



Performance
Highlights



Management
Reports



Company
Profile



Management Discussion
and Analysis



Risk
Management

Report of The Sharia Supervisory Board

Bismillaahirrahmaanirrahim

Assalamu'alaikum wa rahmatullaahi wa barakatuh,

First of all, let us offer praise and gratitude to Allah SWT for it was because of His grace and blessing that we were able to conduct the oversight duties and responsibilities entrusted to us. Peace and blessings on our beloved Prophet Muhammad SAW, his family, and loyal companions.

As the CIMB Niaga's Sharia Supervisory Board (DPS) of the Bank's Sharia Business Unit (UUS), in 2022 we implemented our duties and responsibilities by overseeing, giving advice and recommendations so as to encourage growth in the Unit's performance. As part of the Bank's commitment to implementing Good Corporate Governance and maintaining the trust of all stakeholders, we conducted our oversight duty in line with sharia principles and Bank Indonesia Regulation No. 11/33/PBI/2009 and Bank Indonesia Circular No. 12/13/DPbS on the Implementation of Good Corporate Governance for Sharia Banks and Sharia Business Units. We also ensured that all Fatwas that have been issued by the National Sharia Council of the Indonesian Ulema Council (DSN-MUI) were implemented across the operations of CIMB Niaga's Sharia Business Unit.

Throughout 2022, we oversaw the principles of sharia banking as they were applied in the UUS transactions in compliance with the provisions of the Authority/Regulator as stipulated in the POJK/PBI and SEOJK/SEBI, sharia provisions in the DSN MUI Fatwa, as well as opinions of the Sharia Supervisory Board and General Policy of Bank Sharia Compliance. Under this oversight, we made assessment of CIMB Niaga UUS operations which included financing transactions, customer funding, banking services, product development initiatives and other innovations.

We also oversaw various other matters, such as the development of an in-depth and more comprehensive

Dual Leverage Banking Model (DBLM), supported by the implementation of the sharia first program. We also made periodic reviews and gave approval for proposed products, policies and procedures, as well as other matters related to compliance with sharia principles in the form of DPS opinion.

Our full year observations have shown that the Sharia Business Unit of CIMB Niaga continued its strategy to increase financing distribution to all segments which included providing financing facilities for corporations and individual retail consumer groups. The UUS distributed this financing selectively with a priority placed on both prudence and sharia principles.

From the financial standpoint, CIMB Niaga UUS recorded asset growth of 6.26% to Rp63.0 trillion from Rp59.3 trillion in the previous year. Total financing distributed reached Rp47.2 trillion with Non-Performing Financing (gross NPF) ratio improved to at 1.3%. CASA reached Rp20.2 trillion, an increase of 32.58% compared to the previous year of Rp15.3 trillion. Profit before tax was recorded at Rp1.5 trillion in 2022.

Overall, we did not find single UUS practice that was not sharia-compliant, concluding that the banking operations and transactions made by CIMB Niaga's UUS already applied sharia principles as had been mandated.

We are optimistic that with a genuine and sincere approach to upholding sharia principles, UUS will continue to offer a stream of sharia-compliant, community-inspired banking products and services and achieve sustainable growth going forward.

Finally, let us always pray to Allah SWT for our health, ease, and blessings for all the intentions and efforts that we do, Aammiinn, yaa rabbal 'alamin.

Wassalamu'alaikum wa Rahmatullaahi wa Barakatuh,

On behalf of the Sharia Supervisory Board

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