

The Sharia Supervisory Board Report

Bismillaahirrahmaanirrahim

Assalamu'alaikum wa rahmatullaahi wa barakatuh,

Alhamdulillah *rabbil 'alamiin*, on this great occasion, let us together raise our praises and gratitude to Allah *Subhanahu wa Ta'ala*, only with His grace and blessings upon us all, we were able to accomplish various challenges and the increasingly complex dynamics of Sharia business throughout the year 2024. May peace and blessings be bestowed upon our beloved Prophet Muhammad *Shallallahu 'alaihi wa Sallam*, his family, and his closest companions.

Our primary task as the Sharia Supervisory Board (DPS) of the CIMB Niaga Sharia Business Unit (UUS CIMB Niaga) is to oversee the activities of UUS to keep them compliant with Sharia principles. The implementation of Sharia principles has become part of the Bank's commitment to applying good corporate governance and maintaining the trust of all Stakeholders. This commitment aligns with the Financial Services Authority of the Republic of Indonesia Regulation Number 2 of 2024 concerning the Implementation of Sharia Governance for Sharia Commercial Banks and Sharia Business Units.

Throughout the year 2024, as DPS of UUS CIMB Niaga, we actively carried out our oversight duties and responsibilities, as well as providing advice and recommendations to assist UUS CIMB Niaga in achieving growth. In exercising its Sharia oversight duties, DPS communicated and had discussions with the Board of Commissioners and the Board of Directors through regular meetings. We also evaluated UUS CIMB Niaga operations in financing, funding, service transactions, product development, and other innovation initiatives.

Furthermore, we also ensured that all operational activities of UUS CIMB Niaga followed the Fatwa of the National Sharia Council – Indonesian Ulama Council (DSN-MUI), and that we worked closely with CIMB Niaga management and all employees. In addition, we also oversaw a number of other projects, including the development of a more in-depth and comprehensive Dual Leverage Banking Model (DBLM), which was supported by the implementation of the Sharia First program. We also conducted on-site supervision of business and support units on a regular basis to ensure sharia compliance of UUS CIMB Niaga.

DPS of UUS CIMB Niaga stated that, in general, the operational activities related to the products and services issued by UUS CIMB Niaga during the year 2024 adhered to the fatwas of the National Sharia Council – Indonesian Ulama Council (DSN-MUI) and the opinions issued by the DPS. UUS CIMB Niaga has conducted Sharia banking transactions that align with the provisions of the Authority/Regulator as outlined in POJK/PBI and SEOJK/SEBI.

In 2024, we also initiated and encouraged the issuance of fatwa DSN-MUI No. 159/DSN-MUI/VII/2024 concerning the Sale and Purchase of Al Mal Al Musyatarak and Al Mal Al Musya' and No. 160/DSN-MUI/VII/2024 concerning Ijarah Al Mal Al Musyatarak and Al Mal Al Musya', which were proposed by UUS CIMB Niaga through ASBISINDO.

In terms of financial performance, UUS CIMB Niaga in 2024 increased financing distribution by 9.1% to Rp60.3 trillion, up from Rp55.2 trillion the previous year. Total assets increased by 7.58% to Rp67.5 trillion compared to Rp62.7 trillion in the previous year. The non-performing financing ratio (gross NPF) was a modest 1.66%. CASA was recorded at Rp32.3 trillion, an increase of 22.93% from Rp26.3 trillion in the previous year. The Sharia Business Unit also generated a profit before tax of Rp2.1 trillion.

Through this report, we would also like to point out that we found no practices that violated Sharia principles during 2024. As a result, it is safe to conclude that CIMB Niaga's Sharia business unit's overall banking operations and transactions throughout the year were Sharia-compliant.

DPS of UUS CIMB Niaga consistently mandates the management to work with enthusiasm and dedication to best realize the hopes and targets they have set for the coming year. We are confident that by embracing Sharia principles with sincerity and earnestness, we will always be able to provide Sharia banking products and services that meet the needs of our consumers.

To conclude, let us all pray that Allah *Subhanahu wa Ta'ala* continuously grants us comfort and blessings for all our efforts. *Amin yaa rabbal 'alamin*.

Waassalamu'alaikum wa Rahmatullaahi wa Barakatuh.

On behalf of the Sharia Supervisory Board



Prof. Dr. M. Quraish Shihab, MA
Chairman of the Sharia Supervisory Board