors.</p>
	<b>3.3 Responsibilities of the Board of Directors and Board of Commissioners on Impacts of the Structure</b>	<p>3.3.1 The impact of the ownership structure on the corporation. The Board of Directors and the Board of Commissioners consider their responsibilities in the context of the shareholding structure and relationships between corporate shareholders, which may have an impact on corporate management and operations.</p>
<b>Principle 4:</b> Ethical and Responsible Conduct	<b>4.1 Code of Conduct</b>	<p>4.1.1 This statement is set forth in the Code of Conduct and Business Ethics, which must clearly state the corporate expectation that each member of the Board of Directors and Board of Commissioners and employees will:</p> <ol style="list-style-type: none"> <li>Act in the best interests of the corporation;</li> <li>Act honestly and with a high standard of integrity;</li> <li>Be independent and act based on complete information, in good faith, with due diligence and prudence;</li> <li>Comply with laws and regulations that apply to the corporation and its operations;</li> <li>Avoiding actions that violate laws and regulations or unethical actions based on corporate ethics guidelines;</li> <li>Not involved or participating in any activities that will create a conflict of interest with the best interests of the corporation or which will have a negative impact on the reputation of the corporation;</li> <li>Do not take advantage of property or information owned by the corporation, ownership of other assets or its customers for personal gain or which causes harm to the corporation and its customers.</li> <li>Does not take advantage of the position or opportunities generated by the position for personal gain;</li> <li>Avoiding the act of asking for or receiving from third parties payments, gratuities, or other benefits for themselves or for other people that will lead to conflicts of interest/provide benefits to third parties by violating the laws and regulations;</li> <li>Respect differences of opinion and the rights of each member of the Board of Directors, Board of Commissioners and employees;</li> <li>Ensuring full, fair, accurate, timely, and understandable disclosure in reports and documents submitted by the corporation to regulators and in other public communications;</li> </ol> <p>4.1.2 The Board of Directors establishes policies and practices on anti-money laundering and financing of terrorism, anti-bribery, anti-corruption, anti-fraud, political involvement with reference to the national or international standards regarding anti-money laundering, anti-bribery, anti-corruption, anti-fraud or other related standards.</p>



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

Principle	Recommendations		Implementation at CIMB Niaga
	<b>4.2 Corporate Values and Culture</b>	4.2.1 The corporation articulates, fosters, and discloses corporate culture and values	<p>Apply</p> <p>The Bank implements new values and culture, namely EPICC to ensure that every CIMB Niaga personnel can carry out the Bank's operations properly and prevent various acts of fraud, money laundering and financing of terrorism, anti-corruption, offering or receiving bribes and payments or other inducements to commit acts that violates laws and regulations or is unethical.</p> <p>The internalization process for corporate values and culture in daily work life that has been carried out by the Bank is presented in the discussion of Corporate Values and Culture in this Annual Report.</p>
	<b>4.3 Enforcement and Communication of the Code of Ethics, Values, and Culture</b>	4.3.1 The corporate code of conduct and code of ethics are communicated effectively to the Board of Directors, Board of Commissioners and all employees, integrated into corporate strategy and operations, including risk management system and remuneration structure, as well as being enforced.	<p>Apply</p> <p>Internalization of the Code of Ethics &amp; Code of Conduct is regularly carried out through various available media to raise awareness and understanding to implement behavior that is in line with the Bank's Core Values. Every year, members of the Board of Commissioners and Board of Directors sign the Integrity Pact, Code of Ethics, and Anti-Bribery and Corruption Commitment, followed by attestation of the pact by all Bank employees. More detailed information is presented in this Annual Report.</p>
<b>Principle 5: Risk Management, Internal Control, and Compliance</b>	<b>5.1 Internal Control and Compliance</b>	5.1.1 The Board of Directors periodically reviews the accuracy of designs and operational effectiveness of the governance system, risk management, internal control, and corporate compliance and reports the implementation and results of the review to shareholders through the annual report of the Corporation.	<p>Apply</p> <p>The Board of Directors has implemented the Internal Control System in accordance with the overall principles of control and evaluation carried out by the Bank, which indicate that the quality of the Bank's Internal Control System is running properly. The Board of Directors and Board of Commissioners state that the Bank has an effective and adequate internal control system in managing the risks faced by the Bank while remaining within the tolerance limit (risk appetite) in supporting the achievement of the Bank's objectives, which has been conveyed in the discussion of the Risk Oversight Committee and the Internal Control System in this Annual Report.</p>
	<b>5.2. Risk Management</b>	<p>5.2.1. Strategy and risk is a unity, disclosed in a transparent manner, included in the implementation of the duties and responsibilities of the Board of Directors and the Board of Commissioners, as well as in discussions at the meetings of the Board of Commissioners and Board of Directors.</p> <p>5.2.2. The Risk Management Oversight Committee assists the implementation of the duties of the Board of Commissioners by creating a transparent, focused, and independent mechanism for oversight of corporate risk management.</p>	<p>Apply</p> <p>The Board of Commissioners and Board of Directors always manage and monitor the main risks of the Bank properly. Balancing between risk, compliance culture and capital adequacy is also a strategic policy pillar of the Bank. The Board of Commissioners and Board of Directors are assisted by the Risk Oversight Committee and Risk Management Committee, which regularly monitor and review the effectiveness of risk control and management at each meeting, also assisted by the Internal Audit Unit.</p> <p>The Board of Commissioners has established the Risk Oversight Committee (ROC), which consists of Independent Commissioners and Independent Parties who are competent and have backgrounds in accordance with the regulations and needs of the Bank. The ROC helps ensure that the implementation of the Bank's risk management still meets the elements of adequacy of risk management procedures and methodologies, enabling the Bank's business activities to remain under control at acceptable limits while still profitable for the Bank.</p> <p>More detailed information is presented in this Annual Report.</p>
	<b>5.3. Integration of Governance, Risk Management, and Compliance</b>	<p>5.3.1 The Board of Directors establishes an integrated governance, risk management and compliance (GRC) system, by handling various uncertainties in an integrated manner and with high integrity, to ensure that the corporation can achieve its objectives.</p> <p>5.3.2 The Board of Directors ensures that the division in charge of the compliance function does not concurrently carry out functions that have the potential to cause a conflict of interest.</p>	<p>Apply</p> <p>Through the Three Lines of Defense, the Board of Directors ensures coordination and capacity building among the main GRC systems, which include governance systems, strategic management, performance management, risk management, compliance management, and internal audit systems to ensure that the corporation stays on the right track in achieving its goals. The Compliance Director also does not concurrently carry out functions that have the potential to cause a conflict of interest as described in the Bank's Organizational Structure in this Annual Report.</p> <p>Proper GRC implementation is reflected in the various awards received by the Bank in 2023, including Grand Champion of 2022 Annual Report Award (ARA), Leadership in Corporate Governance at the 14th IICD CG Conference &amp; Award and Platinum Star Trophy at the 2023 TOP GRC Award.</p>
	<b>5.4. Internal Audit</b>	5.4.1 The Board of Commissioners through the Audit Committee oversees and ensures that the internal audit function assists the corporation in achieving its goals through an objective and disciplined approach in order to evaluate and improve the effectiveness of risk management, internal control, and corporate governance.	<p>Apply</p> <p>The Board of Commissioners has established the Audit Committee, which ensures that the internal audit duties are carried out objectively and independently. The appointment and dismissal of the Chief Audit Executive also takes into account recommendations from the Audit Committee, and internal audit has direct access to the Audit Committee.</p> <p>More detailed information is presented in this Annual Report.</p>

Principle	Recommendations		Implementation at CIMB Niaga
<b>Principle 6:</b> Disclosure and Transparency	<b>6.1 Policy on Disclosure</b>	6.1.1 The corporation has disclosure and transparency policies and procedures that ensure the disclosure of material information and safeguard sensitive information as well as corporate secrets.	Apply  The Bank has Corporate Governance Policy No. M.12 and Policy on Communication with Shareholders and Investors No. M.02, which regulate the disclosure of material information and safeguarding sensitive and confidential information, as well as the obligation to disclose/disclosure of information based on applicable regulations. The Bank ensures that all shareholders have the same rights in receiving material information correctly, timely, periodically, and according to applicable regulations.
		6.1.2 Shareholders' right to obtain regularly and timely relevant material information regarding the corporation must be met.	
	<b>6.2 Financial and Sustainability Reports</b>	6.2.1 The corporation discloses systems and procedures to ensure that interim financial reports that are not materially audited or reviewed by external auditors are accurate, complete, and provide investors with the right information to make the right investment decisions. 6.2.2 The Audit Committee ensures the quality of audits on financial report carried out by external auditors. This activity includes recommending the appointment, reappointment and, if necessary, the termination and remuneration of the external auditor. 6.2.3 The sustainability report shall be prepared and disclosed accurately and in accordance with national or international sustainability reporting frameworks. 6.2.4 The corporation issues an integrated annual report that places historical performance into context and describes the risks, opportunities, and prospects of the corporation in the future, which will subsequently assist shareholders and stakeholders to understand the strategic goals of the corporation and its progress in creating sustainable value.	Apply  The Bank has systems and procedures to regulate internal control over financial reporting, including interim financial reports, the role of the risk management/compliance/supervision management function and the internal audit function to ensure the integrity of interim financial reports, and the role of the Audit Committee in reviewing financial reports to be published by the Bank.  The Bank's Audit Committee ensures the quality of financial statement audits carried out by external auditors. This activity includes recommending the appointment, reappointment and, if necessary, the termination and remuneration of the external auditor.  The Bank's Sustainability Report adopts international standards, such as the GRI, SASB, SUSBA, and others. The report is also provided with assurance by an independent and competent external party.  The Bank's Annual Report has put historical performance in context and describes the risks, opportunities, and future prospects of the corporation.
<b>6.3 Dissemination of Information</b>	6.3.1 Channels for the dissemination of information should provide users with equitable, timely, and relatively inexpensive access to relevant information.	Apply  The Bank regularly updates and provides easy access to information regarding its activities and performance to stakeholders, allowing them to be informed about the condition of the Bank in a clear and transparent manner. Various communication channels that are available include social media, website, email blasts, and public exposure for customers and the public, press releases, as well as a special internal communication channel for CIMB Niaga employees, including: <ul style="list-style-type: none"> <li>Analyst meetings, interactions and discussions with shareholders, investors and analysts in the form of teleconferences and in-house meetings, Annual Reviews with national and international rating agencies, as well as Annual Public Expose.</li> <li>Website and social media of the Bank (Facebook, Instagram, Twitter, Youtube and LinkedIn) and press releases.</li> </ul> A statement on the implementation of PUGKI is available on the Bank's website.	
	6.3.2 The corporation ensures that an annual statement on the implementation of the Indonesian General Guidelines for Corporate Governance, including an explanation on the implementation of each Recommendation and Guideline is available on the website for a minimum period of five years		
	6.3.3 For corporations listed on the capital market in jurisdictions other than the jurisdiction of origin, applicable laws and regulations on corporate governance must be clearly disclosed. In the case of cross listing, the criteria and procedures for cross listing, criteria and procedures for recognizing the listing requirements for the primary listing must be transparent and documented		
<b>Principle 7:</b> protection of the Rights of Shareholders	<b>7.1 Rights of Shareholders</b>	7.1.1 The corporation has a communication policy that facilitates and encourages shareholder or investor participation.	Apply  The Bank has established a Policy on Communication with Shareholders and Investors No.M.02, which can be used as a reference for subsidiaries and can be accessed by the public through the Bank's website. The rights, authorization, and responsibilities of shareholders are also regulated in detail in CIMB Niaga's Articles of Association, which can also be accessed on the Bank's website.
		7.1.2 Corporations that are parent entities ensure that their corporate governance policies apply to subsidiaries and entities under common control in which their investment is significant.	
		7.1.3 Corporations have rules and procedures that govern acquisitions, takeovers, and extraordinary transactions, such as mergers and sales of substantial corporate assets to ensure the transactions occur in a transparent manner and under reasonable conditions as well as protecting the rights of all shareholders according to class.	
	<b>7.2 Fair Treatment of Shareholders</b>	7.2.1 Corporations have rules and procedures that ensure a). all shareholders of the same series in one class of shares must be treated equally, b). disclosure of said rules and procedures, as well as disclosure of capital structure and arrangements that allow certain shareholders to gain influence or control that is disproportionate to their share ownership.	Apply  Pursuant to the Bank's Articles of Association, the Bank's shares consist of class A shares and class B shares. Class A and class B shareholders have the same rights, namely each share has the right to 1 (one) vote.  The Bank always ensures that related party transactions that are carried out, do not have conflicts of interest and the interests of the Bank and shareholders are protected.  One of the disclosures to prevent insider trading is contained in the Code of Ethics & Code of Conduct. The Bank also has established the CIMB Niaga Conflict Management Policy, which regulates the procedures for trading the securities of the Bank and CIMB Group and to reaffirm the prohibition on the use of Insider Information (Insider Trading) in private securities transactions by employees and members of the Bank's Board of Commissioners and Board of Directors.
		7.2.2 The corporation has rules and procedures that ensure related party transactions are approved and carried out in such a way as to ensure that conflicts of interest are properly managed, and protect the interests of the corporation and shareholders.	
		7.2.3 The corporation has established and discloses policies to prevent insider trading. The corporation has clear rules regarding any trading in corporate shares carried out by Directors, Commissioners, and insiders to ensure that no one can benefit directly or indirectly from information that is not/available on the market.	





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Principle	Recommendations		Implementation at CIMB Niaga
	<b>7.3 General Meeting of Shareholders</b>	<p>7.3.1 The corporation implement the notice for GMS with the agenda and materials for the GMS as completely and as early as possible (no later than 28 days prior to the GMS) to provide sufficient time and material for shareholders to properly study the meeting agenda. Meeting invitations and all GMS information are disclosed through electronic means, such as through the corporate website.</p> <p>7.3.2 The corporation has established and disclosed rules and procedures that facilitate shareholders to participate and vote effectively at the GMS.</p> <p>7.3.3 Shareholders participate effectively to determine the appointment of members of the Board of Directors and Board of Commissioners.</p> <p>7.3.4 The corporation ensures the transparency and accountability of the external auditor at the GMS.</p> <p>7.3.5 Submission of voting results and a complete summary of the minutes of the GMS will be announced to the public on the following working day.</p>	<p>Apply</p> <p>The Bank implements the Invitation for the GMS no later than 28 (twenty-eight) days prior to the GMS, excluding the date of the invitation and implementation for the GMS, complete with the agenda and material for the GMS on the Bank's website.</p> <p>The GMS decision-making/voting mechanism is presented in the GMS Rules, which are posted on the Bank's website and read back by the Corporate Secretary at the commencement of the GMS. Voting is carried out for each AGMS agenda (one decision) and appoints independent parties, namely PT Bima Registra Notary Ashoya Ratam SH., M.Kn., and Noatri Yumna Sabrina SH., M.Kn. (in the absence of Noatri Ashoya Ratam) to carry out the vote calculation.</p> <p>Curriculum vitae of candidates for members of the Board of Directors and Board of Commissioners as well as external auditors have been submitted together with the Invitation to the AGMS to the public via the Bank's website, and voting is also carried out separately for each candidate.</p> <p>The voting results and the complete summary of the minutes of the Bank's GMS are announced to the public on the same day after the completion of the GMS via the Bank's website.</p> <p>More detailed information is presented in the GMS discussion in this Annual Report.</p>
<b>Principle 8: Appreciation for Stakeholders</b>	<b>8.1 Stakeholders Engagement</b>	8.1.1 The corporation through the Corporate Secretary carries out regular, transparent, and effective communication with key stakeholders as well as involves them to understand their hopes and complaints as well as the impact of the corporation on them.	<p>Apply</p> <p>The Bank discloses the process of identifying and selecting key stakeholders to be involved, which has been disclosed in the Sustainability Report. The Bank also has established a Whistleblowing System as a means of conveying suggestions, input and complaints in a safe and independent manner.</p>
	<b>8.2 Integration of Sustainability in Business Models</b>	8.2.1 The Board of Commissioners together with the Board of Directors are responsible, accountable and transparent for sustainability governance, including in terms of establishing corporate sustainability strategies, priorities and targets. The Board of Directors and Board of Commissioners incorporate sustainability considerations when carrying out their roles, including by developing and implementing corporate strategies, business plans, main action plans, and risk management.	<p>Apply</p> <p>The Board of Directors ensures that corporate sustainability strategies, priorities, and targets, as well as performance against these targets are communicated to stakeholders as reported in this Annual Report.</p>
	<b>8.3 Protection for Stakeholders</b>	<p>8.3.1 The Board of Directors ensures and discloses that corporate operations reflect the application of high standards of ethics, social and environmental responsibility throughout the corporation and ensures that appropriate policies and procedures are implemented to respect and comply with the rights of stakeholders.</p> <p>8.3.2 The Board of Directors encourages employees to work for the long-term interests of the corporation and prioritizes sustainability.</p>	<p>Apply</p> <p>The Bank has various policies as guidelines in carrying out business operations that are ethical, socially and environmentally responsible, and respecting and complying with the rights of stakeholders. This is presented in full in the Bank's Annual Report and Sustainability Report.</p> <p>The Bank also has a policy on providing long-term incentives, namely share-based compensation to employees, which encourages sustainable value creation as presented in the Remuneration Policy discussion in this Annual Report.</p>

# Implementation of Corporate Governance Aspects and Principles for Public Companies Pursuant to Financial Services Authority Provisions

The OJK issued 5 (five) aspects, 8 (eight) principles, and 25 (twenty-five) governance recommendations, as stated in OJK Regulation No. 21/POJK.04/2015 concerning the Implementation of Corporate Governance Guidelines for Public Company and OJK Circular Letter No. 32/SEOJK.04/2015 concerning Corporate Governance Guidelines for Public Company, respectively. CIMB Niaga has implemented these aspects, principles, and recommendations based on the following “comply or explain” approach:

Aspect	Principle	Recommendation	Description	
Public Company Relations with Shareholders in Ensuring the Shareholder Rights	<b>Principle 1:</b> Increasing the Value of Holding a General Meeting of Shareholders (GMS)	1.1 Public Company have a technical voting procedures, both open and closed, that prioritize independency and the interests of shareholders.	<p>Comply</p> <p>As an effort to increase shareholder independence, freedom, and confidentiality in the voting process, CIMB Niaga has a policy of conducting closed and electronic voting (e-voting) at the GMS for each GMS agenda. This policy is set out in the Rules of the GMS.</p> <p>The closed and electronic voting mechanisms at the Annual GMS and Extraordinary GMS have been carried out since 2018 via touch screens devices provided by CIMB Niaga, smart phones, or other mobile devices (tablets, iPads, etc.) belonging to the shareholder or their proxy. CIMB Niaga is thus the first Public Company in Indonesia to hold e-voting. Shareholders and/or their proxies who attend electronically can carry out the e-voting process on the eASY.KSEI application. Whereas, shareholders who provide power of attorney with the e-Proxy mechanism are deemed to have exercised their voting rights through the eASY.KSEI application and are not permitted to carry out the e-Voting process at the GMS venue.</p> <p>The counting of voting results is carried out by the independent parties, namely PT Bima Registra, the Securities Administration Bureau, Notary Ashoya Ratam SH., MKn., and Notary Yumna Shabrina SH., MKn. (in the absence of Notary Ashoya Ratam). This ensures the independence and interests of shareholders in the voting process.</p> <p>The Rules of GMS and video of e-Voting mechanism at the GMS venue have been uploaded on the Bank's website 28 (twenty-eight) days prior to the date of the GMS, distributed to the shareholders when entering the GMS room, and read aloud by the Corporate Secretary before the GMS started.</p>	
		1.2 All members of the Board of Directors and members of the Board of Commissioners of the Public Company are present at the Annual GMS	Comply	All members of CIMB Niaga's Board of Directors and Board of Commissioners attended the AGMS on 10 April 2023. Members of the Board of Directors and Board of Commissioners who were present could represent the Bank in explaining each AGMS agenda to shareholders, ensuring that it was properly implemented.
		1.3 Summary of the GMS minutes is available on the Public Company website for at least 1 (one) year.	Comply	CIMB Niaga uploads the summary of the GMS minutes on the same day after the GMS is held to the CIMB Niaga website. A summary of the GMS minutes from 2013 up to the present is available on the Bank's website, both in Bahasa and English.
Public Company Relations with Shareholders in Guaranteeing Shareholder Rights	<b>Principle 2:</b> Improving the Quality of Public Company communication with Shareholders or Investors	2.1 Public Company have a communication policy with shareholders or investors.	<p>Comply</p> <p>CIMB Niaga has a Policy on Communication with Shareholders or Investors No. M.02 which has been uploaded to website.</p> <p>The Bank's communication activities include the implementation of GMS, Public Expose, Analyst Meetings, teleconferences/meetings/webinars with investors and analysts, Annual Rating Review, publication of Monthly, Quarterly, and Annual Financial Statements, and accurate and timely information disclosure. CIMB Niaga also provides information on head office and branch addresses, e-mail addresses, and phone numbers on the website and in the Annual Report, as well as social media access (Facebook, Twitter, Instagram, LinkedIn), and Call Center so that shareholders and investors can easily communicate with the Bank.</p>	

Aspect	Principle	Recommendation	Description
		2.2 The Public Company discloses the Public Company's communication policy with shareholders or investors on the Website.	Comply  CIMB Niaga's Policy on Communication with Shareholders or Investors No. M.02 has been uploaded to the CIMB Niaga website.
Functions and Roles of the Board of Commissioners	<b>Principle 3:</b> Strengthen the Membership and Composition of the Board of Commissioners	3.1 Determination of the number of members of the Board of Commissioners considers the conditions of the Public Company	Comply  CIMB Niaga has a Nomination Policy for Members of the Board of Commissioners, Board of Directors, and Independent Parties as members of the Committee at the Board of Commissioners level No. M.04, which serves as a guideline for the Nomination and Remuneration Committee in the process of nominating members of the CIMB Niaga Board of Commissioners while considering the Bank's needs, conditions, and capabilities. At the time this Annual Report was published, the Bank's Board of Commissioners was made up of 7 (seven) people, with 4 (four) Independent Commissioners (57%) and 2 (two) of them are female Independent Commissioners. The number of members on the Bank's Board of Commissioners does not exceed that of the Board of Directors.
		3.2 Determination of the composition of members of the Board of Commissioners considers the diversity of skills, knowledge and experience required.	Comply  The CIMB Niaga Board of Commissioners has a diverse background in terms of expertise, knowledge, experience, and nationality, aim to support the Bank's business development. This is shown in the profiles of each Board of Commissioners.
	<b>Principle 4:</b> Functions and Roles of the Board of Directors in Enhancing the Quality of Implementation of the Duties and Responsibilities of the Board of Commissioners	4.1 The Board of Commissioners has a self-assessment policy to assess their performance	Comply  The policy to assess the performance of the Board of Commissioners and Committees at the Board of Commissioners level is outlined in the Appendix to the Nomination and Remuneration Committee Charter, which is available on the CIMB Niaga website, and is included in the Corporate Governance Report Chapter of this Annual Report, along with the assessment results.
		4.2 The self-assessment policy for assessing the performance of the Board of Commissioners is disclosed in the Public Company's Annual Report	Comply  The Board of Commissioners' performance assessment policy is set out in the Appendix to the Nomination and Remuneration Committee Charter, and disclosed in the Corporate Governance Report Chapter of this Annual Report, along with the assessment results.
		4.3 The Board of Commissioners has a policy regarding the resignation of members of the Board of Commissioners if they are involved in financial crimes.	Comply  CIMB Niaga's Board of Commissioners Charter (point XI.4) regulates that members of the Board of Commissioners who are involved in financial crimes and/or other criminal acts are required to resign from their positions.
		4.4 The Board of Commissioners or the Committee that carries out the Nomination and Remuneration function prepares a succession policy in the Nomination process for members of the Board of Directors.	Comply  The succession policy has been regulated in the Nomination and Remuneration Committee Charter and the Nomination Policy for Members of the Board of Commissioners, Board of Directors, and Independent Parties as members of the Committees at the Board of Commissioners level No. M.04, as well as disclosed in the discussion of the Nomination and Remuneration Committee in this Annual Report.
Functions and Roles of the Board of Directors	<b>Principle 5:</b> Strengthen the Membership and Composition of the Board of Directors	5.1 Determination of the number of members of the Board of Directors considers the condition of the Public Company and effectiveness in decision making.	Comply  CIMB Niaga has a Nomination Policy for Members of the Board of Commissioners, Board of Directors and Independent Parties as members of the Committees at the Board of Commissioners level No. M.04 as a guideline for the Nomination and Remuneration Committee in the process of nominating members of the CIMB Niaga Board of Directors by considering the Bank's financial condition and capabilities, as well as the organizational needs and complexity of the Bank as the second largest private bank in Indonesia. At the time this Annual Report was published, the Bank's Board of Directors consisted of 10 (ten) members. The number of members on the Bank's Board of Directors exceeds that of the Board of Commissioners.

Aspect	Principle	Recommendation	Description
		5.2 Determination of the composition of members of the Board of Directors considers the diversity, skills, knowledge and experience required.	Comply  CIMB Niaga's Board of Directors have diverse backgrounds in terms of expertise, knowledge and experience. This shown in the profile of each Director. The diversity and number of the Board of Directors is needed in order to provide the best alternative problem resolution for the Bank, in accordance with the needs, size and complexity of the Bank's business.
		5.3 Members of the Board of Directors who are in charge of accounting or finance have expertise and/or knowledge in the field of accounting.	Comply  Mr Lee Kai Kwong is CIMB Niaga's Director of Strategy, Finance, and SPAPM, overseeing accounting and finance. He has a Bachelor of Science (Fin) from the University of Pennsylvania in the United States and has previously worked as Senior Managing Director - Regional Head Consumer Business Planning & Analysis at CIMB Bank Malaysia, as well as in various positions in the Finance sector. Mr Lee Kai Kwong meets the requirements for expertise and/or knowledge in accounting and/or finance.
	<b>Principle 6:</b> Improving the Quality of Implementation of the Board of Directors' Duties and Responsibilities	6.1 The Board of Directors has a self-assessment policy to assess their performance	Comply  The Board of Directors' performance assessment policy is governed by the Appendix to the Nomination and Remuneration Committee Charter, which is available on the CIMB Niaga website.
		6.2 The self-assessment policy for assessing the performance of the Board of Directors is disclosed in the Public Company's annual report.	Comply  The Board of Directors' performance assessment policy is set out in the Appendix to the Nomination and Remuneration Committee Charter and disclosed in the Corporate Governance Report Chapter of this Annual Report, along with the results.
		6.3 The Board of Directors has a policy regarding the resignation of members of the Board of Directors if they are involved in financial crimes.	Comply  CIMB Niaga's Board of Directors Charter (point XI.4) regulates that members of the Board of Directors who are involved in financial crimes and/or other criminal acts are required to resign from their positions.
Stakeholder Participation	<b>Principle 7:</b> Improving Corporate Governance Aspects through Stakeholder Participation	7.1 Public Company have a policy to prevent insider trading	Comply  To prevent insider trading, CIMB Niaga has a Conflict Management Policy that has been posted on the CIMB Niaga website. This policy seeks to establish rules, identify, reduce, and manage potential conflicts of interest that may arise within the Bank as a result of activities carried out by the Bank's business units that enable them to obtain information about the Bank, Bank customers, and the CIMB Group.
		7.2 Public Company have anti-corruption and anti-fraud policies	Comply  CIMB Niaga's Anti-Bribery & Corruption Policy No. M.11, Anti-Bribery Management System Policy No. M.14, and Anti-Fraud Policy No. E.07 have all been uploaded to the CIMB Niaga website.  The Anti-Bribery & Corruption Policy and the Anti-Bribery Management System Policy were developed with the goal of providing information and guidance to parties working for and on behalf of the Bank on procedures for detecting, avoiding, communicating, and dealing with bribery and corruption issues.  The Anti-fraud Policy governs the framework, governance, and implementation of anti-fraud strategies, which are delivered through four pillars: prevention, detection, investigation, and monitoring.  Further information about the Anti-Bribery and Corruption Policy and the Anti-fraud Policy is disclosed in this Annual Report
		7.3 Public Company have a policy regarding the selection and improvement of supplier or vendor capabilities.	Comply  CIMB Niaga has a Goods and Services Procurement Policy No. E.04.A.06, a Goods and Services Procurement Procedure No. E.04.A.06.P.01, and a CIMB Niaga Vendor Code of Ethics, all of which have been uploaded to the CIMB Niaga website and are further disclosed in this Annual Report.  The Code of Ethics and Code of Conduct, as well as the Anti-Bribery and Corruption Policy, govern relationships with business partners (customers, suppliers, vendor partners, and consultants who work with the Bank), and include anti-competition policies, objective evaluation, prohibition of gratification, and provisions for consultation and lobbying with business/enterprise partners.



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Aspect	Principle	Recommendation	Description
		7.4 Public Company have a policy to fulfill creditor rights.	Comply CIMB Niaga has a Creditor Rights Fulfillment Policy No. M.05, which is available on the CIMB Niaga website and is further disclosed in this Annual Report. This policy stipulates that CIMB Niaga implements and respects creditors' rights by treating all creditors equally, fulfilling their rights and obligations on time, and keeping no Bank information hidden (disclose).
		7.5 Public Company have a whistleblowing system policy.	Comply CIMB Niaga has Whistleblowing Policy No. E.08 which has been uploaded on the CIMB Niaga website and is further disclosed in this Annual Report.
		7.6 Public Company have a policy of providing long-term incentives to Board of Directors and employees.	Comply CIMB Niaga's Risk Based Remuneration Policy No. A.06.02 includes a policy for providing long-term incentives to Board of Directors and employees who meet the Material Risk Taker (MRT) criteria.  An explanation of the Risk-Based Remuneration Policy is further disclosed in this Annual Report.
Information Disclosure	<b>Principle 8:</b> Improving the Implementation of Information Disclosure	8.1 Public Company make wider use of information technology apart from Websites as a medium for information disclosure.	Comply Aside from the website, CIMB Niaga uses other information technology such as telephone banking, e-mail, radio, print media, social media (such as Instagram, Facebook, Twitter, LinkedIn, and YouTube), screens/TVs at branch offices, ATMs, OCTO Clicks, and OCTO Mobile as media channels for information dissemination.  Further explanation regarding Access to Company Information and Data is disclosed in this Annual Report.
		8.2 The Public Company's Annual Report discloses the ultimate beneficial owner in Public Company share ownership of at least 5% (five percent), in addition to disclosure of the ultimate beneficial owner in Public Company share ownership through the major and controlling shareholders	Comply CIMB Niaga does not have shareholders with share ownership of at least 5% other than the controlling shareholder (CIMB Group) as disclosed in the Company Profile chapter in this Annual Report.

# Integrated Governance Implementation Report

CIMB Niaga sees governance as the primary driver of innovation, sustainability, and balanced growth. CIMB Niaga's implementation of Integrated Governance is a tangible demonstration of the Bank's commitment to implementing comprehensive and targeted governance. CIMB Niaga applies Integrated Governance to the business activities of the financial conglomerate, with the aim of improving performance, complying with laws and regulations, and upholding ethical values that apply within the financial services industry.

Implementation of Integrated Governance can also promote sustainable stability in the Bank's financial system, increasing competitiveness in the financial services industry. CIMB Niaga's implementation of Integrated Governance is based on OJK Regulation No. 18/POJK.03/2014, dated 18 November 2014, and OJK Circular Letter No. 15/SEOJK.03/2015, dated 25 May 2015, regarding the Implementation of Integrated Governance (IG) for Financial Conglomerates, as well as OJK Regulation

No. 45/POJK.03/2020, dated 16 October 2020 concerning Financial Conglomerates. These provisions govern the formation of a financial conglomerate, the appointment of the Main Entity (ME) within the financial conglomerate, the comprehensive and effective implementation of IG, and the Main Entity's obligation to prepare a Corporate Charter.

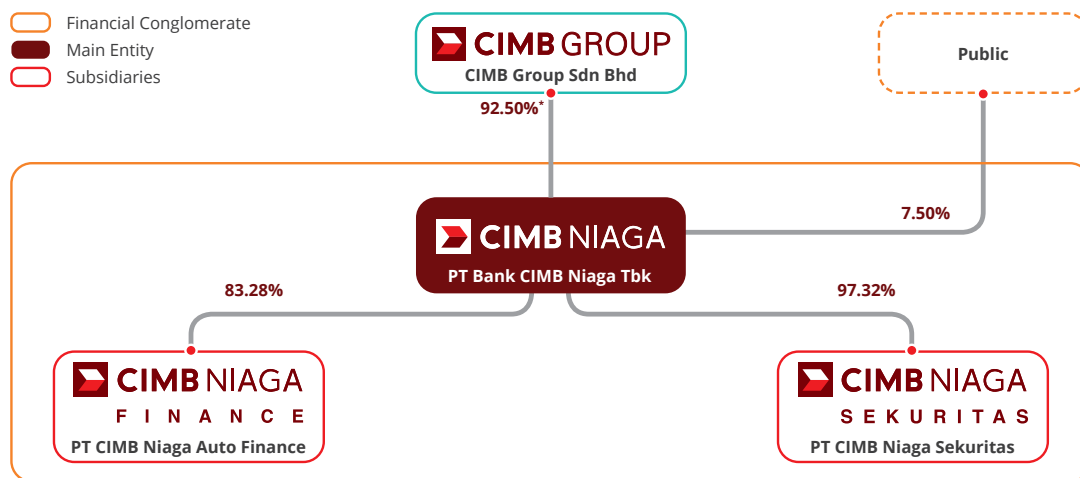
## FINANCIAL CONGLOMERATE STRUCTURE

The membership composition of the CIMB Indonesia Financial Conglomerate has been reported to OJK through CIMB Niaga Letter No. 050/FO/KP/19 dated 24 April 2019, as follows:

- Main Entity : PT Bank CIMB Niaga Tbk (CIMB Niaga)
- Members : PT CIMB Niaga Auto Finance (CNAF)  
PT CIMB Niaga Sekuritas (CNS)

## SHAREHOLDING STRUCTURE

The current shareholding structure of the CIMB Indonesia Financial Conglomerate is illustrated as follows:



\* Including PT Commerce Kapital 1.02%.

## MANAGEMENT STRUCTURE

Pursuant to OJK Regulation No. 18/POJK.03/2014 on Implementation of Integrated Governance for Financial Conglomerates, the following is the management structure of CIMB Indonesia Financial Conglomerate:

Entity	IG Committee*	Compliance Function	Internal Audit Function	Risk Management Function
PT Bank CIMB Niaga Tbk (CIMB Niaga)	✓	✓	✓	✓
CIMB Niaga Auto Finance (CNAF)	✓	✓	✓	✓
CIMB Niaga Sekuritas (CNS)	✓	✓	✓	✓

\* The IG Committee is in the Main Entity. However, the Committee consists of representatives of Independent Commissioners from each member Financial Service Institution (FSI) of the Financial Conglomerate.

## MAIN ENTITY: CIMB NIAGA

### BOARD OF COMMISSIONERS, SHARIA SUPERVISORY BOARD, AND BOARD OF DIRECTORS OF THE MAIN ENTITY

The compositions of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors of CIMB Niaga as the Main Entity are presented in the Company Profile Chapter of this Annual Report.

### DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS OF THE MAIN ENTITY

Overseeing the implementation of Integrated Governance by:

1. Approving the IG Charter prepared by the Board of Directors of the ME;
2. Overseeing governance implementation of each member of the CIMB Indonesia Financial Conglomerate to be in accordance with the IG Charter;
3. Overseeing the implementation of the duties and responsibilities of the Board of Directors of the ME, and providing guidance or advice to the Board of Directors of the ME on the implementation of the IG Charter;
4. Evaluating the IG Charter and implementation guidelines;
5. Providing guidance for the improvement of the IG Charter and implementation guidelines;
6. Submitting the IG Committee recommendations to the Board of Directors of the ME regarding the IG implementation by members of the CIMB Indonesia Financial Conglomerate;
7. Establishing the IG Committee to support the effectiveness of its duty implementation, which will be regulated in a separate section;
8. Convening regular meetings at least once per semester.

### DUTIES AND RESPONSIBILITIES OF THE SHARIA SUPERVISORY BOARD OF THE MAIN ENTITY

1. Ensuring that IG implementation does not conflict with Sharia principles;

2. Overseeing FSI activities as in compliance with Sharia principles.

### DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS OF THE MAIN ENTITY

1. Ensuring the implementation of IG in the CIMB Indonesia Financial Conglomerate;
2. Preparing the IG Charter for approval by the Board of Commissioners of the ME;
3. Preparing the Implementation Guidelines needed to support IG Charter implementation, including but not limited to:
  - a. Integrated Risk Management Guidelines;
  - b. Integrated Compliance Guidelines; and
  - c. Integrated Internal Audit Guidelines
4. Directing, monitoring, and evaluating the implementation of the IG Charter;
5. Following up on the directive and advice of the Board of Commissioners of the ME to improve the IG Charter and its implementation;
6. Ensuring that audit findings and recommendations from the Integrated Internal Audit, external audit, and supervision results from OJK and other authorities have been followed up by FSI within the CIMB Indonesia Financial Conglomerate;
7. Reporting the IG self-assessment (semesterly) and the IG Annual Report;
8. Appointing an organizational unit within the ME to be in charge of coordinating the IG implementation in the CIMB Indonesia Financial Conglomerate.

### MEMBER: CNAF

The compositions of the Board of Commissioners and Board of Directors of CNAF are presented in the Company Profile Chapter of this Annual Report.

### MEMBER: CNS

The compositions of the Board of Commissioners and Board of Directors of CNS are presented in the Company Profile Chapter of this Annual Report.

#### Duties and Responsibilities of Members of CIMB Indonesia Financial Conglomerate

The Board of Commissioners	The Board of Directors
<ol style="list-style-type: none"> <li>1. Provide recommendations and approval regarding the Governance Policy prepared by the Board of Directors and ensure the Governance Policy is in accordance with the IG Charter;</li> <li>2. Supervise the IG implementation, with the following duties and responsibilities:               <ol style="list-style-type: none"> <li>a. Supervise Governance implementation to be in accordance with the IG Charter and Governance Policy;</li> <li>b. Follow up on the IG Committee recommendations related to IG implementation and improvements to the Governance Policy;</li> <li>c. Supervise the implementation of the duties and responsibilities of the Board of Directors, as well as provide guidance or recommendations to the Boards of Directors regarding the implementation of the Governance Policy;</li> <li>d. Evaluate and approve the Governance Policy for improvement;</li> <li>e. Establish a Governance Committee by considering the characteristics and scale of the business;</li> <li>f. The Board of Commissioners discusses the recommendations from the IG Committee in the Joint Meetings of the Board of Commissioners and Board of Directors in order to provide guidance and advice.</li> </ol> </li> </ol>	<p>The Board of Directors must ensure the implementation of IG by members of the CIMB Indonesia Financial Conglomerate, with the following responsibilities:</p> <ol style="list-style-type: none"> <li>1. Prepare a Governance Policy that is aligned with the IG Charter;</li> <li>2. Prepare the necessary policies and procedures for the implementation of IG, aligned with the procedures established by the Main Entity;</li> <li>3. Provide sufficient resources;</li> <li>4. Guide, monitor, and evaluate the Governance Policy implementation, including governance reporting;</li> <li>5. Follow up on the guidance and advice from the Board of Commissioners in order to improve governance policies, as well as IG and governance implementation based on the recommendations of the IG Committee; and</li> <li>6. Reporting the assessments and implementation of governance to the ME in accordance with prevailing procedures.</li> </ol>

### CORPORATE CHARTER

CIMB Niaga has prepared and established the CIMB Indonesia Financial Conglomerate Corporation Charter as regulated in OJK Regulation No. 45/POJK.03/2020 on Financial Conglomerates, which was approved by the Board of Directors of CIMB Niaga and the Board of Directors of FSI as members of the CIMB Indonesia Financial Conglomerate on 25 November 2020. The Corporate Charter was submitted to OJK on 27 November 2020, and to this day, the charter is still relevant.

### INTEGRATED GOVERNANCE (IG) COMMITTEE

The establishment of the Integrated Governance Committee is a form of CIMB Niaga's commitment to implementing good corporate governance in a professional and sustainable manner. The IG Committee assists in the effectiveness of implementing the duties of the Board of Commissioners of the ME in carrying out its oversight function on the implementation of IG in the CIMB Indonesia Financial Conglomerate. Further discussion regarding the IG Committee is presented in the IG Committee Discussion as part of the Corporate Governance Report Chapter in this Annual Report.

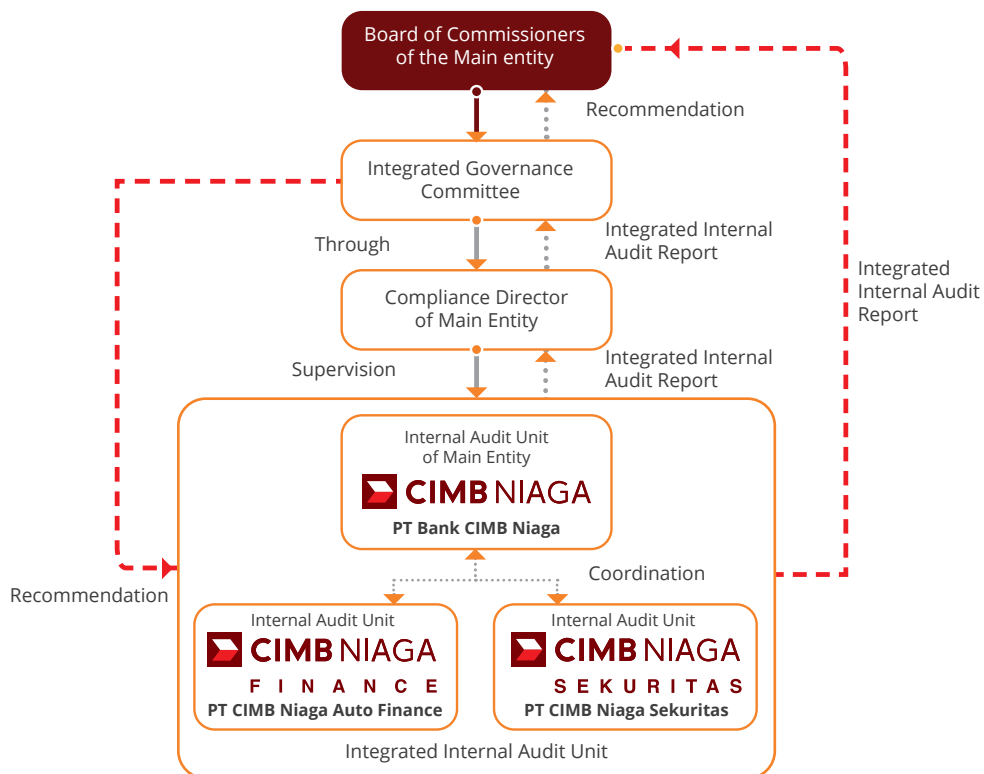
### INTEGRATED INTERNAL AUDIT UNIT (IIA)

The IIA establishment within CIMB Indonesia Financial Conglomeracy aims to carry out proper GCG implementation. IIA of the CIMB Indonesia Financial Conglomeracy has prepared an Integrated Internal Audit Policy and Integration Governance Guidelines, which will serve as the foundation for IIA of Main Entity (ME) and IIA of Financial Services Institution (FSI), members of the CIMB Indonesia Financial Conglomerate, to perform integrated monitoring and supervision, potentially improving the quality of Integrated Internal Audit performance.

### TASKS AND RESPONSIBILITIES OF IIA

1. Monitor and evaluate the performance of integrated audits in each member of the CIMB Indonesia Financial Conglomerate;
2. Coordinate with all IA members of the CIMB Indonesia Financial Conglomerate in accordance with their functions;
3. Compile the results of the Integrated Internal Audit for each member of the CIMB Indonesia Financial Conglomerate;
4. Prepare and submit performance reports on the tasks and responsibilities of integrated internal audit to the ME Compliance Director and ME Board of Commissioners.

**CIMB Indonesia Financial Conglomerate IIA Organizational Structure**



In performing its duties, IIA of CIMB Indonesia Financial Conglomerate may conduct audits of the members of the CIMB Indonesia Financial Conglomerate, individually, joint audit, or based on reports from other IA members of the CIMB Indonesia Financial Conglomerate.



IIA ensures that audit findings and recommendations from IIA, the external auditor, the OJK monitoring result, and/or the monitoring result of other authorities have been followed up by members of the CIMB Indonesia Financial Conglomerate.

2. Conduct regular meetings with the Head of LJK FSI IA member of CIMB Indonesia Financial Conglomerate.
3. Monitor audit plan and audit result of FSI IA LJK member of CIMB Indonesia Financial Conglomerate regularly.

### INTEGRATED AUDIT IMPLEMENTATION IN 2023

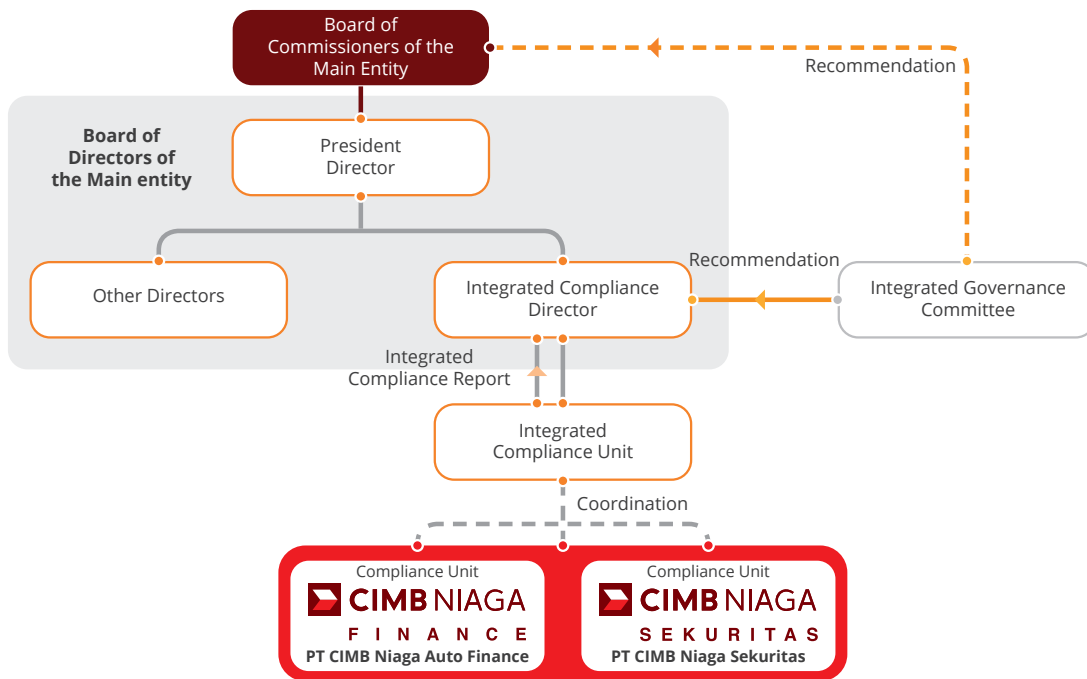
In 2023, IIA monitored and reported the implementation of integrated internal audit to the EU ME Compliance Director and the EU ME Board of Commissioners regularly. IIA has taken various measures to ensure that the integrated internal audit was carried out as per OJK FSA's expectations, as follows:

1. Align internal audit policies and procedures with CIMB Niaga IA.

### INTEGRATED COMPLIANCE UNIT (ICU)

According to POJK No. 18/POJK.03/2014 on the Implementation of Integrated Governance (IG) for Financial Conglomerates, the CIMB Niaga Compliance Unit (CU) also serves as the Integrated Compliance Unit (ICU), overseeing the implementation of the compliance function in the CIMB Indonesia Financial Conglomerate (CIFC) through regular and intensive coordination with the subsidiary CU. CIMB Niaga's CU is an independent work unit, distinct from operational work units in the ME.

#### Organizational Structure of ICU in CIMB Indonesia Financial Conglomerate



### ICU DUTIES AND RESPONSIBILITIES

1. Monitor and evaluate Integrated Compliance implementation across CIFC members;
2. Coordinate with each CU member of the CIFC based on their function;
3. Compile Integrated Compliance implementation results from all CIFC members;
4. Prepare and submit reports on the implementation of Integrated Compliance duties and responsibilities to the ME Compliance Director;
5. Develop policies to guide the implementation of the compliance function in an integrated manner and share them with other FSIs that are members of CIFC;

### IMPLEMENTATION OF INTEGRATED COMPLIANCE ACTIVITIES IN 2023

1. Each CU member in the CIFC prepares and submits regular Compliance Reports to ICWU;
2. ICU prepares and delivers:
  - a. Quarterly Integrated Compliance Report to the ME Board of Directors in charge of the compliance function;
  - b. Semesterly self-assessment report on IG implementation in CIFC to the IG Committee and OJK;

- c. Annual report on IG implementation to OJK and publication through the Annual Report/Bank website.
3. The ME Compliance Director submits Semester Integrated Compliance Reports to the ME Director and EU Board of Commissioners;
4. Aligning the compliance framework between ICU and each CU in the CIFIC members;
5. Updating internal policies and developing several procedures that will serve as references when implementing the integrated compliance function;
6. Hold regular coordination meetings with each CU in the CIFIC members and monitor corrective actions for compliance issues faced by each member of the CIFIC, including following up on the Regulator's audit findings;
7. The ME and members of the CIFIC conduct independent assessments of Compliance Risk Management Implementation in accordance with internal regulations and methodologies.

Compliance Risk Profile	Self-Assessment Rating	Description
Bank CIMB Niaga	2/Low Moderate	Taking into account the business activities carried out by the Bank, the possibility of losses due to Compliance Risk has been classified as low. The quality of Compliance Risk management implementation is satisfactory. In the event of a minor weakness, the weakness can be resolved through normal business activities.
CIMB Niaga Auto Finance (CNAF)	2/Low Moderate	Taking into account the business activities carried out by CNAF, the possibility of losses due to Compliance Risk has been classified as low. The quality of Compliance Risk management implementation is satisfactory. In the event of a minor weakness, the weakness can be resolved through normal business activities.
CIMB Niaga Sekuritas (CNS)	3/Moderate	Taking into account that the business and organizational activities of CNS have just started this year, the possible losses due to Compliance Risk have been classified as moderate for a certain period of time in the future. The quality of Risk Management implementation is fair. The minimum requirements have been met, and there are several weaknesses that require the management's attention.
CONSOLIDATED/ INTEGRATED	2/Low Moderate	Taking into account the business activities carried out by the Financial Conglomerate, the possibility of loss from Compliance Risk is relatively low for a certain period of time in the future. The quality of Compliance Risk implementation management is adequate. In the event that there are minor weaknesses, these weaknesses require to get management's attention.

## INTEGRATED RISK MANAGEMENT

In accordance with POJK No. 17/POJK.03/2014, the Controlling Shareholder appointed CIMB Niaga as the Main Entity (ME) in charge of coordinating the assessment of the risk management process of the CIMB Indonesia Financial Conglomerate (CIFIC), whose members are PT Bank CIMB Niaga, Tbk and 2 (two) subsidiaries, PT CIMB Niaga Auto Finance (CNAF) and PT CIMB Niaga Securities (CNS).

The ME is responsible for the establishment of the Integrated Risk Management Committee (IRMC) and an Integrated Risk Management Unit (IRMU) toward the comprehensive and effective implementation of integrated risk management, while still taking into account of the unique characteristics and complexity of each CIFIC member's business. The IRMC consists of the Risk Management Director and related senior management members from the ME, as well as the Director in Charge of the Risk Management Function of each Financial Services Institution (FSI), who is a member of the CIFIC. The process of monitoring and evaluation of risk exposure in CIFIC is performed through the IRMC, and reported to the Risk Management Committee (RMC) at ME.

## COMPOSITION OF IRMC MEMBERS IN 2023

Name	Position	Position in IRMC
Henky Sulistyio	Risk Management Director CIMB Niaga	Chairman
Julius W. Tjhioe	Head of Operational Risk CIMB Niaga	Deputy Chairman I
Yenyen Koei*	Head of Risk Analytics and Infrastructure CIMB Niaga	Deputy Chairman II
Antonius Herdaru Danurdoro	Risk Management Director CNAF	Member
Harry Supoyo	President Director CNS	Member
Diva Mahdi	Head of Market Risk and Model Validation CIMB Niaga	Member
Koei Hwei Lien	Head of Retail Credit Risk CIMB Niaga	Member
Sandi Maruto	Head of ALM Risk CIMB Niaga	Member

\* Acting Officer



### DUTIES AND RESPONSIBILITIES OF THE IRMC

1. Provide recommendations to the ME Board of Directors with regard to the formulation of Risk Management policy, which also include policies and procedures for Integrated Risk Management, as well as improvement and enhancement to such policies or procedures based on the evaluation of their implementation.
2. Review and coordinate the the evaluation results of the integrated risk management implementation, such as integrated risk profile reports or other reports generated by the integrated risk management information system and methodology.

Additional details about the KMRT Code of Conduct are outlined in the KMRT Terms of Reference (TOR).

### IMPLEMENTATION OF INTEGRATED RISK MANAGEMENT ACTIVITIES IN 2023

The following is integrated risk management activities in 2023:

1. The IRMU of ME coordinates the submission of the Integrated Risk Profile Report from the respective RMU of each CIFC member every semester to the regulator.
2. The IRMU, along with the Finance Unit, submitted the Minimum Capital Adequacy Requirement report every semester to the regulator. Prior to this, the report is submitted to the IRMC for recommendation, before approved by RMC from ME.
3. Coordination of the implementation of the integrated risk management function by the EU to FI members of CIFC, which is carried out periodically with the IRMU of each FI member of the CIFC.
4. Submission of the Integrated Risk Profile Report result to all IRMC members to obtain recommendations before being approved by the RMC of ME.
5. There were no significant events that occurred in each FI member of CIFC that could affect the overall risk profile of the CIFC.

### INTEGRATED RISK MANAGEMENT UNIT

IRMU coordinates the risk management units of each FI within member of the CIFC. The IRMU's authority and responsibilities include, among others:

The authority and responsibilities of the IRMU include, among others:

1. Provide feedback to the IRMC and RMC of ME with regard to, among others, the preparation and implementation of Integrated Risk Management policies and procedures.

2. Provide information to the IRMC on issues that need to be followed up, including in the event of a significant excession or significant incident in each FI member of CIFC that may affect the CIFC as a whole.
3. Conduct risk monitoring in CIFC based on the results of the risk profile assessment of each FI member of CIFC as well as the integrated risk profile.
4. Develop and review the accuracy of the risk profile assessment methodology on a regular basis or in case of regulatory changes.
5. Prepare and submit the integrated risk profile and minimum capital adequacy requirement report periodically to the Risk Management Director at the Bank as ME, and to the IRMC and RMC at the Bank as the ME, prior to the submission to the regulator.

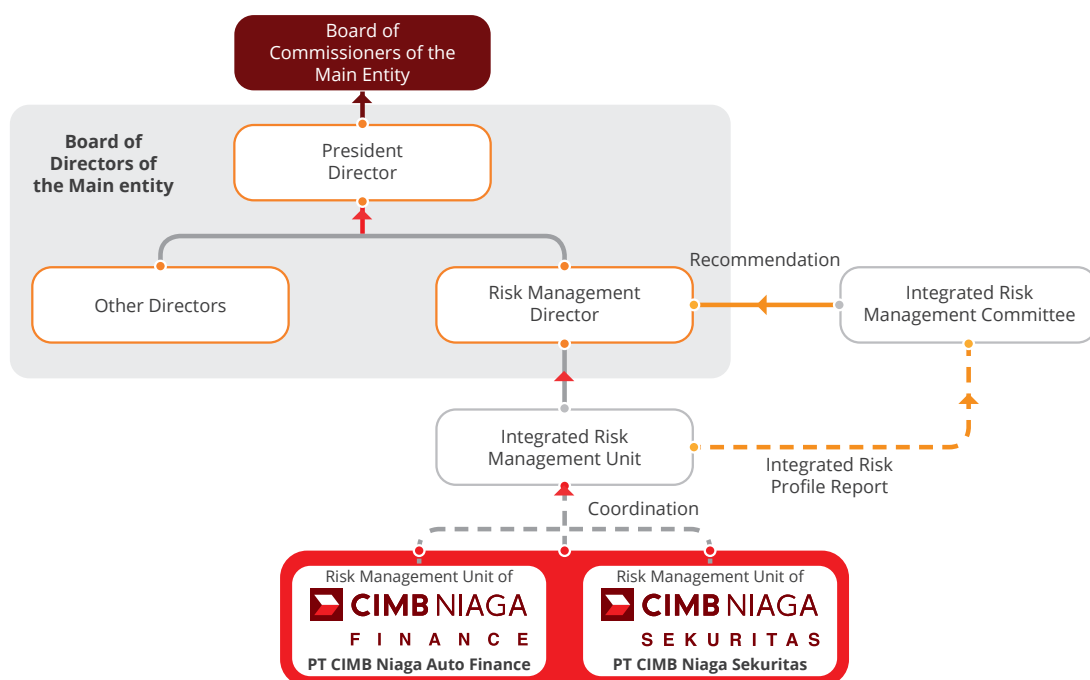
The IRMU monitors the implementation of integrated risk management. The results of the monitoring process for this risk exposure are then reported to and evaluated by the IRMC, as well as reported to the RMC of ME, in line with the IRMU's efforts to comply with the provisions of the regulator regarding the implementation of risk management.

In 2023, the implementation of IRMU duties include the following:

1. Conduct periodic review of the risk management policies and procedures that serve as guidelines and references in the implementation of integrated risk management.
2. Conduct a review of the methodology used in the risk profile self-assessment process for each FI member of CIFC.
3. Carrying out the process of improving and aligning risk management activities and frameworks in the ME with the implementation of risk management in FI members of CIFC.
4. Prepare and submit the integrated risk profile and minimum capital adequacy requirement reports on a regular basis to IRMC and RMC in the ME to be further submitted to regulators.

Further explanation regarding the implementation of integrated risk management is presented in the Risk Management Chapter of this Annual Report.

### Organizational Structure of IRMU in CIMB Indonesia Financial Conglomerate



### POLICY ON INTRAGROUP TRANSACTIONS

Intragroup transaction risk is one of the risks that must be managed in the context of implementing Integrated Risk Management. Intragroup transaction risk arises due to the dependence of an entity, either directly or indirectly, on other entities within a financial conglomerate in the context of fulfilling the obligations of written and unwritten agreements, whether followed or not followed by a transfer of funds.

Intragroup transaction risk may arise from, among others:

1. Cross-ownership among FI members in a financial conglomerate.
2. Centralization of short-term liquidity management.
3. Guarantee, loan or commitment, provided by or obtained from one FI to another FI within the financial conglomerate.
4. Exposures to the controlling shareholders, including loan and off-balance sheet exposures, such as guarantees and commitments.
5. Placement, purchase or sale of assets to other FI's within a financial conglomerate.
6. Risk transfer through reinsurance.
7. Transactions to transfer third party risk exposure among FI within a financial conglomerate.
8. Business cooperation or cross-selling in the form of incentives or fees among FI.

In the context of active supervision, the Board of Commissioners and the Board of Directors receive regular reports related to intragroup transactions. Adequate policies and procedures for managing intragroup transactions have been developed in each FI. At the ME,

these policies include the Risk Management Policy, the Policy regarding the Maximum Legal Lending Limit (LLL), and others. The clarity of authority and responsibility has also been well regulated under the authority of the Strategy, Finance & SPAPM Director.

In the intragroup transaction risk management process, the ME has identified, measured, monitored, and controlled the risk of composition and fairness of transactions among CIFC members. Periodically, the Finance Unit and RMU monitor the risk of the composition of intragroup transactions to ensure compliance with limits, such as the LLL and the arms-length principle of transactions.

The CIMB Indonesia Financial Conglomerate has no centralized liquidity management, intragroup support is not binding, transaction operations where one company acts with or on behalf of another company within the CIMB Indonesia Financial Conglomerate are very low, and purchases or sales of intragroup assets are immaterial. In terms of documentation and fairness of transactions, the documentation of intra-group transaction agreements is very adequate, and all transactions are carried out based on the arm's length principle and in accordance with applicable regulations. Exposure to the controlling shareholder toward total capital and exposure arising from the placement of customer assets with other companies within the CIMB Indonesia Financial Conglomerate is also insignificant. In addition, the implementation of an independent review is carried out by the IAU in accordance with the business scale and complexity of intragroup transactions.

Intragroup transaction risk is one of the risk assessment aspects in the Integrated Risk Profile Report, which is reported regularly. Up to the end of 2023, the risk profile of intra-group transactions is still considered low and limited, and the significance of intra-group transactions toward the total assets of the CIMB Indonesia Financial Conglomerate is still insignificant.

## IG IMPLEMENTATION ASSESSMENT REPORT

### IG IMPLEMENTATION ASSESSMENT METHOD

Based on SEOJK No. 15/SEOJK.03/2015 concerning the Implementation of Integrated Governance for Financial Conglomerates, self-assessment of IG implementation is carried out every semester, which includes an assessment of 3 (three) aspects of IG, namely Structure, Process, and Outcomes on 7 (seven) Factors of Assessment of the following IG implementations:

1. Implementation of the duties and responsibilities of the ME's Board of Directors;
2. Implementation of the duties and responsibilities of the ME's Board of Commissioners;

3. Duties and responsibilities of the IG Committee;
4. ICU duties and responsibilities;
5. IA duties and responsibilities;
6. Implementation of Integrated Risk Management; and
7. Preparation and implementation of IG Guidelines, as well as paying attention to other information related to the implementation of IG.

IG Committee members and IRMC members conduct the IG implementation self-assessment process, evaluating the adequacy of the IG structure, process, and outcomes for each assessment factor, as well as considering other significant and relevant information in the implementation of Governance.

Furthermore, in the process of self-assessment of IG implementation, the Bank as ME considers data and other information obtained from other work units such as Risk Management, Internal Audit, Corporate Affairs, Human Resources, Anti-Fraud Management, and work units in subsidiary companies, which are used as a validation factor in assessing IG implementation in the CIMB Indonesia Financial Conglomerate.

### IG IMPLEMENTATION ASSESSMENT OUTCOMES

The outcomes of the IG implementation assessment in Semester I and II 2023 are as follows:

Outcomes of Self-Assessment of Integrated Governance Implementation	
Rating	Rating Definition
2 (GOOD)	The Financial Conglomerate is considered to have implemented IG that is generally good, as reflected in the adequate fulfillment of the application of IG principles.

The CIMB Indonesia Financial Conglomerate is thought to have implemented good IG principles and frameworks, including 7 IG assessment factors. This is reflected in the effective implementation of IG's three factors: structure, process, and outcomes. The CIMB Indonesia Financial Conglomerate has generally achieved good IG implementation outcomes as a result of the comprehensive and effective implementation of adequate IG structure and infrastructure.

This is evidenced, among others, through the implementation of the IG and IRMC Committees' duties and functions, which are supported by the implementation of the ICU, IIA, and IRMU functions, as well as the alignment of the framework in implementing internal control systems, risk management, and compliance. The CIMB Indonesia Financial Conglomerate conducts periodic self-assessment of the effectiveness of IG principle implementation and identifies areas for improvement in the IG process. In general, the room for improvement is less significant and can be addressed through normal business practices by ME and/or FSI members within the CIMB Indonesia Financial Conglomerate.

Self-assessment process for implementation of Integrated Governance is conducted through questionnaire self-assessment by respondents, consist of management and executive officers in Main Entity and Subsidiaries. The questionnaire self-assessment is also supported by validation process by independent units/functions in the Main Entity and subsidiaries (such as: Compliance, Internal Audit, Risk Management, Anti-Fraud Management, and others). In establishing report of Integrated Governance Implementation, the Main Entity also coordinate discussion with all members of CIMB Indonesia Financial Conglomerate. The outcome and its report is presented to the Integrated Governance Committee every semester for approval, to be submitted to regulators.

# Sharia Business Unit Governance Report

## POLICY ON GOVERNANCE IMPLEMENTATION

The demand for sharia-compliant financial products and services grows year after year. This was followed by an increase in the number of financial institutions and institutions that provided Sharia-compliant financing and services.

In order to meet the needs of the community, CIMB Niaga established a Sharia Business Unit (SBU), which provides a variety of Sharia financial products and services in an effort to develop the Islamic economy in Indonesia. CIMB Niaga's SBU is constantly improving and increasing the quality of its services, products, and operations. One of them is to increase the implementation of Sharia Governance, which refers to the practice of good corporate governance (GCG) and Sharia compliance.

## LEGAL BASIS

1. Indonesia's Laws regarding Limited Liability Companies and Sharia Banking.
2. Financial Services Authority (OJK) and Bank Indonesia Regulations, and OJK and Bank Indonesia Circular Letter related to Sharia Banks and Sharia Business Units.
3. Articles of Association of CIMB Niaga.

## GCG PRINCIPLES OF SBU

Sharia financial business management based on GCG is expected to make a positive contribution to all stakeholders. CIMB Niaga's SBU follows 5 (five) main principles in its business operations, namely:

1. **Transparency:** transparency in presenting material and relevant information, as well as the decision-making process.
2. **Accountability:** clarity and accuracy of presenting information regarding the management of the Bank, which runs effectively in accordance with the objectives.
3. **Responsibility:** consistent Bank management in accordance with the prevailing rules and regulations and the principles of sound SBU management.
4. **Professionalism:** being competent and able to act objectively, free from the influence/pressure of any party, and committed to developing sharia business.
5. **Fairness:** fairness and equality in fulfilling the rights and interests of the stakeholders in accordance with the agreement of prevailing rules and regulations. Changed the term of office to 3 (three) years.  
Poor

## GCG SELF-ASSESSMENT OF THE SBU

Self-Assessment of GCG implementation is carried out by the Bank to measure the outcome of GCG implementation by CIMB Niaga's SBU in 1 (one) year, as stipulated by the regulator. The assessment is routinely conducted by sending questionnaires to respondents, namely members of the Sharia Supervisory Board (SSB), Board of Directors, and Executive Officers.

The following is CIMB Niaga's Sharia Governance self-assessment result in 2023:

Factor	Weight	Rating	Score
Implementation of the Duties and Responsibilities of the SBU Director	35%	1.12	0.39
Implementation of the Duties and Responsibilities of the Sharia Supervisory Board (SSB)	20%	1.18	0.24
Implementation of the Sharia Principles in Fund Collection, Fund Distribution and Services activities	10%	2.70	0.27
Fund Distribution to Customers and Fund Deposit by Core Depositors	10%	2.11	0.21
Transparency of Financial and Non-Financial Conditions, GCG Implementation Report, and Internal Reporting	25%	1.70	0.43
<b>Composite Score</b>	<b>100%</b>		<b>1.53 (Good)</b>

Range Table

Composite Score	Composite Attribute
Composite Score >1.5	Very Good
1.5 ≤ Composite Score < 2.5	Good
2.5 ≤ Composite Score < 3.5	Fair
3.5 ≤ Composite Score < 4.5	Poor
4.5 ≤ Composite Score ≤ 5	Very Poor



## STRUCTURE AND MECHANISM OF CIMB NIAGA SBU SHARIA GOVERNANCE

### GCG STRUCTURE OF CIMB NIAGA SBU

The Governance structure of CIMB Niaga's SBU consists of the SSB and the Sharia Banking Director, who has established a number of Groups to carry out the operational business of CIMB Niaga's SBU. All sharia governance bodies at CIMB Niaga's SBU carry out their duties and responsibilities in accordance with their respective functions.

### MECHANISM OF SHARIA GOVERNANCE

In its daily operations, CIMB Niaga's SBU adheres to Sharia Governance principles. The Sharia Governance Mechanism refers to organizational management principles and practices that adhere to Sharia principles. CIMB Niaga's SBU implements Sharia Governance mechanisms to ensure that organizational activities and policies are consistent with Islamic ethical values, which are incorporated into the structure and processes of SBU organs and supporting organs. All SBU organs and supporting organs carry out their respective functions and roles in accordance with existing regulations and policies, allowing for continuous improvement in the implementation of Sharia governance.

### SHARIA SUPERVISORY BOARD (SSB)

The SSB is in charge of providing advice and suggestions to the Board of Directors and supervising the Bank's SBU activities in accordance with Sharia Principles. The SSB has the authority to supervise, monitor, provide sharia opinions, approve, and closely observe all CIMB Niaga's SBU activities. SSB members are appointed by the GMS following the recommendation from the National Sharia Council – Indonesian Ulema Council (DSN-MUI) and granting a Fit and Proper Test approval from the OJK.

### SSB CHARTER

The SSB Charter governs SSB guidelines, standards, and a code of ethics in order to improve the effectiveness of the daily implementation of SSB functions, duties, and responsibilities, as well as to establish quality standards for the management of institutional administration and SSB work results, both for the benefit of SSB, SBU, and other parties. CIMB Niaga's SBU SSB has an SSB Charter that serves as a framework for carrying out its duties and responsibilities. The SSB Charter was last updated in 2018 and is subject to periodic review in accordance with Indonesian rules and regulations.

The SSB Charter regulates the following:

1. Objective
2. Duties and Responsibilities
3. Membership
4. Work Plans and Mechanisms
5. Work Ethics and Hours
6. Remuneration and Facilities

7. Meetings and Meeting Minutes
8. Performance Assessment and Accountability
9. Supporting Units for the Implementation of SSB Duties and Responsibilities
10. Reporting

### MECHANISM OF APPOINTMENT, REPLACEMENT, AND/OR RESIGNATION OF SSB MEMBERS

The SSB Charter of CIMB Niaga's SBU contains provisions and mechanisms that govern the selection, appointment, replacement and/or resignation of SSB members, as follows:

1. SSB Member Criteria
 

A prospective member of the SSB shall meet the required integrity, competency, and good reputation criteria, as stipulated in the prevailing laws and regulations.
2. Procedures for Appointing SSB Members, including:
 

Prior to being appointed, SSB members must receive a recommendation from the National Sharia Council - Indonesian Ulema Council (DSN-MUI), approval from the GMS, and have passed the Fit and Proper Test in accordance with OJK regulations regarding Fit and Proper Test and Implementation of GCG for Sharia Commercial Banks and Sharia Business Units, as well as fulfilling other requirements set by other relevant institutions.
3. The procedures for the dismissal, replacement, and/or resignation of an SSB member include:
  - a. A member of the SSB has the right to resign from his position by notifying the Bank in writing of his intention to resign before it takes effect.
  - b. The Bank shall convene a GMS within 90 (ninety) days of the receipt of the resignation letter of the SSB member.
  - c. The proposal for the dismissal and/or replacement of an SSB member submitted to the GMS shall consider the recommendation of the Bank's Nomination and Remuneration Committee.
  - d. The Bank shall conduct a disclosure to the public and submission to the OJK at least 2 (two) working days following the receipt of the resignation letter of the SSB member.
  - e. In the event that the resignation resulted in reduction of the number of SSB members to less than the minimum number required by the prevailing regulations, the Bank shall appoint new SSB member(s) in accordance with the prevailing mechanisms and procedures for the appointment of SSB members.

- f. In the event that an SSB member resigns before his/ her term of office ends, the accountability for the implementation of duties carried out from the last accountability up to the date of the resignation shall be requested at the following Annual GMS.
- g. The dismissal and/or resignation of an SSB member shall be reported to the OJK within 10 (ten) calendar days of the effective date of such dismissal and/or resignation.

2. Replacement and/or appointment of all SSB members has considered the recommendations of the Nomination and Remuneration Committee as well as granted the approval of the GMS.
3. All SSB members have passed the Fit & Proper Test from the OJK.
4. All members of CIMB Niaga's SSB did not have family relationships up to the second degree with fellow members of SSB, members of the Board of Commissioners and/or Board of Directors, or the Controlling Shareholders.
5. The term of office of SSB members was effective from the date specified in the GMS that appointed them until the close of the third (3<sup>rd</sup>) AGMS following the date of appointment, without prejudice to the right of the GMS to dismiss them at any time in accordance with the Articles of Association and the prevailing regulations. Members can be re-appointed with due regard to the applicable provisions.

## MEMBERSHIP STRUCTURE AND COMPOSITION OF THE SSB IN 2023

In 2023, the membership structure and composition of CIMB Niaga's SSB complied with the applicable regulations as well as the SSB Charter, as follows:

1. CIMB Niaga's SSB consisted of 3 (three) members, one of whom appointed as a Chairman.

No	Name	Position	Masa Jabatan			
			GMS Appointment	BI/OJK Approval	Reappointment	Term of Office
1	Prof. Dr. M. Quraish Shihab, MA	Chairman concurrently member	AGMS 23 April 2008	No. 11/260/DPbS dated 11 February 2009	AGMS 10 April 2023	2023 - 2026
2	Prof. Dr. Fathurrahman Djamil, MA	Member	EGMS 19 December 2008	No. 11/260/DPbS dated 11 February 2009	AGMS 10 April 2023	2023 - 2026
3	Dr. Yulizar Djamiluddin Sanrego, M.Éc	Member	AGMS 28 March 2013	No. 15/825/DPbS dated 10 June 2013	AGMS 10 April 2023	2023 - 2026

## FIT AND PROPER TEST

The SSB Charter stipulates that SSB members have to be appointed at the General Meeting of Shareholders and the appointment is only effective when it has been approved by the OJK as stated in PBI No. 11 of 2009 on Commercial Sharia Banks and in the OJK Regulation No. 27/POJK.03/2016 on the Fit and Proper Test for Key Parties of Financial Services Institutions, which states that candidate SSB members must obtain approval of the Financial Services Authority prior to carrying out any actions, duties, and functions on a Sharia Supervisory Board.

All members of the SSB of CIMB Niaga's SBU have passed the fit and proper test without notes and have received approval from the OJK, which indicates that all members of the SSB have integrity, competence, and adequate financial reputation.

## SHAREOWNERSHIP BY SSB MEMBERS

All member of the Bank's SSB has no shares in the Bank, or in other financial institutions or companies.

## CONCURRENT POSITIONS OF SSB MEMBERS

Based on article 14 paragraph 4 of the OJK Regulation No.12 of 2023 concerning Sharia Business Units, members of the SSB may hold concurrent positions as SSB members at 4 (four) other sharia financial institutions, as also stated in the Bank's SSB Charter. The concurrent position of members of CIMB Niaga's SSB have met the above requirement. Information on concurrent positions of the members of CIMB Niaga's SSB is presented in the Company Profile Chapter of this Annual Report.

## DUTIES, RESPONSIBILITIES, AND AUTHORITY OF THE SSB

The SSB has the duties and responsibilities to provide advice and recommendations to the Director in charge of the SBU, and to oversee SBU activities in accordance with Sharia Principles. The scope of SSB's oversight and authorities over the SBU includes:

1. Assessing and ensuring compliance with Sharia Principles regarding the Sharia operational and product guidelines issued by the Bank.





2. Overseeing the Bank's process of new Sharia product development in accordance with the DSN-MUI fatwa.
3. Providing Sharia opinions regarding new Sharia related products and/or restructured financing with reference to the DSN-MUI fatwa and provisions governing the implementation of Sharia Principles and business activities of the SBU.
4. Requesting a fatwa from DSN-MUI for the Bank's new Sharia-related bank products which has no fatwa.
5. Periodically reviewing the compliance with Sharia Principles in relation to fund collection, fund disbursement, as well as SBU services.
6. Requesting data and information concerning Sharia aspects from the Bank's operating units that performs and/or related to Sharia activities in relation to the implementation of its duties.
7. Performing duties and responsibilities in accordance with the principles of Good Corporate Governance.
8. The SSB has the right to request clarification from the authorized Bank and SBU officers regarding the objective, characteristics, policy, and contract used in the products and services offered by the SBU.
9. The SSB has the right to review and approve all internal policies, systems, products and contracts issued by the Bank/SBU with regard to the fulfillment of Sharia principles.
10. The SSB has the right to request all the necessary data and information from the Sharia Banking Director related to the implementation its duties

#### MANAGEMENT OF CONFLICTS OF INTEREST OF THE SSB

The SSB Charter regulates conflicts of interest issues, pursuant to the OJK Regulation No. 17 of 2023 on the Implementation of Governance at Commercial Banks, which stipulates that in the event of a conflict of interest, SSB members are prohibited from taking action that can be detrimental to the Bank or reduce the Bank's profits and must disclose the conflict of interest in every decision.

The procedures that must be followed by the members of the SSB in the event of a conflict of interest are in line with those for the members of the Board of Commissioners, as outlined in the Corporate Governance Chapter, the Board of Commissioners sub-chapter, of this Annual Report.

#### PERFORMANCE ASSESSMENT OF THE SSB

##### POLICIES AND PROCEDURES FOR PERFORMANCE ASSESSMENT OF THE SHARIA SUPERVISORY BOARD

An assessment of the performance of the Sharia Supervisory Board (SSB) is carried out every year (at least once a year), for the first time in 2023, including:

1. Collegial performance assessment of the SSB;
2. Individual performances assessment of each member of the SSB; and
3. Performance assessment of the SSB Chairman.

CIMB Niaga carried out an independent assessment of the SSB's performance through a survey method given to each SSB member. It is expected that the results of this performance assessment can provide input for improving SSB performance in the future.

##### PERFORMANCE ASSESSMENT CRITERIA FOR THE SHARIA SUPERVISORY BOARD

SSB performance assessment uses several criteria as follows:

1. **Criteria of Collegial performance assessment of the SSB**
  - a. Effectiveness of the Role of the Sharia Supervisory Board
  - b. Effectiveness of Implementation of Duties and Responsibilities
  - c. Composition of the Sharia Supervisory Board
  - d. Effectiveness of Meeting, Work Ethics and SSB Dynamics
  - e. Implementation of Good Corporate Governance and Sustainability Principles
  - f. Effectiveness of Implementation and Control of Sharia Compliance
2. **Criteria of Individual Performances Assessment of Each Member of the SSB**
  - a. Competency and Capability
  - b. Effectiveness of Implementation of Duties and Responsibilities
3. **Criteria of Performance Assessment of the SSB Chairman**
  - a. Effectiveness of Implementation of Duties and Responsibilities
  - b. Leadership

##### THE PARTY CONDUCTING THE PERFORMANCE ASSESSMENT OF THE SHARIA SUPERVISORY BOARD

The parties who assess DPS performance are as follows:

1. **Collegial Performance Assessment of the SSB**  
The assessment is carried out by each members of the SSB on the overall performance of the SSB.
2. **Individual Performance Assessment of Each Member of the SSB**  
Each member of the SSB provides an assessment to each other member.
3. **Performance Assessment of the SSB Chairman**  
The assessment is carried out by each member of SSB on the performance of the SSB Chairman.

The responses provided by the parties mentioned above were communicated directly via an online survey. The performance assessment results are kept confidential and anonymous, and they are then compiled and submitted to the Nomination and Remuneration Committee and SSB. The Nomination and Remuneration Committee then presents and discusses the results of the SSB performance assessment at the Board of Commissioners meeting. The result of the discussion will be followed up with improvements or action plans (if necessary).

## RESULTS OF THE PERFORMANCE ASSESSMENT OF THE SHARIA SUPERVISORY BOARD IN 2023

In 2023, the results of the collegial and individual SSB performance assessment in detail are as follows:

Collegial Performance Assessment	Individual Performance Assessment (Average)	SSB Chairman
4,51 (Outstanding)	4,78 (Exceptional)	4,64 (Outstanding)

The Bank's commitment to implementing GCG principles is one of the factors considered in the collegial SSB

performance assessment. In 2023, the results of the assessment of GCG implementation by DPS were 4.50 (Outstanding).

### Range Table

Range	Description
≥ 4,7	Exceptional
4,0 – 4,6	Outstanding
3,7 – 3,9	Exceed Expectation
3,0 – 3,6	Meet Expectation
< 3,0	Need Improvement

## SSB MEETINGS

The SSB Charter stipulates that the SSB meetings should be held at least 1 (one) time a month, and attended by all members of the SSB and the Sharia Banking Director, with the agenda of strategic and operational policies and decisions in the context of carrying out the supervisory function, and providing advice and suggestions to the Board of Directors and SBU Management about compliance with sharia principles.

In line with the implementation of HyWork (Hybrid Working, Happy Working) at the Bank, SSB meetings during 2023 were held in person, virtually, or hybrid (in person and virtual), in which 12 (twelve) regular meetings have been held with details of attendance as follows:

Name	Attendance Frequency	Attendance Rate	Average Attendance Rate
Prof. Dr. M. Quraish Shihab, MA	12	12/12	100%
Prof. Dr. Fathurrahman Djamil, MA	12	12/12	
Dr. Yulizar Djamaluddin Sanrego, M.Ec	12	12/12	

In addition to holding meetings, SSB also held an exit meeting review of Sharia compliance with detailed information as follows:

Date	Material of Discussion
28 March 2023	Emerging Business Banking iB Financing of West Java Area
16 June 2023	Mortgage iB Financing of Batam Area
4 December 2023	Commercial Banking iB Financing in Region II

## SSB EDUCATION AND TRAINING

SSB member training data for 2023 is presented in the Company Profile Chapter of this Annual Report.

## FREQUENCY, ADVISORY AND SHARIA COMPLIANCE SUPERVISION IN 2023

SSB submits the SSB Oversight Report to CIMB Niaga management every six months. The Oversight Report are then submitted to the OJK by the Management. In 2023, the SSB submitted the following report to the OJK:

Period	Letter No.	Date
Semester I	037/PD/UUS/III/2023	15 August 2023
Semester II	006/PD/UUS/II/2024	13 Februari 2024

In 2023, SSB has also implemented several work programs, including:

1. Holding 12 (twelve) regular meetings to discuss new products, features, programs, operational guidelines, financing/funding models, financing proposals, risk profile, financial performance, benevolent funds and Zakat, and so on.
2. Reviewing Sharia compliance through sampling of financing samples, funds and service transactions for iB Emerging Business Banking Financing, iB Mortgage Financing, Fund Collection and Services at Sharia Branch Offices and Office Channeling, Fund Collection for the iB Goal Savers Group Program, and Financing iB Commercial Banking.

3. Holding 3 (three) meetings to discuss the results of Sharia compliance reviews with related units.
4. Submitting the SSB Oversight Results Report (LHP) for the period:
  - a. Semester II 2022 submitted in February 2023;
  - b. Semester I of 2023 submitted in August 2023.
5. Contributing to Sharia GCG through the 2023 GCG Self-Assessment in accordance with the provisions of the applicable authorities.
6. Conducting coordination meetings with the Risk Management Director, Compliance Director and Internal Audit Work Unit.
7. Approving and supporting the revamp of Standard Operational Procedures for Management of Sharia Non-Compliance Incidents in order to strengthen sharia supervision/review as a form of implementing good sharia governance.
8. Discussing and formulating the membership of the IG Committee with the SSB of all companies affiliated with the CIMB Indonesia Financial Conglomerate.
9. Actively contributing to the membership of the IG Committee in accordance with the provisions of the applicable authorities.
10. Attending the SSB Pre-Ijtima Sanawi/Annual Meeting and the SSB Ijtima Sanawi/Annual Meeting of Sharia Financial Institutions in the Sharia Banking sector in 2023 which are organized by DSN MUI.
11. Attending the KLIFF 2023 Islamic Finance Sharia Advisory Muzakarah activities organized by CERT (Centre For Research and Training), Malaysia.
12. Providing motivational training with the theme "Islam & Maqashid Sharia View on EPICC & Sustainable Finance" for CIMB Niaga's SBU employees.

### SHARIA BANKING DIRECTOR

CIMB Niaga's SBU is led by the Sharia Banking Director who is fully responsible for the implementation of sharia business management based on the prudential principles and sharia principles. In 2023, the Sharia Banking Director was served by Pandji P. Djajanegara, who was appointed through the AGMS Resolution dated 15 April 2016, and has been approved by the OJK through Letter No.SR-27/PB.13/2016 dated 4 October 2016.

### PROFILE OF THE SHARIA BANKING DIRECTOR



Sharia Banking Director

The complete profile is presented in the Profile of members of the Board of Directors section of this Annual Report.

### CRITERIA

The criteria for the appointment of the Sharia Banking Director is based on Bank Indonesia Regulation (PBI) No. 11/10/PBI/2009 on Sharia Business Units, PBI No. 14/6/PBI/2012 on the Fit and Proper Test for Sharia Banks and Sharia Business Units, and BI Circular No. 14/25/DPbS on the Fit and Proper Test for Sharia Banks and Sharia Business Units. The criteria that must be met by candidates for the position of the Sharia Banking Director include:

1. Good integrity, competency, and financial reputation as required by the prevailing regulations;
2. Commitment to the development of sound Sharia banking operations;
3. Sufficient knowledge and understanding of Sharia banking operations;
4. Knowledge and expertise in banking operations, Sharia banking, finance, or Sharia finance;
5. The ability to carry out strategic management within the framework of developing a sound and resilient SBU.

Detailed information about the duties and responsibilities of Sharia Banking Director is presented in the Board of Directors sub-section of the Corporate Governance Report Chapter of this Annual Report

### LIST OF CONSULTANTS AND ADVISORS

No	Consultant	Services
1	KarimSyah	Legal consultancy related to sharia banking
2	Deloitte	Taxation and Accounting Consultancy Services

## INTERNAL FRAUD AND SETTLEMENT EFFORTS

In 2023, there were no internal fraud cases involving more than Rp100,000,000,- (one hundred million Rupiah) in accordance with the report of the Internal Audit Unit or the Anti-Fraud Management.

Internal Fraud Cases	Number of cases committed by					
	Board of Commissioners and Board of Directors		Permanent Employee		Non-Permanent Employee	
	2023	2022	2023	2022	2023	2022
Resolved	-	-	2	1	-	-
In the Process of Internal Resolution	-	-	-	-	-	-
Unresolved	-	-	-	-	-	-
Followed-up by Legal Proceedings	-	-	1	-	-	-
<b>Total Fraud</b>	-	-	<b>2</b>	<b>1</b>	-	-

## LEGAL ISSUES (CIVIL AND CRIMINAL) AND SETTLEMENT EFFORTS

In 2023, the legal issues faced by the CIMB Niaga's SBU involve only civil cases and no criminal cases as presented in the following table:

Legal Cases	Civil		Criminal	
	2023	2022	2023	2022
Settled cases (final and legally binding)	6	6	-	-
Cases in the Settlement Process	12	9	-	-
<b>Total Cases Faced</b>	<b>18</b>	<b>15</b>	-	-

## TRANSPARENCY OF FINANCIAL AND NON-FINANCIAL CONDITIONS

Transparency of financial and non-financial conditions of the SBU is carried out in conjunction with the Bank as described in the Corporate Governance Report Chapter of this Annual Report.

## NON-HALAL REVENUE AND ITS UTILIZATION

In 2023, non-halal revenue of Rp166,498,824.70 was generated from interest on conventional escrow accounts as supporting account for sharia transactions, which are used for social purposes.

## FUND DISTRIBUTION FOR SOCIAL ACTIVITIES

In 2023, CIMB Niaga's SBU utilized Benevolent Funds for the following social objectives:

1. Productive Benevolent Fund of Rp38,500,000
2. Donation of Rp7,136,217,007
3. Other Uses for Public Interest Rp316,319,131

The use of Productive Benevolent Funds and Donations in collaboration with social humanitarian institutions, religious institutions, and educational institutions has resulted in funding for 222 activities/programs totaling Rp7,174,717,007. The distribution of funds is grouped into 5 (five) sectors with the following:

Distribution Sector	Number of Activities	Donation (Rp)
Economic Empowerment	13	718,813,000.00
Education	52	1,545,443,000.00
Infrastructure	79	2,288,069,730.00
Health	23	621,080,277.00
Social	55	2,001,311,000.00
<b>Total</b>	<b>222</b>	<b>7,174,717,007.00</b>



Performance Highlights



Management Reports



Company Profile



Management Discussion and Analysis



Risk Management

A number of eminent programs with partner institutions which are divided into five funding distribution sectors in 2023, include:

#### Economic Empowerment

- Business Capital Assistance & Procurement of MSME Carts in the Medan City area. There were 46 beneficiaries who collaborated with Baznas Medan City.
- Assistance for the procurement of carts for UMKM businesses. There were 28 beneficiaries in collaboration with Laz Masjid Raya Bintaro Jaya.
- Providing business capital for potato cultivation. The beneficiaries are 25 farmers in collaboration with the Baitulmaalku Foundation.
- Assistance for the procurement of carts for UMKM businesses in 4 areas of Serang, Jakarta, Bekasi and Bogor. There were 239 beneficiaries in collaboration with the Yatim Mandiri Foundation.

#### Education

- Education Scholarship Assistance for Orphans and Dhuafa - Darul Quran Mulia Foundation.
- Scholarship Assistance to Underprivileged Students - STIT Sirojul Falah, Medan Cerdas Program - Orphan and Dhuafa Education Scholarship in collaboration with Medan City Baznas.
- Scholarship Program for Undergraduate and Brilliant Vocational who request relief / Orphans and Dhuafa and implemented starting in the Even semester of SY 2022 / 2023 – Brawijaya University.
- Educational Scholarship Program for Orphans & Dhuafa – Bina Faqih Fiddiin Islamic Boarding School.
- Purchase of Filing Cabinets, Classroom Cabinets, Teacher's Desks, Teacher's Chairs and Library Shelves at MI Muhammadiyah 01 Pekanbaru.

- Education Fee Assistance - Ar-Rahman Watusalam Vocational School - Ar Rahman Watusalam Foundation.
- Tuition fees assistance for 15 disadvantaged students for 4 months - Daar Qolam 3 Islamic Boarding School - Dza Izza Education Foundation.
- Procurement of Educational and Sports Infrastructure - Islam Teladan Madrasah Ibtidaiyah - Islam Teladan Al-Maghfirah Foundation Palembang.
- Assistance for the Procurement of Learning and Sports Education Infrastructure - in the form of Electronic & Non-Electronic Equipment - Dukuh Semar I Cirebon Public Elementary School.
- Assistance for the Procurement of Compulsory School Learning Books and Educational Support Books to the 4 distribution schools assisted by the OC MTR Branch - Jakarta A Region Area II.

#### Infrastructure

- Construction and Expansion of the Cluster Sapphire Al Hijrah Mosque.
- Assistance for the construction of new classrooms at Diniyah Nurul Firdaus Madrasah.
- Construction of new classrooms and halls on Baiturrahim Foundation Bekasi Waqf land.
- Donation for the procurement of 1 corpse car to the Darul Maqobir Islamic Funeral Park Foundation (TPUI).
- Renovation & Maintenance of the Baitul Jannah Prayer Room.
- Renovation and finishing of the prayer room at the Miftahul Karomah Islamic Boarding School Foundation.
- Construction of the Al Basyariyah Islamic Boarding School Mosque.

## Transparency of Bad Governance Practices

Throughout 2023, CIMB Niaga did not take any actions or policies related to Bad Corporate Governance practices, in line with the Bank's efforts to implement the principles of Good Corporate Governance, as shown in the table below:

No	Description	Practice
1	Reports on Bank activities that pollute the environment	Nil
2	Significant legal proceedings being faced by the Bank, subsidiaries, members of the Board of Directors and/or members of the Board of Commissioners who are currently serving are not disclosed in the Annual Report	Nil
3	Non-compliance in disclosing the fulfillment of tax liabilities	Nil
4	Inconsistency in the presentation of the Annual Report and Financial Statements with applicable regulations and Financial Accounting Standards	Nil
5	Labor and employment cases	Nil
6	No disclosure on the operating segments in the Financial Statement	Nil
7	Inconsistency between the hardcopy and digital Annual Report	Nil

## Statement on Implementation of Good Governance Principles

The Board of Directors, Board of Commissioners, and all employees of CIMB Niaga stated that when conducting business activities, they always adhere to the principles of Good Corporate Governance and have not committed any material violations of applicable laws and regulations. In addition, CIMB Niaga is committed to implementing GCG in accordance with applicable rules and regulations.

All CIMB Niaga personnel will accept full responsibility for implementing and complying with this statement. CIMB Niaga believes that by implementing Good Governance principles, the Bank can achieve better organizational performance and have a positive impact on all stakeholders.



**Didi Syafruddin Yahya**  
President Commissioner



**Lani Darmawan**  
President Director