

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 several groups to carry out the SBU's operational operations. All Sharia governance bodies at CIMB Niaga's SBU carry out their duties and responsibilities through their respective functions.

MECHANISM OF SHARIA GOVERNANCE

CIMB Niaga's SBU adheres to Sharia Governance principles in its daily operations. 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 by existing regulations and policies, allowing for continuous improvement in the implementation of Sharia governance.

SHARIA SUPERVISORY BOARD (SSB)

The SSB provides advice and suggestions to the Board of Directors and supervises the Bank's SBU activities by Sharia Principles. The SSB has the authority to supervise, monitor, provide sharia opinions, approve, and closely observe all CIMB Niaga's SBU activities. The GMS appoints SSB members following the recommendation from the National Sharia Council – Indonesian Ulama 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 to improve the effectiveness of SSB's daily implementation of functions, duties, and responsibilities and 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 updated in December 2024 and is subject to periodic review by Indonesian rules and regulations.

The SSB Charter regulates the following:

1. Accountability
2. Structure and Membership
3. Requirements and Appointment
4. Duties, Responsibilities, and Authority
5. SSB Authority Arrangement and Resolution Procedure

6. Conflicts of Interest
7. Transparency
8. Work Ethics, Hours, and Prohibitions
9. Working Relationship Pattern of SSB, Board of Commissioners (BOC), and Board of Directors (BOD)
10. Meetings
11. Term of Office
12. Resignation
13. Performance Assessment (Evaluation) and Accountability

MECHANISM OF APPOINTMENT, REPLACEMENT, AND/OR RESIGNATION OF SSB MEMBERS

The provisions and mechanisms regarding the selection, appointment, replacement, and/or resignation of SSB members are as follows:

1. SSB Member Criteria
Prospective SSB members must meet the requirements stipulated in the applicable laws and regulations, which include integrity, competence, and good reputation.
2. Procedures for Appointing SSB Members
 - a. An independent third party can identify and select prospective SSB memb.
 - b. Members of the BOD, BOC, and/or Shareholders of the Bank may also submit proposals for candidates of SSB members to the Bank. Shareholders who may propose candidates of SSB members are 1 (one) or more shareholders representing 1/20 (one twentieth) or more of the total number of shares with voting rights.
3. SSB Member Appointment Procedures, including:
 - a. The appointment of SSB members must receive a recommendation from the National Sharia Council-Indonesian Ulama Council (DSN-MUI) and approval from the GMS. Before being effectively declared as a member of the SSB, it must have passed the Fit and Proper Test by OJK regulations on Fit and Proper Test and Implementation of GCG for Sharia Commercial Banks and SBU and meet other requirements set by other related agencies..
 - b. The appointment of SSB members who have been declared effective must be reported to the OJK no later than 7 (seven) working days after the effective appointment date, accompanied by a deed of the GMS.
4. Procedures for Dismissal, Replacement and/or Resignation of SSB Members, including:
 - a. A member of the SSB has the right to resign 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 receiving 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 submit it to the OJK at least 2 (two) working days following the receipt of the resignation letter of the SSB member.
- e. If the resignation reduces the number of SSB members to less than the minimum number required by the prevailing regulations, the Bank shall appoint new SSB member(s) by the prevailing mechanisms and procedures for appointing SSB members.
- f. If 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 resignation date shall be requested at the following Annual GMS.
- g. An SSB member's dismissal and/or resignation shall be reported to the OJK within 7 (seven) working days of the effective dismissal and/or resignation date.

MEMBERSHIP STRUCTURE AND COMPOSITION OF THE SSB IN 2024

In 2024, 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 was appointed as a Chairman.
2. Replacement and/or appointment of all SSB members has considered the recommendations of the Nomination and Remuneration Committee and approved 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 BOC and/or BOD, 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 3rd (third) AGMS following the date of appointment, without prejudice to the right of the GMS to dismiss them at any time by the Articles of Association and the prevailing regulations. Members can be re-appointed with due regard to the applicable provisions.

No	Name	Position	GMS Appointment	BI/OJK Approval	Most Recent 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 Djamaluddin Sanrego, M.Ec	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 are only effective when the OJK has approved the appointment and has received the recommendation form DSN-MUI as stated in OJK Regulation No. 2 of 2024 on the Implementation of Sharia Governance for Sharia Commercial Banks and Sharia Business Units and OJK Regulation No. 27/POJK.03/2016 on 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 before 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 an adequate financial reputation.

SHAREOWNERSHIP BY SSB MEMBERS

All members of the Bank's SSB have no shares in the Bank or other financial institutions or companies.