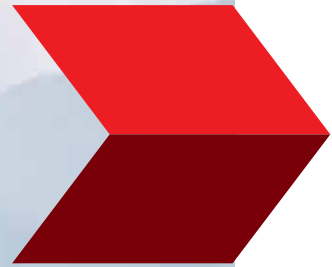


RACE FORWARD



Create connections
and build success

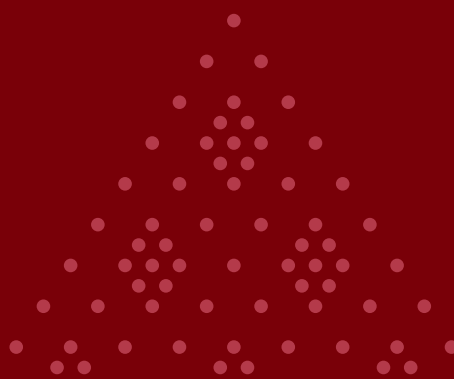




COPORATE
GOVERNANCE
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With the increasingly complex business activities and the current digital era development, implementation of Good Corporate Governance (GCG) principles has become the main foundation to run prudent banking operations and business.

CIMB Niaga realizes, the implementation of GCG in the current global competition era has become a necessity for companies to run their business, and its implementation will create a solid and supportive foundation for becoming a strong and sustainable Bank. Therefore, CIMB Niaga is committed to make GCG a necessity that should always be applied in every Bank process.

The implementation of GCG brings enormous benefits for the Bank, and as guidelines for the Bank to run its business to be aligned with the goals and needs of each stakeholder. By doing so, mutual trust and a conducive attitude in the company will be fostered and result in an increase in the Bank's overall performance.

CIMB Niaga also understands the important role of the banking industry, and knows that the quality of good governance will have a positive impact in supporting the national economy. Based on that, the Board of Commissioners, Board of Directors and all working units are committed to implementing the highest standards in the application of GCG principles in CIMB Niaga. These principles serve as a reference for responsible decision making, avoid conflict of interest, optimize performance, and improve accountability. Furthermore, the commitment to implement GCG also aims to protect stakeholders and increase compliance with rules and regulations.

BASIS & GUIDELINES FOR GOOD CORPORATE GOVERNANCE IMPLEMENTATION

CIMB Niaga is committed to implement GCG principles by referring to prevailing regulations, among others:

1. Republic of Indonesia Laws, particularly those related to Capital Market, Limited Liability Company, and Banking;
2. Regulations and Circular Letters issued by the Otoritas Jasa Keuangan (OJK), particularly those related to Corporate Governance, Annual Report, Risk Management, and various OJK Regulations and Circular Letters related to corporate governance implementation;
3. The Indonesian Corporate Governance Roadmap issued through the OJK press release on 4 February 2014;
4. ASEAN Corporate Governance (CG) Scorecard issued by ASEAN Capital Market Forum (ACMF);
5. Indonesian GCG General Guidelines issued by the National Committee of Governance Policy (KNKG);
6. Articles of Association and General Meeting of Shareholders (GMS) Resolutions.
7. Bank's Regulations and Policies.

As internal guidelines in GCG implementation, Bank has in place Corporate Governance Charter which stipulated in the Corporate Policy Manual which is also the highest policy of the Bank. In addition, the Corporate Policy Manual is also supported by other internal policies including Code of Ethics & Conducts, Charters, Risk Management Policy, Whistleblowing Policy and Conflict Management Policy.

CIMB Niaga periodically reviews and evaluates the completeness and updating of the internal policies issued by CIMB Niaga, to ensure that the provisions in the policy are always relevant and in accordance with organizational conditions, Bank strategies, applicable regulations and best practices

GCG IMPLEMENTATION QUALITY ENHANCEMENT

In line with the Bank's efforts to continuously improve its business achievements, CIMB Niaga also continues to strengthen its commitment to improve the quality of GCG implementation. During 2019, CIMB Niaga carried out various activities to continuously improve the quality of GCG implementation in the Bank environment as a basis for creating sustainable added value for the interests of Shareholders, the wider community, and other stakeholders both in the short and long term.

GCG ACHIEVEMENTS IN 2019

1. Enhancement of GCG implementation by referring to the ACGS criteria:
 - a. Appointment of one of the Independent Commissioners as Senior Independent Commissioner.
 - b. Use of third-party service (search firm) in the process of finding candidates for Commissioners and Directors.
 - c. Issuance of Anti-Corruption Policy
2. Renewal of the Charters of the Board of Commissioners, Board of Directors, Audit Committee, Nomination and Remuneration Committee, as well as Code of Ethics & Conduct.
3. The implementation of induction programs for newly appointed members of the Board of Commissioners & Board of Directors has been carried out through the e-Learning Bank (LoG) application.
4. Implementation of the Compliance Culture & Awareness program aimed at establishing & increasing awareness & compliance culture at the Bank including through e-Learning & sharing sessions, RCU Forum and including the RCU Head for the Compliance Certification program.
5. Development of a monitoring application system to fulfill commitments and reporting to regulators, namely ReCoM (Regulatory Commitment Monitoring).
6. Holding of Anti-Fraud Socialization Week, which was launched by the President Director & Board of Directors and carried out intensively for 2 (two) weeks. The program was marked by various activities including AFM Booth which contained games with anti-fraud messages, poster contests, visits and sharing sessions in 10 cities in Jakarta, West Java, Central Java and East Java.
7. New Anti Fraud tagline "Anytime... Anywhere... Integrity First!" to replace the previous tagline "Fraud? No Way!" as the Bank's commitment to further strengthen the work culture with integrity in all functions and activities of the Bank's employees.

Thru the various efforts have been made throughout 2019 in maximizing the effectiveness of GCG implementation as part of the Bank's supervision and management, CIMB Niaga was able to garner appreciations from external parties in the form of awards as follows:

1. 1st Winner of the Annual Report Award 2019 for Private Financial Institution category



2. TOP GRC 2019: TOP GRC, The Most Committed GRC Leader and The High Performing Corporate Secretary on GRC.



3. IICD Award 2019: The Best Corporate Governance Overall and Top 50 Emiten for Indonesia Public Companies with Large Capitalization category



GCG OBJECTIVES

The implication of consistent GCG implementation by CIMB Niaga through 4 (four) pillars of governance aspects is that the Bank is able to sustain its health and progress to meet shareholders' need and expectations.

CIMB Niaga also believes that effective implementation of GCG will bring the Bank towards its vision "To be the Leading ASEAN Company" which is based on the Company's Core Values comprising Customer Centric, High Performance, Enabling People, Strength in Diversity and Integrity.

The effectiveness of GCG principles implementation in CIMB Niaga is indicated in the Bank's governance outcomes. The Bank and its stakeholders have obtained the benefits of GCG implementation in the form of encouraging financial and operational performance in 2019 as follows:

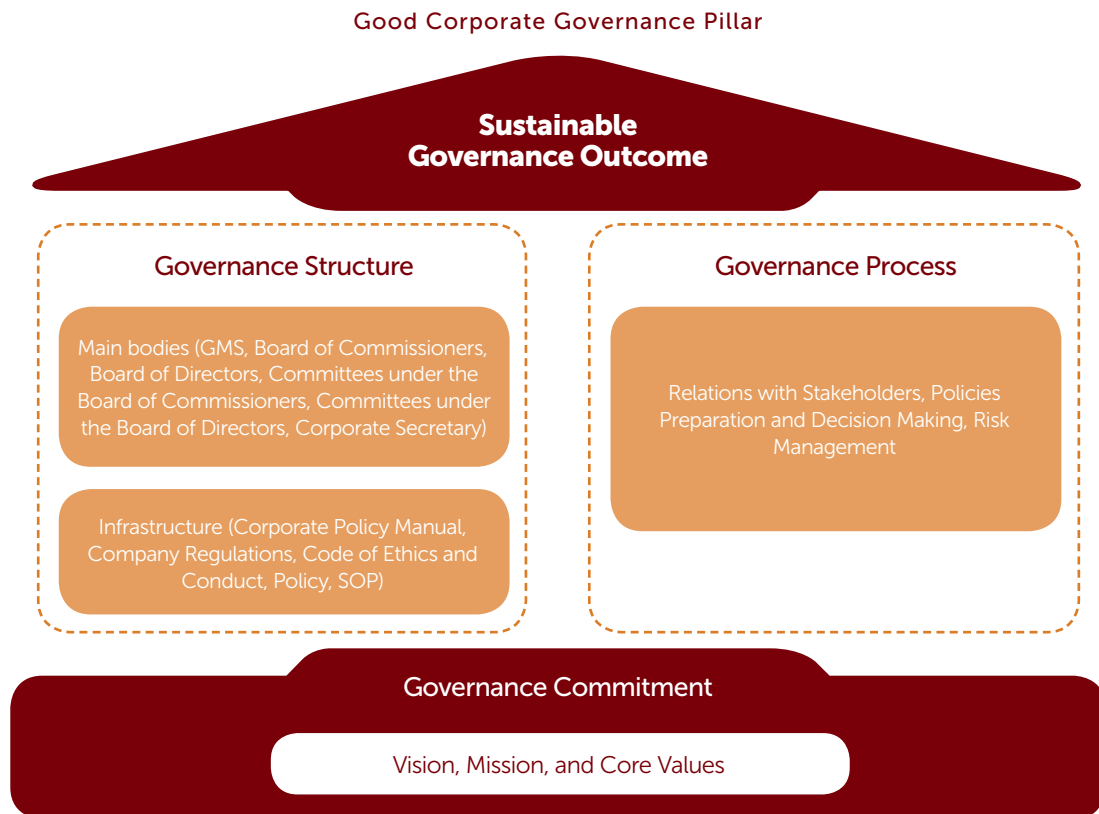
1. Profit before Tax growth at 2.12%
2. Third-Party Fund growth at 2.54%
3. Low Cost Fund increased by 7.88%
4. Loan growth at 3.06%
5. Total Assets growth at 2.88%
6. Minimum Capital Adequacy Ratio growth 181 bps to 21.47%
7. Non-Performing Loan Ratio decreased by 32 bps to 2.79%
8. Obtain an idAAA (Triple A) Rating for Shelf Registration Bond III Bank CIMB Niaga Phase I Year 2019 and idAA (Double A) for Shelf Registration Subordinated Bonds I Bank CIMB Niaga Phase I Year 2019 from PT Pemeringkat Efek Indonesia (Pefindo).

The implementation of GCG principles will also provide long-term benefits, among others:

1. Create a foundation for CIMB Niaga to grow and develop in the long-term.
2. Improve CIMB Niaga's image.
3. Improve CIMB Niaga's competitiveness.
4. Improve investor confidence in CIMB Niaga.
5. Improve the value of CIMB Niaga's shares.

BANKS' GOVERNANCE MECHANISM & STRUCTURE

In order to achieve its Vision and Mission, CIMB Niaga has in place 4 pillars of good corporate governance as a foundation to implement GCG referring to 4 corporate governance aspects, i.e: governance commitment, governance structure, governance process dan governance outcome



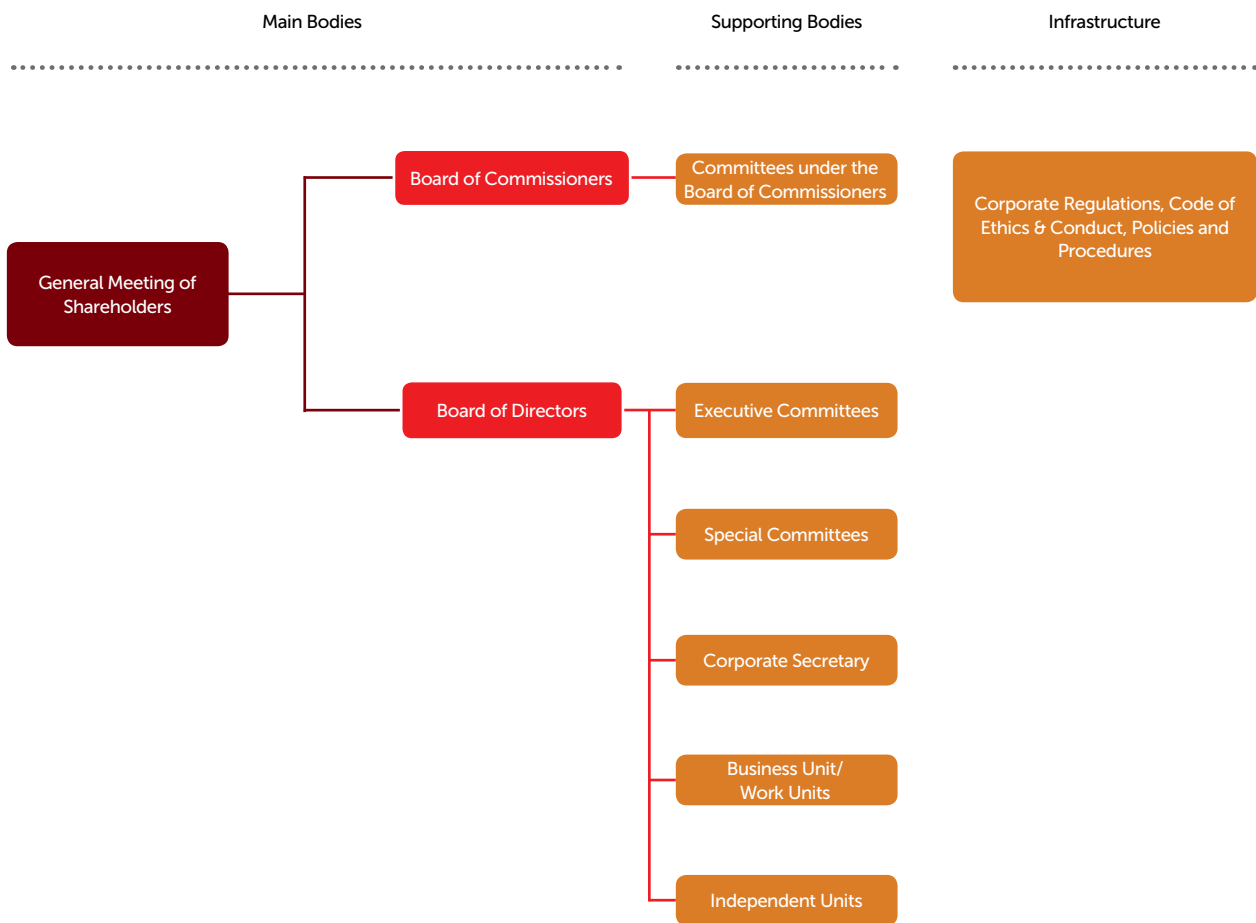
GOVERNANCE COMMITMENT

To achieve a consistent, continuous and successful GCG, all levels including the Board of Commissioners, Board of Directors, and all Bank work units and Bank employees, are committed to apply and enforce the GCG principles in every activity to become part of the corporate culture including the formulation of the Bank's vision, mission and core values.

GOVERNANCE STRUCTURE

The governance structure establishes a clarity of duties and responsibilities when managing the Bank, as well as mechanisms for decision-making processes, and reporting between all parts of the Bank. An adequate governance structure supports the implementation of GCG principles, and achievements aligned with the stakeholders' expectations.

Governance Structure of CIMB Niaga



CIMB Niaga's governance structure comprises of main bodies which including the General Meeting of Shareholders, Board of Commissioners, and Board of Directors, as well as supporting bodies, including Committees under the Board of Commissioners, Committees under the Board of Directors, Corporate Secretary, Business Units, and Independent Units.

While the Bank's governance infrastructure consists of the Bank's policies and regulations in business operations.

GOVERNANCE PROCESS

CIMB Niaga ensures that the governance structure and bodies carry out the governance process by following structured and systematic procedures and mechanisms in accordance with the prevailing laws and regulations and the established internal policies, to generate outcomes that meet the Governance principles and in line with stakeholders' expectations.

GOVERNANCE OUTCOME

CIMB Niaga believes that the Bank's high commitment to implement the governance principles, supported by a strong governance structure and effective governance processes, will create a positive influence on value creation and the Bank's long-term business sustainability in line with the stakeholders' expectations.

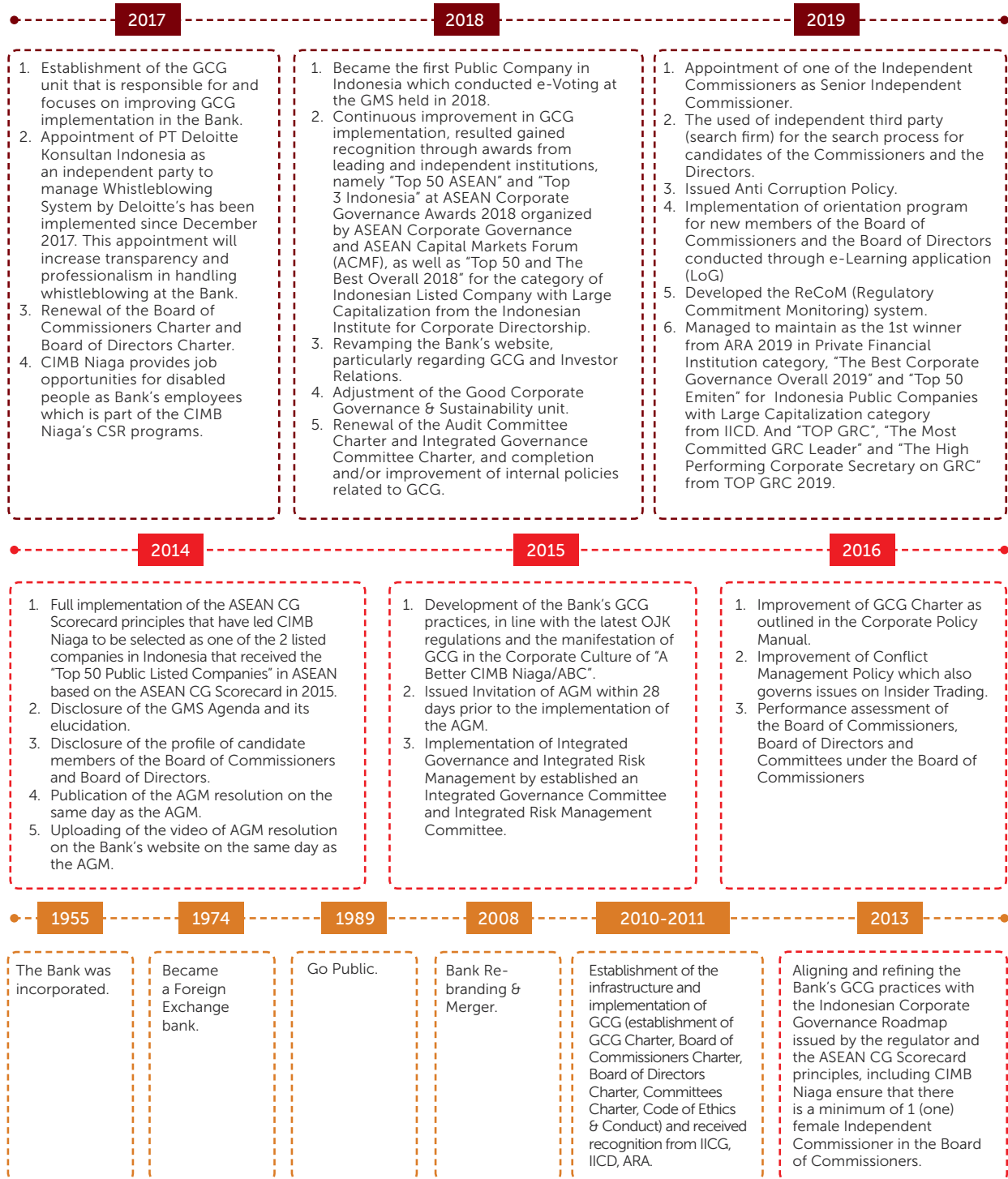
The 4 governance aspects applied by CIMB Niaga are based on the governance principles of Transparency, Accountability, Responsibility, Independence and Fairness (TARIF).

The CIMB Niaga governance principles are described below:

Governance Principle	Implementation in CIMB Niaga
Transparency	<ol style="list-style-type: none"> 1. CIMB Niaga discloses information in an accurate, clear, adequate and timely manner. 2. CIMB Niaga prioritizes information disclosure while maintaining the Bank's confidentiality principles based on prevailing rules and regulations. 3. CIMB Niaga information disclosure is accessible to all stakeholders in accordance with their rights. 4. CIMB Niaga's policies are written and communicated to stakeholders in accordance with their respective rights and applicable regulations.
Accountability	<ol style="list-style-type: none"> 1. The Board of Commissioners and Board of Directors have well-defined duties, authorities and responsibilities and follow a check and balance system when managing the Bank. 2. All members of the Board of Commissioners and Board of Directors have adequate competence, based on their duties and responsibilities as well as an understanding of their role in good corporate governance implementation. 3. Each member of the Board of Directors and the ranks below have well-defined and consistent duties and responsibilities in line with CIMB Niaga's Vision, Mission and Core Values. 4. Through the Annual General Meeting of Shareholders (AGMS), the Board of Commissioners and Board of Directors are accountable for their performance to the Shareholders. 5. Periodically and continuously, CIMB Niaga conducts performance assessments of the Board of Commissioners, Committees under the Board of Commissioners, Board of Directors and Committees under the Board of Directors.
Responsibility	<ol style="list-style-type: none"> 1. CIMB Niaga conducts its business activities by always adhering to prudent banking principles and all prevailing rules and regulations. 2. Concerns for the environment and surrounding communities are demonstrated by CIMB Niaga through its Corporate Social Responsibility programs and activities. 3. CIMB Niaga always upholds the principle of integrity, including by sending an anti-gratification statement letter (Integrity Pact) every year to all vendors and customers of the Bank.
Independency	<ol style="list-style-type: none"> 1. CIMB Niaga conducts its business activities independently without any interference from the Ultimate Shareholders or other stakeholders. 2. CIMB Niaga always avoids conflicts of interest. 3. Decisions are made objectively and based on the interests of the Bank.
Fairness and Equality	<ol style="list-style-type: none"> 1. CIMB Niaga always strives to consider the interests of all stakeholders based on the principle of fairness and equality. 2. By considering the principle of fairness and equality, CIMB Niaga provides access to information for all stakeholders.

GCG IMPLEMENTATION MILESTONES

By implementing GCG in line with the applicable national and international GCG guidelines and standards, CIMB Niaga is determined to become "The Leading ASEAN Company" and achieve its established long-term goals of providing added value for its stakeholders. This commitment stems from continuous improvements to GCG implementation at CIMB Niaga. The achievement from CIMB Niaga's GCG implementation are as follows:



GCG IMPLEMENTATION ASSESSMENT

SELF-ASSESSMENT

In accordance with the provisions of the OJK, the Bank shall conduct self assessment of the implementation of GCG principles at the Bank each semester as stipulated in the provisions of POJK No. 55/POJK.03/2016 and SEOJK No. 13/POJK.03/2017 on GCG Implementation for Commercial Banks. This self-assessment is also an effort from the Bank to improve the quality of GCG implementation through self-assessment which involves the Board of Commissioners and Independent Parties, Board of Directors, Executive Officers and independent functions.

PROCEDURES

According to the OJK provisions, the Bank has to perform comprehensive and structured self-assessment integrated into 3 (three) aspects of Governance, which are:

- Governance Structure**
The evaluation of the Governance structure aims to evaluate the adequacy of the structure and infrastructure of the Bank's Governance so that a good process of principles of governance is producing outcomes that are in line with the stakeholders' expectations.
- Governance Process**
The evaluation of the Governance process aims to assess the effectiveness of the implementation process of good Governance principles supported by adequate structure and infrastructure of the management of the Bank, which shows the results are in line with the expectations of the stakeholders.
- Governance Outcome**
The assessment of governance outcomes aims to assess the quality of the Bank's outcomes (including both qualitative and quantitative aspects), which are the result of the implementation of Good Corporate Governance principles which is supported by the adequacy of the Bank's structure and infrastructure.

PARTIES CONDUCTING THE ASSESSMENTS

Self-assessment of the Bank's Governance implementation involves the Board of Commissioners, Board of Directors, Independent Parties and Executive Officers of the Bank to produce a comprehensive and structured assessment of the Governance system effectiveness and quality of the Governance outcome of the Bank.

ASSESSMENT RESULTS

Based on the three assessment aspects, the result for GCG implementation individually and consolidated with the subsidiaries through GCG self assessment in first and second half of 2019 were as follows.

GCG Implementation Self Assessment Result		
Entity	Rank	Rank Definition
Bank (Individually)	2	Bank Governance Rating is 2 (GOOD), which reflects that Bank's Management has adequately applied the Good Governance principles..
CIMB Niaga Auto Finance (CNAF)	2	CNAF Governance Rating is 2 (GOOD), which reflects that CNAF generally has complied with the Governance provisions and principles.
CIMB Niaga Sekuritas (CNS)	3	CNS Governance Rating is 3 (FAIR), which reflects that CNS gradually has complied with the Governance provisions and principles in line with CNS operational activity which is still limited.
Consolidated	2	Consolidated Governance Rating is 2 (GOOD), which reflects that Bank and Subsidiaries, Management has adequately applied the Good Governance principles.

ASSESSMENT CRITERIA

The Self Assessment is carried out periodically on the basis of GCG principles which comprises 11 factors of governance assessment:

- The performance of the duties and responsibilities of the Board of Directors.
- Implementation of the duties and responsibilities of the Board of Commissioners.
- Completion and duties execution of the Committee.
- Conflict of interest managemen.
- Implementation of the compliance function.
- Implementation of the internal audit function.
- Implementation of the external audit function.
- Implementation of risk management including internal control system.
- Provision of funds to the related party and provision of large exposures.
- Transparency of the Bank's financial and non-financial conditions, GCG implementation report and internal reporting.
- Bank's strategic plan.

And other information regarding the implementation of the Bank's Governance beyond the 11 factors of the Governance implementation assessment.

The results of the Bank's implementation assessment are based on the questionnaire results of the selected respondents and considering the findings within the Bank with the results of the questionnaire. These findings are compiled from various units in the Bank, such as Internal Audit, Anti-Fraud Management, Risk Management, Human Resources, Compliance and more, including findings from regulators.

Each subsidiary, CNAF and CNS are also conducts a GCG self-assessment in accordance with OJK Governance provisions related to its business activities as a Financing Company and Securities Company

RECOMMENDATIONS AND FOLLOW UPS

In general, the Bank is adequate in applying the principles of Governance, although there are some weaknesses identified in the aspects of Governance, the management of the Bank is able to complete and carry out its normal operations. The Bank is committed to implement GCG principles in its activities to achieve business sustainability.

Based on the 2019 self-assessment, some improvements will be made by the Bank, including updating the Bank’s policies and procedures.

EXTERNAL ASSESSMENTS

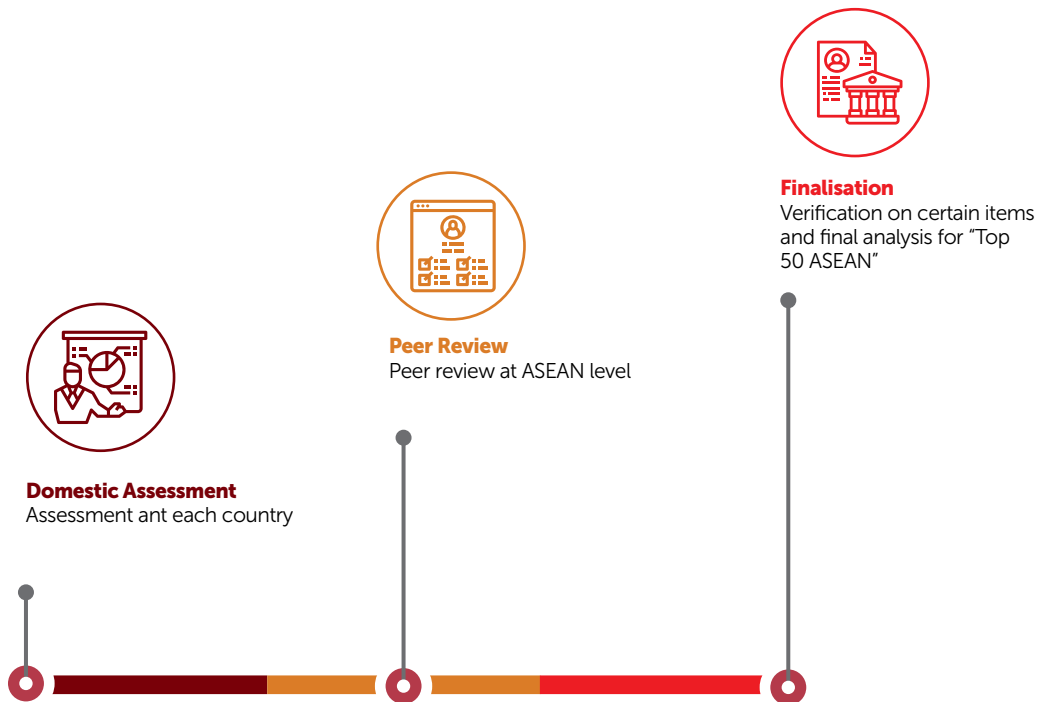
In addition to conducting self assessments at CIMB Niaga, the GCG implementation is also assessed by external parties. This is intended to give the Bank confidence and objectivity in the quality of its GCG implementation.

ASEAN CORPORATE GOVERNANCE SCORECARD

One of the external assessment of CIMB Niaga’s governance practices over the last few years is based on the criteria of ASEAN Corporate Governance Scorecard (ACGS) which adopts the CG principles issued by The Organization for Economic Cooperation and Development (OECD).

ACGS is an initiative from the ASEAN Capital Market Forum (ACMF) supported by the Asian Development Bank (ADB) to improve corporate governance practices in ASEAN and promoting ASEAN listed companies as an asset class. Indonesia is one of 6 (six) ASEAN countries participating in this initiative.

PROCEDURE



The assessment of the listed companies' corporate governance standard were based on English information which publicly available and accessible, and includes information disclosed in the Annual Report, corporate websites, announcements and circulars made by the company.

The assessment methodology consists of 2 (two) levels:

1. Level 1: comprises descriptors or items that are, in essence, indicative of the laws, rules, regulations and requirements of each ASEAN member country and basic expectations of the OECD principles.
2. Level 2: bonus items reflecting other emerging good practice and penalty items reflecting actions and events reflecting of poor governance.

ASSESSMENT CRITERIA

There are 5 (five) aspects of the ACGS assessment, which are:

1. Right of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibility of the Board

PARTIES CONDUCTING THE ASSESSMENT

The ASEAN Capital Market Forum (ACMF) evaluates through the Domestic Ranking Body (DRB) as a representative in each of the participating countries for assessing at national scale which appointed by their respective country's regulators. Since 2016, OJK has appointed RSM as DRB for Indonesia. In order to maintain the independence of the assessments, a verification of assessments was also conducted by the DRB of other ASEAN members countries.

In addition, in Indonesia the ACGS assessment was also performed by the Indonesian Institute for Corporate Directorship (IICD).

ASSESSMENT RESULTS

As of the preparation of this Annual Report, the results of the ACGS assessment for CIMB Niaga in 2019 conducted by RSM had not been published. However, the ACGS assessment in 2019 conducted by the IICD gave CIMB Niaga **122.9 points** and title **"The Best Corporate Governance Overall 2019"** and **"Top 50 Emiten"** for Indonesia Public Companies with Large Capitalization category

RECOMMENDATIONS AND FOLLOW UPS

Based on the ACGS assessment in 2019, CIMB Niaga had taken several steps to improve good governance practices that exceed the minimum standards, including:

1. Appointment of one of the Independent Commissioners as Senior Independent Commissioner.
2. The use of independent third party (search firm) for the search process for candidates of the Commissioners and the Directors.
3. Issued of Anti-Corruption Policy.

APPLICATION OF CORPORATE GOVERNANCE ASPECTS AND PRINCIPLES IN LINE WITH THE OTORITAS JASA KEUANGAN REGULATIONS

Based on OJK Regulation No. 21/POJK.04/2015 concerning Implementation of Corporate Governance Guidelines for Public Companies and OJK Circular Letter No. 32/SEOJK.04/2015 concerning Corporate Governance Guidelines for Public Companies, contain 5 (five) aspects, 8 (eight) principles, and 25 (twenty-five) governance recommendations recommended by OJK. CIMB Niaga applies such aspects, principles and recommendations based on the "comply or explain" approach as follows:

Aspect	Principle	Recommendation	Explanation
Public Company Relationship with Shareholders in ensuring the Right of the Shareholders	Principle 1: Improve the Management Value of the General Meeting of Shareholders (GMS)	1.1 The Public company has technical voting procedure either open or closed that promotes independency and the interest of shareholders	<p>Comply</p> <p>As an effort to improve independence, freedom and confidentiality of shareholders in the voting process, CIMB Niaga has policy to conduct voting in the GMS in a closed and electronic manner (e-voting) for each agenda of the GMS. This policy is set out in the GMS Rules.</p> <p>Since 2018, the voting mechanism in AGM and EGM was conducted in a closed and electronic manner, through touch screen devices provided by CIMB Niaga, smartphones or other mobile devices (tablets, ipad, etc.) owned by the Shareholders or their proxies . This made CIMB Niaga the first public listed company in Indonesia to hold voting for shareholders electronically (e-voting). The vote counting results are conducted by an independent party namely the Share Registrar of PT Bima Registra and Notary Ashoya Ratam, SH. Thus the independence and interests of shareholders can be maintained in the voting process.</p> <p>The GMS Rules have been uploaded on the Bank's website 28 (twenty one) days before the GMS and distributed to shareholders when entering the GMS room, and read out by the Corporate Secretary before the GMS begins.</p>
		1.2 All members of the Board of Directors and the Board of Commissioners are present at the Annual GMS	<p>Comply</p> <p>All members of the Board of Directors and the Board of Commissioners of CIMB Niaga were present at the AGM on 15 April 2019. Members of the Board of Directors and the Board of Commissioners present at the AGM can represent the Bank to provide explanations to shareholders on each agenda of the AGM to be carried out properly.</p>
		1.3 Summary of GMS minutes is available on the public company's website at least for 1 (one) year	<p>Comply</p> <p>CIMB Niaga uploaded the summary of the GMS minutes on the same day after the adjournment of the GMS on the CIMB Niaga's website (www.cimbniaga.co.id). The summary of the minutes of the GMS since 2013 up to the present day are available on the Bank's website, both in Bahasa Indonesia and English.</p>

Aspect	Principle	Recomendation	Explanation
Public Company Relationship with Shareholders in ensuring the Right of the Shareholders	Principle 2: Improving the Communication Quality of the Public Company with Shareholders or Investors	2.1 The Public Company has a communication policy with the shareholders or investors	Comply CIMB Niaga has Policy of Communication with the Shareholders or Investors No. M.02 which has been uploaded to the CIMB Niaga's website (www.cimbniaga.co.id). The communication carried out by the Bank are through the implementation of the GMS, Public Expose, Analyst Presentation, publication of Quarterly and Annual Financial Reports, as well as conducting accurate and timely disclosure of information. CIMB Niaga also provides information on head office and branch location address, e-mail addresses and telephone numbers both on the website and the Annual Report, access to Social Media (Facebook, Twitter, Instagram) and Call Center as a means for shareholders and investors to easily communicate with Bank.
		2.2 The Public company discloses its communication policy with the shareholders or investors on the website	Comply Policy of Communication with Shareholders or Investors of CIMB Niaga No. M.02 has been uploaded to the CIMB Niaga's website (www.cimbniaga.co.id).
Board of Commissioners' Function and Role	Principle 3: Strengthen the Board of Commissioners Membership and Composition	3.1 Determination of the number of Board of Commissioners' members shall consider the condition of the Public Company	Comply CIMB Niaga has a Policy and Procedure for the Nomination, Appointment, Replacement and/or Dismissal of Members of the Board of Commissioners, the Board of Directors and the Committees under the Board of Commissioners as a guideline for the Nomination and Remuneration Committee in the nomination process of the members of the Board of Commissioners of CIMB Niaga by considering the needs, conditions and abilities of the Bank. As of December 2019, the Board of Commissioners of the Bank consists of 8 (eight) people, where 4 of them (50%) were Independent Commissioners. Total members of the Board of Commissioners does not exceed the total members of the Board of Directors.
		3.2 Determination on the composition of the members of the Board of Commissioners considers the diversity, expertise, knowledge and experience required.	Comply The Board of Commissioners of CIMB Niaga has a diverse backgrounds in terms of expertise/education, knowledge, experience and citizenship that aims to support the development of the Bank's business. This shown in the profiles of each member of the Board of Commissioners.

Aspect	Principle	Recommendation	Explanation
	Principle 4: Improve the Quality of the Board of Commissioners Duties and Responsibilities performance	4.1 The Board of Commissioners has a self-assessment policy to evaluate its performance.	Comply The performance assesment policies of the Board of Commissioners and the Committees under the Board of Commissioners are set out in the Appendix of the Nomination and Remuneration Committee Charter, which can be accessed through the CIMB Niaga's website (www.cimbniaga.co.id).
		4.2 The self-assessment policy on the Board of Commissioners performance is disclosed in the Annual Report of the Public Company	Comply The performance assesment policy of the Board of Commissioners is set out in the Appendix of the Nomination and Remuneration Committee Charter, and the results of the assessment is disclosed in the Corporate Governance Report section of this Annual Report.
		4.3 The Board of Commissioners has a policy related to resignation of the Board of Commissioner's members if such member is involved in financial crimes	Comply The Board of Commissioners of the CIMB Niaga's Charter (point XI.4.) has stipulated that members of the Board of Commissioners who are involved in financial crimes and/ or other criminal offenses are required to resign from their positions.
		4.4 The Board of Commissioners or the Nomination and Remuneration Committee shall prepare the succession policy in the nomination process of the Board of Directors' members	Comply The succession policy has been stipulated in the Nomination and Remuneration Committee Charter and the Policy of Nomination of Members of the Board of Commissioners, the Board of Directors and Committees under the Board of Commissioners as well as disclosed in the Nomination and Remuneration Committee's Report in this Annual Report.
Board of Directors Function and Role	Principle 5: Strengthen the Board of Directors Membership and Composition	5.1 Determination of the number of Board of Directors' members shall considers the Public Company condition and effectiveness of decision-making	Comply CIMB Niaga has a Policy and Procedure for the Nomination, Appointment, Replacement and/or Dismissal of Members of the Board of Commissioners, the Board of Directors and the Committees under the Board of Commissioners as a guideline for the Nomination and Remuneration Committee in the nomination process of the members of the Board of Directors of CIMB Niaga by considering financial condition and ability of the Bank as well as organizational needs and complexity of the Bank as the second largest private bank in Indonesia. As of December 2019, the Board of Directors of the Bank consists of 11 (eleven) people. The total members of the Board of Directors is more than the total members of the Board of Commissioners.
		5.2 Determination on the composition of the members of the Board of Directors' considers the diversity, expertise, knowledge, and experience required.	Comply The Board of Directors of CIMB Niaga has a diverse background in terms of expertise/education, knowledge and experience. This shown in the profiles of each member of the Board of Directors. The diversity and number of Board of Directors are required in order to provide the best possible solution for the Bank, according to the Bank's needs, size and business complexity.

Aspect	Principle	Recommendation	Explanation
		5.3 Members of the Board of Directors responsible for accounting or finance have accounting expertise and/or knowledge	Comply The Director of Finance & SPAM of CIMB Niaga who is in charge of accounting and finance is Mr. Lee Kai Kwong. He holds a Bachelor of Science (Fin) from the University of Pennsylvania, USA and previously served as Senior Managing Director - Regional Head of Consumer Business Planning & Analysis at CIMB Bank Malaysia, and has held various positions in the field of Finance. Mr. Lee Kai Kwong meets the criteria of having expertise and/or knowledge in accounting and/or finance.
	Principle 6: Improve the Quality of the Board of Directors Duties and Responsibilities performance	6.1 The Board of Directors has a self- assessment policy to evaluate its own performance.	Comply The performance assesment policies of the Board of Directors is set out in the Appendix of the Nomination and Remuneration Committee Charter, which can be accessed through the CIMB Niaga's website (www.cimbniaga.co.id).
		6.2 The self-assessment policy on the Board of Directors performance is disclosed in the Annual Report of the Public Company	Comply The performance assessment policy of the Board of Directors is set out in the Appendix of the Nomination and Remuneration Committee Charter, and the results of the assessment is disclosed in the Corporate Governance Report section of this Annual Report.
		6.3 The Board of Directors has a policy related to resignation of the Board of Directors' members if such member is involved in financial crimes	Comply The Board of Directors of CIMB Niaga's Charter of the CIMB Niaga Directors (point XI.4.) has stipulated that members of the Board of Directors who are involved in financial crimes and/or other criminal offenses are required to resign from their positions.
Stakeholders Participation	Principle 7: Improving Corporate Governance through Stakeholders Participation	7.1 The Public company has a policy to prevent insider trading	Comply To prevent Insider Trading, CIMB Niaga has Conflict Management Policy that has been uploaded to the CIMB Niaga's website (www.cimbniaga.co.id). This policy establishes the rules, identify, reduce and manage any 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's customers and the CIMB Group
		7.2 The Public Company has an anti- corruption and anti- fraud policy	Comply CIMB Niaga has Anti-Corruption Policy No. M.11 and Anti-Fraud Policy No. E.07 uploaded to the CIMB Niaga's website (www.cimbniaga.co.id). The Anti-Corruption Policy is intended to provide information and guidance for those working for and on behalf of the Bank, on how to recognize, raise concern and deal with corruption issues. The Anti Fraud Policy regulates the framework, governance and implementation of anti-fraud strategy which are implemented through 4 pillars namely prevention, detection, investigation and supervision. Further explanation regarding the Anti-Corruption Policy and Anti-Fraud Policy is disclosed in this Annual Report.

Aspect	Principle	Recommendation	Explanation
		7.3 The Public Company has a suppliers or vendors selection and capability improvement policy	<p>Comply</p> <p>CIMB Niaga has a Goods and Services Procurement Policy No. E.04.A.06 and Goods and Services Procurement Procedure No. E.04.A.06.P.01 which has been uploaded to the CIMB Niaga’s website (www.cimbniaga.co.id) and disclosed further in this Annual Report.</p> <p>The CIMB Niaga Code of Ethics & Conduct also regulates relationships with suppliers, vendors and consultants (partners) in collaboration with the Bank, including objective evaluations, prohibitions on receiving compensation from partners, partner compliance with the Bank’s Code of Ethics & Conduct and consultation and lobbying with partners.</p>
		7.4 The Public Company has a policy on the fulfillment of creditor’s rights	<p>Comply</p> <p>CIMB Niaga has a Policy of the Fullfillment of Creditor Rights No. M.05 which has been uploaded on the CIMB Niaga’s website (www.cimbniaga.co.id) and disclosed further in this Annual Report.</p> <p>This policy regulates that CIMB Niaga shall apply and respect to the rights of creditors through equal treatment to all creditors, exercising their rights and obligations in a timely manner with no hidden information by the Bank.</p>
		7.5 The Public Company has a whistleblowing system policy	<p>Comply</p> <p>CIMB Niaga has a Whistleblowing System Policy No. E.08 which has been uploaded on the CIMB Niaga’s website (www.cimbniaga.co.id) and disclosed further in this Annual Report.</p>
		7.6 The Public Company has a long-term incentive policy for the Board of Directors and employees	<p>Comply</p> <p>CIMB Niaga has a Risk-based Remuneration Policy which stipulated the a long-term incentive policy for the Board of Directors and employees considered as Material Risk Taker (MRT)</p> <p>Futher explanation regarding the Remuneration Policy is disclosed in this Annual Report.</p>
Information Disclosure	Principle 8: Improvement on the Information Disclosure	8.1 The Public Company benefits from the use of broader information technology other than website as information disclosure channel.	<p>Comply</p> <p>In addition to website, CIMB Niaga also utilizes other information technology such as phone banking, radio, printed media and social media (such as Instagram, Facebook, Twitter, Youtube dan Google+) as media channels for information disclosure.</p> <p>Further information regarding the Information and Corporate Data Access is disclosed in this Annual Report.</p>
		8.2 The Annual Report of the Public Company discloses share ownership of at least 5% (five percent), other than disclosure of ultimate shareholders of the Public Company through major and controlling shareholders.	<p>Comply</p> <p>CIMB Niaga has no shareholders own 5% of the shares other than Ultimate Shareholders (CIMB Group) as disclosed in the Corporate Profile section in this Annual Report.</p>

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders (GMS) is the highest body in CIMB Niaga's corporate governance structure and is the forum for shareholders to make decisions. The GMS has the authority not granted to the Board of Directors and Board of Commissioners as stipulated in CIMB Niaga's Articles of Association and applicable laws and regulations. Through the GMS, shareholders make decisions based on the interests of the Bank in a fair and transparent manner. The CIMB Niaga GMS consists of an Annual GMS (AGMS) held once a year, and Extraordinary GMS (EGMS) that can be held at any time based on needs. Both the AGMS and EGMS have the highest authority in the Bank's corporate governance structure.

The legal basis for organizing the CIMB Niaga's GMS refers to:

1. Law No. 40 of 2007 concerning Limited Liability Companies.
2. Financial Services Authority (OJK) Regulation No. 32/POJK.04/2014 dated 8 December 2014 concerning the Plan and Implementation of General Meeting of Shareholders of Public Companies ("POJK No. 32/POJK.04/2014");
3. OJK Regulation No. 10/POJK.04/2017 dated 14 March 2017 concerning Amendments to OJK Regulation No. 32/POJK.04/2014 ("POJK No. 10/POJK.04/2017"); and
4. Bank's Articles of Association.

In addition to the above legal requirements, CIMB Niaga GMS are also conducted in accordance with the ASEAN Corporate Governance Scorecard provisions

SHAREHOLDERS

Shareholders are individuals or legal entities that legally own Bank shares. Shareholders do not intervene in the functions, duties and authority of the Board of Commissioners and Board of Directors.

CIMB Niaga's Shareholder composition as of 31 December 2019 was as follows:

Shareholder Name	Total Shares	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

SHAREHOLDERS' RIGHTS, AUTHORITIES AND RESPONSIBILITIES

Based on the Bank's Articles of Association, the Bank's Shareholders consist of class A shares and class B shares. Both class A and class B shareholders have the same rights. Each share has rights of 1 (one) vote.

The rights held by shareholders include, among others:

1. Attend the GMS and give 1 (one) vote.
2. Opportunity to propose the GMS agenda and candidates of the Board of Commissioners and the Board of Directors' members by 1 (one) shareholders or more representing at least 1/20 (one twentieth) of the total shares with voting rights.
3. Opportunity to grant a proxy to another party if the shareholder is unable to attend the GMS. The proxy form is available on the Bank's website (www.cimbniaga.co.id).
4. Receive and study the GMS material no later than 28 (twenty eight) days prior to the GMS, so that shareholders are prepared to vote during the GMS resolution process.
5. Opportunity to raise questions on every agenda item and every agenda decision in the GMS.

6. Opportunity to vote agree, disagree, or abstain on any proposed decision in the GMS agenda.
7. Receive equal treatment from CIMB Niaga..

In addition, shareholders also have the authority including: (i) to appoint and dismiss members of the Board of Commissioners and members of the Board of Directors, (ii) to conduct performance assessments on the Board of Commissioners and the Board of Directors, (iii) temporarily dismiss the members of the Board of Directors, (iv) approve amendments and ratification of the Bank's Articles of Association, (v) approve the Annual Reports, (vi) approve the remuneration for the Board of Commissioners and the Board of Directors, as well as (vii) approve the proposed allocation of Bank's profits, including dividend distribution.

In detail, the shareholders rights, authorities and responsibilities are regulated in CIMB Niaga's Articles of Association that is accessible through the Bank's website (www.cimbniaga.co.id). The Bank also consider the location of GMS ensuring it is easily accessible by the shareholders and/or their proxies and encourages all shareholders including institutional shareholders to attend the CIMB Niaga's GMS.

IMPLEMENTATION OF CIMB NIAGA'S AGM IN 2019

AGM 15 APRIL 2019

In 2019, the Bank only held 1 (one) AGM, which is the AGM on 15 April 2019 which conducted in accordance with the mechanism set out in POJK No. 32/POJK.04/2014 as amended by POJK No. 10/POJK.04/2017 and the provisions of the Bank's Articles of Association.

The Process of AGM on 15 April 2019

Date & Time	15 April 2019 at 14.21 - 16.19 GMT +7
Location	The Financial Hall Graha CIMB Niaga 2 nd Floor Jl. Jend. Sudirman Kav. 58 South Jakarta
Quorum	The AGM ("Meeting") was attended by shareholders and representatives/proxies representing 23,908,658,424 shares or 95.8897% of the total shares issued by the Bank (both class A shares and class B shares), totaling 24,933,541,055 shares (not included Treasury shares with the total of 198,065,788 shares). Accordingly, the quorum required in Article 13 Paragraphs 13.1 and 13.6 of the Bank's Articles of Association have been fulfilled and the Meeting is therefore valid and entitled to make legitimate and binding decisions regarding matters discussed according to the agenda Meeting.
AGM Chairman	Tengku Dato' Sri Zafrul Tengku Abdul Aziz as President Commissioner
The Board of Commissioners in presence, including the President Commissioner	Tengku Dato' Sri Zafrul Tengku Abdul Aziz as President Commissioner was present along with all the other members of Board of Commissioners
The Board of Directors in presence, including the President Director	Tigor M. Siahaan as the President Director was present along with all the other members of the Board of Directors.
The Sharia Supervisory Board (SSB) in presence	Prof. Dr. M. Quraish Shihab, MA as Chairman of the SSB was present along with all the other members of the SSB.
The Audit Committee in presence, including the Chairman of Audit Committee	Jeffrey Kairupan as Chairman and concurrently member of the Audit Committee was presence along with all the other members of the Audit Committee.
Chairman of NRC Committee in presence	Pri Notowidigdo, as the Chairman, and concurrently a member of the Nomination and Remuneration Committee NRC was present.
Chairman of KIPER in presence	Zulkifli M. Ali, as the Chairman and concurrently a member of the Risk Oversight Committee (KIPER) was present
Chairman of IGC in presence	Jeffrey Kairupan, as the Chairman and concurrently a member of the Integrated Governance Committee (IGC) was present
Number of shareholders who asked questions and/or opinions	2 (two) Shareholders raised questions on the First Agenda. Meanwhile, for the Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Agenda there were no Shareholders and proxies/representative of Shareholders who raised questions/responses

Implementation Stages of the AGM on 15 April 2019

No.	Activity	Date of Implementation	Explanation
1.	Notification of AGM to Regulator	20 February 2019	Submitted to the OJK and PT Indonesia Stock Exchange ("IDX") within 5 (five) working days prior to the announcement of the AGM through a CIMB Niaga letter No. 017/FO/KP/2019.
2.	Announcement of AGM	28 February 2019	<ol style="list-style-type: none"> Conducted within 14 (fourteen) days prior to the invitation of the AGM, regardless of the date of the GMS announcement and date of the invitation. Announced in Indonesian and English in: <ol style="list-style-type: none"> "Bisnis Indonesia" and "The Jakarta Post" newspapers; Bank's Website; and IDX's Website Evidences of the announcement were submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK & IDX-Net).

No.	Activity	Date of Implementation	Explanation
3.	Recording Date of List of Shareholders entitled to attend the AGM	14 March 2019	1 (one) working day prior to the the AGM Invitation
4.	Invitation with explanation of AGM agenda	15 March 2019	<ol style="list-style-type: none"> Conducted within 28 (twenty-eight) days prior to the AGM implementation regardless the date of AGM Invitation and date of AGM. Announced in Indonesian and English in: <ol style="list-style-type: none"> "Bisnis Indonesia" and "The Jakarta Post" newspapers; Bank's Website; and IDX's Website Evidences of the announcement were submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK & IDX-Net)..
		21 March 2019	Revision on the explanation of Agenda 5 of the AGM specifically point (iv) was conducted in Indonesian and English in the same newspapers and uploaded to the same website as the AGM Invitation.
5.	AGM Implementation	15 April 2019	-
6.	Summary of the Minutes (Results) of the AGM	15 April 2019	The publication of the main resolution of the AGM was uploaded in Indonesian and English on the Bank's website on the same day with the AGM.
		16 April 2019	<ol style="list-style-type: none"> Summary of the Minutes (Results) of AGM submitted to OJK and IDX in 1 (one) working day after the AGM (hardcopy and e-reporting via SPE-OJK & IDX-Net). Summary of the Minutes (Results) of the AGM published 1 (one) working day after the AGM, in Indonesian and English in: <ol style="list-style-type: none"> "Bisnis Indonesia" and "The Jakarta Post" newspapers IDX's Website Evidences of the publication were submitted to OJK and IDX on the same day (hardcopy and e-reporting via SPE-OJK & IDX-Net).
7.	Deed of Minutes of AGM	8 May 2019	Deed of AGM Minutes submitted to OJK within 14 (fourteen) working days after the AGM (hardcopy and e-reporting via SPE-OJK & IDX-Net).

ONLINE VOTING AND VOTE CALCULATION MECHANISM (E-VOTING)

The AGM decision-making is made by deliberations for consensus. However, to ensure that deliberation for consensus was reached, while maintain the independence and confidentiality of shareholders in the voting process, the decision-making is conducted through voting. Voting is conducted by the shareholders or their proxies directly in a secret manner through an electronic mechanism (e-voting) using a Touch Screen Monitor provided by the Bank and Smartphones or Mobile Device (tablet, ipad, etc.). Specifically, for the appointment of the members of the Board of Commissioners, the Board of Directors and the Sharia Supervisory Board were conducted by individual voting.

Disclosure of AGM voting procedures and vote calculations were explained in detail in the Meeting Rules, which were announced/uploaded on the Bank's website together with the Invitation of AGM and were read out by the Corporate Secretary prior to the commencement of the AGM. In addition to being included in the Meeting Rules, a video on the voting procedure was also available on the website.

INDEPENDENT PARTY TO CALCULATE VOTES

At the AGM on 15 April 2019, CIMB Niaga has appointed independent parties, Notary Ashoya Ratam, S.H., MKn., as the Public Notary and PT Bima Registra as the Share Registrar Bureau in calculating and/or validating votes.

RESOLUTION OF THE AGM ON 15 APRIL 2019

All resolutions have been adopted in: (i) Deed No. 24 on 15 April 2019 made by and before the Notary Ashoya Ratam S.H., MKn., Notary in South Jakarta ("Notary"), and (ii) Deed No. 25 on 15 April 2019, which was made before the Notary and had received notification from the Minister of Law and Human Rights of the Republic of Indonesia ("Menkumham") based on Letter No. AHU-AH.01.03-0221467 dated 26 April 2019. Details of the AGM resolutions on 15 April 2019, as follows:

1 st Agenda	Approval of the Company's Annual Report, and ratification of the Company's Consolidated Financial Statements for the Fiscal Year ended on 31 December 2018.						
Voting Calculation Results	Total Majority & Agree Votes = 23,908,685,424 shares or 100%						
	<table border="0" style="width: 100%;"> <tr> <td style="width: 33%; text-align: center;">Agree</td> <td style="width: 33%; text-align: center;">Abstain/No Votes*</td> <td style="width: 33%; text-align: center;">Disagree</td> </tr> <tr> <td style="text-align: center;">23,900,673,479 shares or 99.9665%</td> <td style="text-align: center;">8,011,945 shares atau 0.0335%</td> <td style="text-align: center;">0%</td> </tr> </table>	Agree	Abstain/No Votes*	Disagree	23,900,673,479 shares or 99.9665%	8,011,945 shares atau 0.0335%	0%
	Agree	Abstain/No Votes*	Disagree				
23,900,673,479 shares or 99.9665%	8,011,945 shares atau 0.0335%	0%					
Meeting Decision	<ol style="list-style-type: none"> 1. Approved the Company's Annual Report for the fiscal year ended on 31 December 2018; 2. Ratified the Company's Consolidated Annual Financial Statements for the fiscal year ended on 31 December 2018 as audited by the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (member firm of PricewaterhouseCoopers Global in Indonesia) as stipulated in the report dated 15 February 2019 with the opinion "the accompanying 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 2018, and their consolidated financial performance and cash flows for the year ended on that date, in accordance with Indonesian Financial Accounting Standards". 3. Ratified the annual Supervisory Reports by the Board of Commissioners and the Shariah Supervisory Board ("SSB") for the fiscal year ended on 31 December 2018; and 4. Granted full release and discharge ("volledig acquit et décharge") to the members of the Board of Directors and the Board of Commissioners as well as the SSB of the Bank for their management and supervision performed in fiscal year of 2018 (including the members of the Board of Directors and the Board of Commissioners who have resigned as resolved in a Extraordinary General Shareholders Meeting ("EGMS") on 19 December 2018), provided that the management and supervision are reflected in the Company's Annual Report for the fiscal year ended on 31 December 2018. 						
Realization	Realized in 2019						

2 nd Agenda	Determination on the Use of the Company's Profits for the Fiscal Year ended on 31 December 2018.						
Voting Calculation Results	Total Majority & Agree Votes = 23,908,685,424 shares or 100%						
	<table border="0" style="width: 100%;"> <tr> <td style="width: 33%; text-align: center;">Agree</td> <td style="width: 33%; text-align: center;">Abstain/No Votes*</td> <td style="width: 33%; text-align: center;">Disagree</td> </tr> <tr> <td style="text-align: center;">23,900,673,479 shares or 99.9805%</td> <td style="text-align: center;">4,663,612 shares or 0.0195%</td> <td style="text-align: center;">0%</td> </tr> </table>	Agree	Abstain/No Votes*	Disagree	23,900,673,479 shares or 99.9805%	4,663,612 shares or 0.0195%	0%
	Agree	Abstain/No Votes*	Disagree				
23,900,673,479 shares or 99.9805%	4,663,612 shares or 0.0195%	0%					
Meeting Decision	<p>Approved the appropriation of the Company's Net Profit (consolidated) for the fiscal year of 2018 in the total amount of Rp3,482,427,920,767, with the following descriptions:</p> <ol style="list-style-type: none"> 1. Distribution of cash dividends to a maximum of 20% of the Company's net profit, or amounted maximum up to Rp669,485,584,153 (gross), with the following schedule: <ol style="list-style-type: none"> a. Cum Dividend in the Regular and Negotiation Market on 25 April 2019 b. Ex Dividend in the Regular and Negotiation Market on 26 April 2019 c. Cum Dividend in the Cash Market on 29 April 2019 d. Recording date for entitled shareholders on 29 April 2019 e. Ex Dividend in the Cash Market on 30 April 2019 f. Dividend Payment for Fiscal Year of 2018 on 15 May 2019 and delegated of authority to the Board of Directors to determine the procedure for distributing the cash dividends by taking into account applicable capital market sector regulations. 2. The Company does not set aside statutory reserve from net profit of the fiscal year of 2018, since the Company has fulfilled the minimum mandatory statutory reserve amount in accordance with Article 70 of Law No. 40 of 2007 concerning Limited Liability Companies ("Company Law"). 3. Booked the remaining net profit for fiscal year of 2018, after deducting the distribution of dividends, as retained earnings to finance the Company's business activities. 						
Realization	Realized in 2019.						

3 rd Agenda	Appointment of the Company's Public Accountant and Public Accounting Firm for the Fiscal Year of 2019 and the determination of the Honorarium and other Requirements related to the Appointment		
Voting Calculation Results	Total Majority & Agree Votes = 23,908,685,424 shares or 100%		
	Agree	Abstain/No Votes*	Disagree
	23,904,022,012 shares or 99.9805%	4,663,412 shares or 0.0195%	0%
Meeting Decision	<ol style="list-style-type: none"> Approved the reappointment of Angelique Dewi Daryanto, SE., CPA, as Public Accountant, and the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member of the PricewaterhouseCoopers Global in Indonesia), respectively as Public Accountant and Public Accounting Firm registered in OJK, or other Public Accountant from the same Public Accounting Firm in the absence of the respective person to conduct audit of the Company's Financial Statements for fiscal year of 2019; Delegation of authority to the Board of Commissioners of the Company to appoint another Public Accountant and Public Accounting Firm, if there is an objection from OJK over the appointment of "Tanudiredja, Wibisana, Rintis & Partners" Public Accounting Firm or the said Public Accounting Firm performed a partnership restructuring to become a different Public Accounting Firm. The following provisions apply to the said delegation of authority: <ol style="list-style-type: none"> The other Public Accounting Firm appointed by the Board of Commissioners must be one of the Big Four groups of Public Accounting Firms in Indonesia; The appointment has received recommendation from the Audit Committee of the Company; The amount of the honorarium and other terms of appointment for the other Public Accounting Firm must be determined competitively and fairly; and The appointment of the other Public Accounting Firm should not contradict with the prevailing laws and regulations. Approved the proposed honorarium of the Public Accounting Firm for the Company's annual audit in fiscal year of 2019 at a maximum of Rp7,500,000,000 (gross). Delegation of authority to the Board of Directors of the Company to carry out matters deemed necessary in connection with the appointment of the Public Accountant and the Public Accounting Firm, including but not limited to the process of conducting meetings and signing the appointment letter for the Public Accountant and the Public Accounting Firm. 		
Realization	Realized in 2019.		

4 th Agenda	Changes of Management Composition of the Company		
Voting Calculation Results	Agree	Abstain/No Votes*	Disagree
Didi Syafruddin Yahya	Total Majority & Agree Votes = 23,895,830,224 shares or 99.9462%		
	23,891,166,812 shares or 99.9267%	4,663,412 shares or 0.0195%	12,855,200 shares or 0.0538%
Sri Widowati	Total Majority & Agree Votes = 23,895,830,224 shares or 99.9462%		
	23,891,166,612 shares or 99.9267%	4,663,612 shares or 0.0195%	12,855,200 shares or 0.0538%
Prof. Dr. M. Quraish Shihab, MA	Total Majority & Agree Votes = 23,895,830,224 shares or 99.9462%		
	23,891,166,812 shares or 99.9267%	4,663,412 shares or 0.0195%	12,855,200 shares or 0.0538%
Prof. Dr. Fathurrahman Djamil, MA	Total Majority & Agree Votes = 23,895,830,224 shares or 99.9462%		
	23,891,166,812 shares or 99.9267%	4,663,412 shares or 0.0195%	12,855,200 shares or 0.0538%
Dr. Yulizar D. Sanrego M.Ec	Total Majority & Agree Votes = 23,895,830,224 shares or 99.9462%		
	23,891,166,612 shares or 99.9267%	4,663,612 shares or 0.0195%	12,855,200 shares or 0.0538%
Tigor M. Siahaan	Total Majority & Agree Votes = 23,895,830,224 shares or 99.9462%		
	23,891,166,612 shares or 99.9267%	4,663,612 shares or 0.0195%	12,855,200 shares or 0.0538%

4 th Agenda	Changes of Management Composition of the Company
Meeting Decision	<p>1. Approved the appointment of Didi Syafruddin Yahya as Commissioner, and Sri Widowati as Independent Commissioner, with effective tenure after obtaining approval from OJK and/or the fulfillment of the requirements as determined in the approval letter from the OJK ("Effective Date") until the closing of the fourth AGM after the appointment effective date without prejudice to the right of the GMS to discharge at any time as stipulated on Article 119 of the Company Law.</p> <p>In the event of OJK does not give such approval, or such requirements as determined by OJK for the appointment of the person in question is not fulfilled, therefore such appointment becomes null and void without any GMS approval. Following the above appointments, the composition of the Board of Commissioners of the Company is as follows: President Commissioner: Tengku Dato' Sri Zafrul Tengku Abdul Aziz Vice President Commissioner : Glenn M. S. Yusuf Independent Commissioner : Zulkifli M. Ali Independent Commissioner : Pri Notowidigdo Independent Commissioner : Jeffrey Kairupan Commissioner : David Richard Thomas Commissioner : Didi Syafruddin Yahya* Independent Commissioner : Sri Widowati* *) effective after obtaining OJK approval and/or fulfillment of the requirements as determined in the OJK approval letter.</p> <p>2. Approved the reappointment of all Syariah Supervisory Board (SSB) members namely Prof. Dr. M. Quraish Shihab, MA as the Chairman, Prof. Dr. Fathurrahman Djamil, MA as a Member, and Dr. Yulizar D. Sanrego, M.Ec as a Member, effective from the closing of this Meeting until the closing of the fourth AGM without prejudice to the right of the GMS to discharge at any time in accordance with the rules and regulations. Therefore, the composition of the SSB of the Company is remain the same;</p> <p>3. Approved the reappointment of Tigor M. Siahaan as President Director effective since the closing of this Meeting until the closing of the fourth AGM after the appointment effective date without prejudice to the right of the GMS to discharge at any time in accordance with the provisions of Article 105 of the Company Law. Therefore, the composition of the Board of Directors of the Company is remain the same;</p> <p>4. Approved the delegation of authority to the Board of Directors of the Company with substitution rights, to restate the decisions regarding changes in the composition of members of Board of Commissioners of the Company, the reappointment of all members of the SSB of the Company and the reappointment of Tigor M. Siahaan as the President Director of the Company in a notarial deed and notifying to the authorized parties and also in conduct such necessary actions in accordance with the prevailing laws and regulations.</p>
Realization	Realized in 2019

5 th Agenda	Determination on the Salary or Honorarium, Tantiem/Bonus, and other allowances for the Board of Commissioners, the Board of Directors and the Sharia Supervisory Board of the Company.		
Voting Calculation Results	Total Majority & Agree Votes = 23,908,685,224 shares or 99.9999%		
	Agree	Abstain/No Votes*	Disagree
	23,904,021,612 shares or 99.9805%	4,663,612 shares or 0.0195%	200 shares or 0.0000%
Meeting Decision	<p>1. Approved and determined the salary or honorarium and other allowances for the Company's Board of Commissioners for the fiscal year of 2019 a maximum of Rp20,395,087,249 (gross) and delegated the authority to the President Commissioner to determine the amount of salary or honorarium and other allowances for each member of the Company's Board of Commissioners;</p> <p>2. Approved and determined the salary or honorarium and other allowances for the Company's SSB for the fiscal year of 2019 a maximum of Rp1,763,666,795 (gross) and delegated the authority to the President Commissioner to determine the amount of salary or honorarium and other allowances for each member of the Company's SSB. Therefore, no members of the Board of Commissioners (including Independent Commissioners) and SSB received tantiem/bonus;</p> <p>3. Approved the tantiem/bonus to the Board of Directors for the fiscal year of 2018 a maximum of Rp94,447,500,000 (gross) including variable remuneration in the form of shares or share-based instruments issued by the Company, and delegated the authority to the Company's Board of Commissioners to determine the amount of tantiem/bonus for each member of the Company's Board of Directors;</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 the Board of Directors and each member of the Board of Directors of the Company for the fiscal year of 2019 after considering recommendations from the Nomination and Remuneration Committee of the Company.</p>		
Realization	Realized in 2019		

6 th Agenda	Approval of the Company's Recovery Plan.						
Voting Calculation Results	Total Majority & Agree Votes = 23,908,685,424 shares or 100%						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Agree</th> <th style="width: 33%;">Abstain/No Votes*</th> <th style="width: 33%;">Disagree</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">23,904,021,812 shares or 99.9805%</td> <td style="text-align: center;">4,663,612 shares or 0.0195% 0%</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table>	Agree	Abstain/No Votes*	Disagree	23,904,021,812 shares or 99.9805%	4,663,612 shares or 0.0195% 0%	0%
	Agree	Abstain/No Votes*	Disagree				
23,904,021,812 shares or 99.9805%	4,663,612 shares or 0.0195% 0%	0%					
Meeting Decision	<ol style="list-style-type: none"> 1. Approved the updates of the Recovery Plan which has been prepared and submitted by the Company to OJK on 28 November 2018, which includes: <ol style="list-style-type: none"> a. Update on the trigger level to comply with the prevailing provisions; and b. Update on the adequacy and feasibility of debt or investment instruments that has capital characteristics possessed by Systemic Banks through the issuance of the Subordinated Bonds III Bank CIMB Niaga of 2018. 2. Approved the delegation of authority to the Board of Commissioners and the Board of Directors of the Company to perform each and all actions required in connection with the update of the Company's Recovery Plan by taking into account the OJK Regulation concerning Recovery Plan for Systemic Bank. 						
Realization	Realized in 2019						

7 th Agenda	Approval of the Company's Share Buyback.						
Voting Calculation Results	Total Majority & Agree Votes = 23,908,685,424 shares or 100%						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Agree</th> <th style="width: 33%;">Abstain/No Votes*</th> <th style="width: 33%;">Disagree</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">23,904,021,812 shares or 99.9805%</td> <td style="text-align: center;">4,663,612 shares or 0.0195%</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table>	Agree	Abstain/No Votes*	Disagree	23,904,021,812 shares or 99.9805%	4,663,612 shares or 0.0195%	0%
	Agree	Abstain/No Votes*	Disagree				
23,904,021,812 shares or 99.9805%	4,663,612 shares or 0.0195%	0%					
Meeting Decision	<ol style="list-style-type: none"> 1. Approved the Share Buyback plan from the public shareholders, at the maximum of 20,000,000 shares with the maximum cost of Rp25,000,000,000 (including transaction costs and tax) with due regard to the prevailing regulations. The Share Buy Back Plan has obtained the OJK approval through the OJK letter No. S-19/PB.33/2019 dated 25 March 2019, and will be completed no later than 18 months after the resolution of this Meeting; The purpose of the Share Buyback of the Company proceeds is to fulfill POJK No. 45/POJK.03/2015, particularly to the provision of variable remuneration in the form of shares or share-based instruments issued by the Company to parties categorized as Material Risk Takers (MRT) of the Company for the period of 3 (three) years which will be paid in 2019, 2020 and 2021. 2. Approved the delegation of authority to the Company's Board of Directors to conduct the Share Buyback in accordance with prevailing regulations. 						
Realization	Realized in 2019						

8th Agenda	<p>Others:</p> <ol style="list-style-type: none"> 1. Accountability Report on the Use of Proceeds from the Public Offering of the Shelf-Registration Bond II Bank CIMB Niaga Phase IV Year 2018; Shelf-Registration Sukuk Mudharabah Bank CIMB Niaga I Phase I Year 2018; and Subordinated Bond III Bank CIMB Niaga Year 2018. 2. Sustainable Finance Action Plan Report. 3. Report on Amendment to Indonesian Stock Exchange Regulation No. I-A specifically related to the position of Independent Director.
Meeting Decision	<p>Others:</p> <ol style="list-style-type: none"> 1. According to POJK No. 30/POJK.04/2015, and reported to OJK Capital Market through letter No. 003/DIR/I/2019 dated 10 January 2019 with a copy to IDX and the OJK Banking Supervisory, in the Meeting was reported the accountability of the use of the proceeds from the Public Offering as of 31 December 2018, whereas the funds obtained respectively from each of: <ol style="list-style-type: none"> a. Shelf-Registration Bond II Bank CIMB Niaga Phase IV Year 2018 in the amount of Rp1,016,523,355,000 (nett); b. Shelf-Registration Sukuk Mudharabah I Bank CIMB Niaga Phase I Year 2018 in the amount of Rp993,366,142,421 (nett); and c. Subordinated Bond III Bank CIMB Niaga Year 2018 in the amount of Rp144,480,674,465 (nett). Have all been used in accordance with the plan to use the proceeds as disclosed in respective Prospectus. 2. In accordance with POJK No. 51/POJK.03/2017, in the Meeting was reported regarding Sustainable Finance Action Plan of the Company Year 2019 – 2023 which has been submitted to the OJK Banking Supervisory on 27 November 2018. The Sustainable Finance Action Plan consist of the short-term (1 (one) year) and the long-term (5 (five) years) activity plan for the Company's priorities in implementing Sustainable Finance, while still taking into account the fulfillment of prudential principles and the implementation of risk management. 3. Following the issuance of Amendment to IDX Regulation Number I-A through the Decision Letter of the BOD of IDX No. Kep-00183/BEI/12-2018, specifically related to the non-regulation or an Independent Director position in a Listed Company, in the Meeting was reported the deletion of position title of the Company's Independent Director. Therefore, the title as Independent Director for Fransiska Oei, the Compliance Director and concurrently as the Independent Director as reported at the AGM on 25 April 2017, will be effectively removed since the closing of this Meeting. However, it shall be reemphasized that all members of the Company's Board of Directors are independent from the controlling shareholders, not having any family relationship up to the second degree with fellow members of the Board of Directors and/or members the Board of Commissioners, do not held any concurrent positions as members of Board of Directors, as members of other Board of Commissioners, or as Executive Officers in the Company, or other companies and/or institutions other than performing functional tasks in non-bank subsidiary companies controlled by the Company, and also do not become an insider in any capital market supporting institutions or professionals whose services are used by the Company.
Realization	Realized in 2019

*) 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 present at the GMS who are abstain (not voting) shall be deemed to cast the same vote as the majority of the voting, with condition that such shareholders are obliged to abide and respect to the decisions taken for the relevant agenda of the GMS.

RESOLUTION AND REALIZATION OF THE RESULT OF THE PREVIOUS YEAR GMS

In 2018, CIMB Niaga held an AGMS on 24 April 2018 and an EGMS on 19 December 2018. The resolutions of the both GMS were reported to OJK and announced on the Company's website (www.cimbniaga.co.id), the IDX website (www.idx.co.id) and published in Bisnis Indonesia and The Jakarta Post on the same day. The following summarises the resolutions of the AGM and EGM in 2018 with information on follow-up actions taken by the Bank.

AGM ON 24 APRIL 2018

All resolutions have been adopted in Deed No. 48 on 24 April 2018 made by and before Notary Ashoya Ratam S.H., MKn., Notary in South Jakarta with detailed as follows:

1 st Agenda	Approval of the Company's Annual Report, and Ratification of the Company's Financial Statements for the fiscal year ended on 31 December 2017						
Voting Calculation Results	Total Majority & Agree Votes = 23,894,514,455 shares or 100%						
	<table border="0" style="width: 100%;"> <tr> <td style="width: 33%; text-align: center;">Agree</td> <td style="width: 33%; text-align: center;">Abstain/No Votes*</td> <td style="width: 33%; text-align: center;">Disagree</td> </tr> <tr> <td style="text-align: center;">23,891,727,369 shares or 99.9883%</td> <td style="text-align: center;">2,787,086 shares or 0,0117%</td> <td style="text-align: center;">0 shares or 0%</td> </tr> </table>	Agree	Abstain/No Votes*	Disagree	23,891,727,369 shares or 99.9883%	2,787,086 shares or 0,0117%	0 shares or 0%
	Agree	Abstain/No Votes*	Disagree				
23,891,727,369 shares or 99.9883%	2,787,086 shares or 0,0117%	0 shares or 0%					
Meeting Decision	<ol style="list-style-type: none"> 1. Approved the Company's Annual Report for the fiscal year ended on 31 December 2017 and ratified the Company's Consolidated Financial Statement for the fiscal year ended on 31 December 2017 which was audited by the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Partners (a member firm of PricewaterhouseCoopers Global in Indonesia) as stipulated in the report dated 26 February 2018 with opinion "The accompanying Consolidated Financial Statements present fairly, in all material respects, and their consolidated financial position of PT Bank CIMB Niaga Tbk and its subsidiaries as of 31 December 2017, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards"; 2. Ratified the supervisory reports as performed by the Board of Commissioners and the Sharia Supervisory Board of the Company for the fiscal year ended on 31 December 2017; and 3. Granted full release and discharged (volledig acquit et décharge) to the members of the Board of Directors and the Board of Commissioners including the members of the Sharia Supervisory Board of the Company for the management and supervision carried out in the fiscal year of 2017, provided that the management and supervision are reflected in the Company's Annual Report for the fiscal year ended on 31 December 2017. 						
Realization	Realized in 2018						

2 nd Agenda	Determination on the use of the Company's profits for the fiscal year ended on 31 December 2017						
Voting Calculation Results	Total Majority & Agree Votes = 23,894,514,455 shares or 100%						
	<table border="0" style="width: 100%;"> <tr> <td style="width: 33%; text-align: center;">Agree</td> <td style="width: 33%; text-align: center;">Abstain/No Votes*</td> <td style="width: 33%; text-align: center;">Disagree</td> </tr> <tr> <td style="text-align: center;">23,894,383,702 shares or 99.9995%</td> <td style="text-align: center;">130,753 shares or 0.0005%</td> <td style="text-align: center;">0 shares or 0%</td> </tr> </table>	Agree	Abstain/No Votes*	Disagree	23,894,383,702 shares or 99.9995%	130,753 shares or 0.0005%	0 shares or 0%
	Agree	Abstain/No Votes*	Disagree				
23,894,383,702 shares or 99.9995%	130,753 shares or 0.0005%	0 shares or 0%					
Meeting Decision	<p>Approved the appropriation of the use of the Company's Net Profit for the fiscal year of 2017 totaling Rp2,977,738,301,607 (consolidated) with the following descriptions:</p> <ol style="list-style-type: none"> 1. Distributed as cash dividends to a maximum of 20% of the Company's net profit or amounted maximum up to Rp595,547,660,321 (gross), with the following schedule: <ol style="list-style-type: none"> a. Cum Dividend in the Regular and Negotiation Market on 2 May 2018 b. Ex Dividend in the Regular and Negotiation Market on 3 May 2018 c. Cum Dividend in Cash Market on 7 May 2018 d. Recording date for entitled shareholders on 7 May 2018 e. Ex Dividend in Cash Market on 8 May 2018 f. Dividend Payment for Fiscal Year of 2017 on 24 May 2018 2. The Company does not set aside statutory reserves fund from net profit for the fiscal year of 2017, since the amount of statutory reserves fund of the Company had fulfilled the provisions of the minimum mandatory amount of statutory reserve fund in accordance with Article 70 of Law No. 40 of 2007 concerning Limited Liability Companies. 3. Booked the remaining net profit for fiscal year of 2017 as retained earnings to finance the Company's business activities. 						
Realization	Realized in 2018						

3 rd Agenda	Appointment of the Company's Public Accountants and Public Accounting Firm for the fiscal year of 2018 and the determination of honorarium and other requirements related to the appointment		
Voting Calculation Results	Total Majority & Agree Votes = 23,894,514,455 shares or 100%		
	Agree	Abstain/No Votes*	Disagree
	23,894,383,702 shares or 99.9995%	130,753 shares or 0,0005%	0 shares or 0%
Meeting Decision	<ol style="list-style-type: none"> Approved the appointment of Angelique Dewi Daryanto, SE., CPA, and the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member firm of PricewaterhouseCoopers Global in Indonesia) respectively as a Public Accountant and a Public Accounting Firm registered in OJK, or other Public Accountant from the same Public Accounting Firm in the absence of the respective person to conduct audit of the Company's Financial Statements for fiscal year of 2018; Delegation of authority to the Company's Board of Commissioners to appoint another Public Accounting Firm, if there is an objection from the OJK for the appointment of Public Accounting Firm Tanudiredja, Wibisana, Rintis & Partners or the said Public Accounting Firm undertook a restructuring of the partnership to become a different Public Accounting Firm. The following provisions apply to the said delegation of authority: <ol style="list-style-type: none"> Other Public Accounting Firm appointed by the Board of Commissioners must be one of the big four groups of Public Accounting Firms in Indonesia; The appointment has received recommendation from the Company's Audit Committee; The amount of the honorarium and other appointment requirements for the other Public Accounting Firm must be determined competitively and fairly; and The appointment of other Public Accountant Firm should not contradict with the applicable laws and regulations Approve the proposed determination of the honorarium of the Public Accounting Firm for fiscal year of 2018, as follows: <ol style="list-style-type: none"> The annual audit fee of the Company is Rp7,432,000,000 (gross); The audit fee for the subsidiary (PT CIMB Niaga Auto Finance) is Rp648,000,000 (gross). Delegation of authority to the Board of Directors of the Company to carry out matters deemed necessary in connection with the appointment of the Public Accountant and Public Accounting Firm, including but not limited to the process of conducting meetings and signing the appointment letters for the said Public Accountant and Public Accounting Firm. 		
Realization	Realized in 2018		

4 th Agenda	Reappointment of 1 (one) member of the Board of Directors and 1 (one) Board of Commissioners of the Company		
Voting Calculation Results	Agree	Abstain/No Votes*	Disagree
	Total Majority & Agree Votes = 23,893,219,355 shares or 99.9946%		
	23,857,322,302 shares or 99,8443%	35,897,053 shares or 0,1502%	1,295,100 shares or 0.0054%
David Richard Thomas	Total Majority & Agree Votes = 23,893,219,355 shares or 99.9946%		
	23,857,322,302 shares or 99,8443%	35,897,053 shares or 0,1502%	1,295,100 shares or 0.0054%
	<ol style="list-style-type: none"> Approved the re-appointment of John Simon as Director of the Company and David Richard Thomas as Commissioner of the Company, effective from the closing of the Meeting until the closing of the fourth Annual General Meeting of Shareholders. Thus, the composition of the Board of Commissioners and the Board of Directors of the Company remains the same. Approved the granting of authority to the Board of Directors of the Company with the right of substitution, to restate the resolution regarding the composition of the members of the Board of Commissioners and the Board of Directors of the Company in a notarial deed and notify the relevant authorities and with due regard to the foregoing, to perform other necessary matters in accordance with the provisions of the prevailing laws and regulations; 		
Realization	Realized in 2018		

5 th Agenda	Determination of the amount of salary, honorarium, tantiem/bonus, and other allowances for the Board of Commissioners, the Board of Directors and the Sharia Supervisory Board of the Company		
Voting Calculation Results	Total Majority & Agree Votes = 23,894,494,355 shares or 99.9999%		
	Agree	Abstain/No Votes*	Disagree
	23,893,878,602 shares or 99.9973%	615,753 shares or 0.0026%	20,100 shares or 0.0001%
Meeting Decision	<ol style="list-style-type: none"> Approved and determined the amount of salary or honorarium and other allowances for the Board of Commissioners and the Sharia Supervisory Board of the Company for the fiscal year of 2018 and approved the delegation of authority to the President Commissioner to determine the amount of salary or honorarium and other allowances for each member of the Board of Commissioners and the Sharia Supervisory Board of the Company for fiscal year of 2018; Approved the proposed salary or honorarium and other allowances for the Board of Commissioners and the Sharia Supervisory Board of the Company for the fiscal year of 2018, as follows: <ol style="list-style-type: none"> The amount for the Board of Commissioners is Rp19,741,791,391 (gross) per annum; The amount for the Sharia Supervisory Board is Rp1,763,668,280 (gross) per annum. Approved the amount of tantiem/bonus for the Board of Directors for the fiscal year of 2017 of Rp81,374,275,500 (gross) per annum. Accordingly, all members of the Board of Commissioners (including Independent Commissioners) will not receive bonus/tantiem; Approved the delegation of authority to the Board of Commissioners of the Company to determine the amount of salary, holiday allowances and other allowances for the Board of Directors and each member of the Board of Directors of the Company for the fiscal year of 2018 as well as tantiem/bonus for each member of the Board of Directors for the fiscal year of 2017, taking into account the recommendations from The Nomination and Remuneration Committee of the Company. 		
Realization	Realized in 2018		

6 th Agenda	Approval of the Company's Recovery Plan		
Voting Calculation Results	Total Majority & Agree Votes = 23,894,514,455 shares or 100%		
	Agree	Abstain/No Votes*	Disagree
	23,894,383,702 shares or 99.9995%	130,753 shares or 0,0005%	0 shares or 0%
Meeting Decision	<ol style="list-style-type: none"> Approved the Recovery Plan which has been prepared and submitted by the Company to OJK on 19 December 2017; Approved the plan to issue debt or investment instruments with capital characteristics in the form of: <ol style="list-style-type: none"> Issuance of financial instruments (among other things in the form of subordinated bonds) with capital characteristics and write-down feature, through a public offering; and/or Issuance of debt or investment instruments with capital characteristics and conversion features through a public offering. <p>In the amount and period that will be determined by the Company and approved by the OJK, and with due regard to the Capital Market laws and regulations and other related regulations.</p> Approved the delegation of authority to the Board of Commissioners and the Board of Directors of the Company to perform each and all actions to achieve the aforementioned purposed, including when it is requires to appoint a Public Accounting Firm with the same provisions as those applied to the Public Accounting Firm that audits the Company's Financial Statements for 2018. 		
Realization	Realized in 2018		

7 th Agenda	Others
Meeting Decision	<ol style="list-style-type: none"> In accordance with OJK Regulation No. 30/POJK.04/2015, it was reported in the Meeting on the accountability for the use of the proceeds from the Shelf – Registration Bond II Bank CIMB Niaga Phase II (“PUB Phase II”) and Phase III (“PUB Phase III”) Year 2017. In accordance with the report submitted to the OJK Capital Market No. 003/ DIR/2018 dated 10 January 2018 with a copy to the Indonesia Stock Exchange and OJK Banking Supervisory that stated up to 31 December 2017 all proceeds obtained from PUB Phase II amounted to Rp1,994,238,165,872 and PUB Phase III amounted to Rp1,994,571,571,109 (both after deducted by issuance costs) entirely been used in accordance with the plan of proceeds as disclosed in the Prospectus to finance the credit expansion; Reported to the Meeting on the implementation of share buyback of the Company, that the Company has repurchased 208,216,392 shares from the public with a per-share price range between Rp1,191 to Rp1,398 (or average per shares Rp1,253 per share) with total costs of Rp261,874,305,672. Accordingly, the share buyback period of the Company’s shares has ended on 22 February 2018. The implementation of the share-based loyalty program in the Employee and Management Share Ownership program, that the proceed of the share buyback of the Company were used to: <ol style="list-style-type: none"> The Employee Share Grant of approximately 12 million shares (5.7%) which will be fully realized to Employees in 2018; Provide Option Rights to Purchase Shares for Management and Employees Share Option Program (“MESOP”) of approximately 196.2 million shares (94.3%) which will be realized in gradually by 40% in 2018, 30% in 2019, and 30% in 2020.
Realization	Realized in 2018

* 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 present at the GMS who are abstain (not voting) shall be deemed to cast the same vote as the majority of the voting, with condition that such shareholders are obliged to abide and respect to the decisions taken for the relevant agenda of the GMS”.

EGM ON 19 DECEMBER 2018

All resolutions have been adopted in: (i) Deed No. 66 on 19 December 2018, and (ii) Deed No. 67 on 19 December 2018, made by and before Notary Ashoya Ratam, SH., MKn., Notary in South Jakarta, who had received notification from Menkumham through letter No. AHU-AH.01.03-0281528 dated 28 December 2018. Details of the resolution of the EGM on 19 December 2018, as follows:

Agenda	Changes in the composition of the Company’s Management			
	Voting Calculation Results	Agree	Abstain/No Votes*	Disagree
Dato’ Sri Nazir Razak	Total Majority & Agree Votes = 23,722,087,348 shares or 99.9637%			
	23,721,733,779 shares or 99.9622%		353,569 shares or 0.0015%	8,624,414 shares or 0.0363%
Armida Salsiah Alisjahbana	Total Majority & Agree Votes = 23,722,087,348 shares or 99.9637%			
	23,721,733,779 shares or 99.9622%		353,569 shares or 0.0015%	8,624,414 shares or 0.0363%
Wan Razly Abdullah	Total Majority & Agree Votes = 23,722,087,348 shares or 99.9637%			
	23,721,733,779 shares or 99.9622%		353,569 shares or 0.0015%	8,624,414 shares or 0.0363%
Tengku Dato’ Sri Zafrul Tengku Abdul Azis	Total Majority & Agree Votes = 23,722,087,348 shares or 99.9637%			
	23,721,733,779 shares or 99.9622%		353,569 shares or 0.0015%	8,624,414 shares or 0.0363%
Lee Kai Kwong	Total Majority & Agree Votes = 23,722,087,348 shares or 99.9637%			
	23,721,733,779 shares or 99.9622%		353,569 shares or 0.0015%	8,624,414 shares or 0.0363%

Meeting Decision	<p>1. The meeting has accepted resignations of:</p> <p>a. Dato' Sri Nazir Razak, from his position as President Commissioner of the Company effective on 19 October 2018</p> <p>b. Armida Salsiah Alisjahbana, from her position as Independent Commissioner of the Company effective on 1 January 2019</p> <p>c. Wan Razly Abdullah, from his position as Director of the Company effective on 1 January 2019</p> <p>2. The meeting approved the honorable discharge of Tengku Dato' Sri Zafrul Tengku Abdul Azis from his position as the Commissioner of the Company and simultaneously appoint him as President Commissioner of the Company, with term of office since the closing of the Meeting and will be effective after obtained approval from the OJK and/or fulfillment of the requirements as determined in the OJK letter in question ("Effective Date") until the closing of the fourth AGM of the Company after the Effective Date, without prejudice to the right of the GMS to dismiss at any time as stipulated on Article 119 of Law No. 40 of 2007 concerning Limited Liability Companies. In the event that the OJK does not give such approval, or such requirements stipulated by the OJK for the appointment concerned are not fulfilled, the appointment shall be null and void without any approval from the GMS.</p> <p>3. Approved the appointment of Lee Kai Kwong as Director of the Company, effective from 1 January 2019 and will be effective after obtained approval from the OJK and/or fulfillment of the requirements set forth in the approval letter from the OJK ("Effective Date"), until the closing of the fourth AGM of the Company after the Effective Date without prejudice the rights of GMS to discharge at any time in accordance with the provisions of Article 105 of the Company Law. In the event that the OJK does not give approval, or the requirements stipulated by the OJK for the appointment are not fulfilled, the appointment shall be null and void without the approval of the GMS.</p> <p>4. With the decision and acceptance and effective resignation of the members of the Board of Commissioners and the Board of Directors as mentioned above, and with the appointment of Tengku Dato' Sri Zafrul Tengku Abdul Azis as President Commissioner and Lee Kai Kwong as Director of the Company, the composition of the Company's Management is as follows:</p> <table border="1" data-bbox="491 907 1348 1478"> <thead> <tr> <th>Board of Commissioners</th> <th>Board of Directors</th> </tr> </thead> <tbody> <tr> <td>1. Tengku Dato' Sri Zafrul Tengku, President Commissioner</td> <td>1. Tigor M. Siahaan, President Director</td> </tr> <tr> <td>2. Glenn M. S. Yusuf, Vice President Commissioner</td> <td>2. Rita Mas'Oen, Director</td> </tr> <tr> <td>3. Zulkifli M. Ali, Independent Commissioner</td> <td>3. Megawati Sutanto, Director</td> </tr> <tr> <td>4. Pri Notowidigdo, Independent Commissioner</td> <td>4. Vera Handajani, Director</td> </tr> <tr> <td>5. Jeffrey Kairupan, Independent Commissioner</td> <td>5. John Simon, Director</td> </tr> <tr> <td>6. David Richard Thomas, Commissioner</td> <td>6. Lani Darmawan, Director</td> </tr> <tr> <td></td> <td>7. Pandji P. Djajanegara, Director</td> </tr> <tr> <td></td> <td>8. Hedy Lopian, Director</td> </tr> <tr> <td></td> <td>9. Fransiska Oei, Director</td> </tr> <tr> <td></td> <td>10. Rahardja Alimhamzah, Director</td> </tr> <tr> <td></td> <td>11. Lee Kai Kwong, Director**</td> </tr> </tbody> </table>		Board of Commissioners	Board of Directors	1. Tengku Dato' Sri Zafrul Tengku, President Commissioner	1. Tigor M. Siahaan, President Director	2. Glenn M. S. Yusuf, Vice President Commissioner	2. Rita Mas'Oen, Director	3. Zulkifli M. Ali, Independent Commissioner	3. Megawati Sutanto, Director	4. Pri Notowidigdo, Independent Commissioner	4. Vera Handajani, Director	5. Jeffrey Kairupan, Independent Commissioner	5. John Simon, Director	6. David Richard Thomas, Commissioner	6. Lani Darmawan, Director		7. Pandji P. Djajanegara, Director		8. Hedy Lopian, Director		9. Fransiska Oei, Director		10. Rahardja Alimhamzah, Director		11. Lee Kai Kwong, Director**
	Board of Commissioners	Board of Directors																								
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	11. Lee Kai Kwong, Director**																									
	<p>5. Granting the power of attorney to the Board of Directors of the Company with the substitution rights, to restate the decision regarding the changes in the composition of the Board of Commissioners and the Board of Directors of the Company in a notarial deed, notifies the authorities and register, and also in conduct such necessary actions in accordance with prevailing laws and regulations in the Republic of Indonesia.</p>																									
Realization	Dato' Sri Nazir Razak	Realized in 2018																								
	Armida Salsiah Alisjahbana																									
	Wan Razly Abdullah	Realized in 2019																								
	Tengku Dato' Sri Zafrul Tengku Abdul Azis																									
	Lee Kai Kwong																									
	Approval to Restate the Decision on Changes of the Composition of the Board of Commissioners and the Board of Directors of the Company	Realized in 2018																								

*) 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 present at the GMS who are abstain (not voting) shall be deemed to cast the same vote as the majority of the voting, with condition that such shareholders are obliged to abide and respect to the decisions taken for the relevant agenda of the GMS".

***) His appointment as Director has been approved by the OJK effective as of 24 April, 2019

BOARD OF COMMISSIONERS

The Board of Commissioners is one of the Governance organs that has the duties and responsibilities to supervise the Bank in accordance with the Articles of Association, as well as to ensure that the Bank conducts its business in accordance with the established objectives, provides advice to the Board of Directors, and ensures that the Bank implements the Good Corporate Governance (GCG) principles at every level of the organization. The Board of Commissioners is also responsible for overseeing the Bank's policies regarding the Bank's general operations related to the business strategies and plans approved by the Board of Commissioners, and for ensuring compliance with all applicable laws and regulations. In fulfilling its duties and responsibilities, the Board of Commissioners must act independently.

LEGAL BASIS

The legal basis for the establishment and the appointment of Board of Commissioners of CIMB Niaga refers to several regulations, including:

1. Republic of Indonesia Law on Limited Liability Companies.
2. Financial Services Authority (OJK) Regulations, OJK Circular Letters, Bank Indonesia (BI) Regulations, and BI Circular Letters relating to the implementation and organisation of Corporate Governance.
3. Bank's Article of Association.
4. Deed of Shareholders General Meeting Resolution No. 95 dated 27 November 2019 as notified to the Minister of Law and Human Rights of the Republic of Indonesia (Menkumham RI) through Notification Receipt Letter No. AHU-AH.01.03-0370172 on 9 December 2019.

BOARD OF COMMISSIONERS' CHARTER

To support and facilitate the Board of Commissioners in carrying out their functions, duties and responsibilities, the Board of Commissioners has a Charter that is regularly evaluated and updated to conform to all prevailing rules and regulations in Indonesia. This charter contains the binding guidelines and procedures for each member of the Board of Commissioners, enabling the Board of Commissioners to perform its supervisory function in an efficient, effective, transparent, independent, and accountable manner.

The basis for preparing the Board of Commissioners' Charter:

1. Law No. 40 of 2007 on Limited Liability Companies.
2. OJK Regulations and OJK Circular Letters related to Corporate Governance implementation and organization.
3. Bank's Articles of Association.
4. GCG General Guidelines in Indonesia from the National
5. Committee on Governance Policy (KNKG).
6. ASEAN Corporate Governance Scorecard.

The Board of Commissioners Charter was last updated on 14 October 2019 and has been uploaded to the Bank's website www.cimbniaga.co.id. The Board of Commissioners Charter sets forth the following matters:

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

MECHANISM FOR NOMINATION, APPOINTMENT, DISMISSAL, REPLACEMENT AND/OR RESIGNATION OF BOARD OF COMMISSIONERS MEMBERS

The Bank has a Policy and Procedure for the Nomination, Appointment, Replacement and/or Dismissal of Members of the Board of Commissioners, Members of the Board of Directors and Independent Parties as Committee Members Responsible to the Board of Commissioners No. M.04.

This policy aims to ensure the implementation of good corporate governance and risk management as well being a guideline in the process of selection, replacement and/or dismissal of the members of the Board of Commissioners, the Board of Directors and Independent Parties which regulates as follows:

1. Criteria for Board of Commissioners' Members
Candidates for the member of CIMB Niaga Board of Commissioners must at least meet the integrity, competence and good reputation requirements, as stipulated in the applicable laws and regulations.
2. Nomination Procedures for the Board of Commissioners Members
 - a. The Bank can utilize the services of independent and reputable search firms in the selection process for candidates as member of the Board of Commissioners'. The appointed third party (search firms) will assist in the selection process, including:
 - i. Identifying candidates who meet the requirements;
 - ii. Conducting interviews and selection of candidates (including conducting background and references checks);

- iii. Acting as a liaison between the Board of Commissioners, the Nomination and Remuneration Committee, and candidates during the selection and evaluation process;
 - iv. Providing consultations needed by the Nomination and Remuneration Committee.
- b. Members of the Board of Directors, the Board of Commissioners and/or the Bank's Shareholders may propose candidates as members of the Board of Commissioners to the Bank.
- The Shareholders who may propose candidates as members of the Board of Commissioners will be 1 (one) or more shareholders representing 1/20 (one twentieth) or more of the total shares with voting rights.
3. Appointment Procedures of the Board of Commissioners' Members
- Appointment of the Board of Commissioners' members must obtain GMS approval and have passed the Fit and Proper Test in accordance with OJK regulations concerning the Fit and Proper Test, and those concerning the Implementation of Governance for Commercial Banks, as well as meet other requirements set by other relevant authorities before being effectively declared as a Commissioner.
4. Procedure for dismissal, replacement and / or resignation of the Board of Commissioners' members
- a. Proposal of dismissal and /or replacement of the Board of Commissioners' members shall be submitted to the GMS, and shall observe the recommendations from the Bank's Nomination and Remuneration Committee.
 - b. Members of the Board of Commissioners may be dismissed at any time based on the resolution of the GMS by stating their reasons.
 - c. Members of the Board of Commissioners have the right to resign from their positions by giving written notification regarding their intention to the Bank no later than 90 (ninety) days or 3 (three) months prior to the effective resignation. In the event that written notification is submitted less than 90 (ninety) days or 3 (three) months, the effective date of the resignation must be approved by the Board of Commissioners.
 - d. When the position of a member of the Board of Commissioners is vacant due to any reason that causes the number of the Board of Commissioners to be less than 3 (three), then a GMS must be held no later than 60 (sixty) calendar days after the vacancy date to fill the vacancy with due regard to the prevailing laws and regulations.
 - e. In the event the position of President Commissioner is vacant and as long as a successor has not been appointed or has not assumed their position, then one of the Board of Commissioners members, appointed by a Board of Commissioners Meeting will

carry out the President Commissioner's obligations, with the same authority and responsibility as the President Commissioner.

BOARD OF COMMISSIONERS' STRUCTURE, NUMBER OF MEMBERS, AND COMPOSITION IN 2019

The structure and composition of CIMB Niaga's Board of Commissioners members has met all prevailing regulations, as stipulated in the Board of Commissioners' Charter, which include:

1. The total number of CIMB Niaga's Board of Commissioners members is at least 3 (three) persons, and at the same as the total number of Board of Directors members.
2. The CIMB Niaga's Board of Commissioners is led by a President Commissioner.
3. One or more may be appointed as Vice President Commissioner.
4. At least 1 (one) member of the Board of Commissioners must be domiciled in Indonesia, CIMB Niaga has 4 (four) members of the Board of Commissioners domiciled in Indonesia.
5. 4 (four) out of 8 (eight) people or 50% (fifty percent) of the members of the Board of Commissioners are Independent Commissioners.
6. 5 (five) out of 8 (eight) people or more than 50% (fifty percent) of the members of the Board of Commissioners are Indonesian citizens.
7. The replacement and/or appointment of members of the CIMB Niaga's Board of Commissioners has taken into account the recommendation from Nomination and Remuneration Committee and has obtained approval from the GMS and OJK.
8. All members of the CIMB Niaga's Board of Commissioners have no family relationship up to the second degree with fellow members of the Board of Commissioners and/or the Board of Directors or Controlling/Ultimate Shareholders.
9. All members of the Bank's Board of Commissioners have passed the Fit and Proper Test.

In line with the principles of the ASEAN Corporate Governance Scorecard, the composition of the Board of Commissioners also includes:

1. 1 (one) female member of the Board of Commissioners is an Independent Commissioner namely Sri Widowati.
2. 50% (fifty percent) of the Board of Commissioners members are Independent Commissioners, namely 4 (four) Independent Commissioners out of a total of 8 (eight) members of the Board of Commissioners.
3. In terms of expertise, the majority of members of the Board of Commissioners have a working experience in banking.
4. Appointment of one of the Independent Commissioners as Senior Independent Commissioner.

In 2019, the number and composition of the CIMB Niaga's Board of Commissioners was changed based on AGM resolution on 15 April 2019.

Composition of the Board of Commissioners for the period of 1 January - 15 April 2019

No	Name	Position	Term of Office
1	Tengku Dato' Sri Zafrul Tengku Abdul Aziz*	President Commissioner	2019 - 2022
2	Glenn M. S. Yusuf**	Vice President Commissioner	2016 - 2020
3	Zulkifli M. Ali	Independent Commissioner	2016 - 2020
4	Pri Notowidigdo	Independent Commissioner	2016 - 2020
5	Jeffrey Kairupan	Independent Commissioner***	2016 - 2020
6	David Richard Thomas	Commissioner	2018 - 2022

Composition of the Board of Commissioners for the period of 15 April - 31 December 2019

No	Name	Position	Term of Office
1	Tengku Dato' Sri Zaf rul Tengku Abdul Aziz*	President Commissioner	2018 - 2022
2	Glenn M. S. Yusuf**	Vice President Commissioner	2016 - 2020
3	Zulkifli M. Ali	Independent Commissioner	2016 - 2020
4	Pri Notowidigdo	Independent Commissioner	2016 - 2020
5	Jeffrey Kairupan	Independent Commissioner***	2016 - 2020
6	David Richard Thomas	Commissioner	2018 - 2022
7	Didi Syafruddin Yahya	Commissioner	2019 - 2023
8	Sri Widowati	Independent Commissioner	2019 - 2023

*) Has tendered his resignation from his position as President Commissioners through the letter that has been received on 9 March 2020 and will be conveyed to obtain resolution in the 2020 AGM

**) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

***) Appointed as Senior Independent Commissioner of the Bank through CIMB Niaga Board of Commissioners Circular Decree No. 014/DEKOM/KP/VI/2019 dated 28 June 2019

BOARD OF COMMISSIONERS' TERM OF OFFICE

- The term of office as the Board of Commissioners member shall be effective from the date specified in the GMS appointing them, until the close of the 4th AGM after 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 prevailing regulations.
- The appointment of Board of Commissioners members becomes effective upon approval from OJK or the fulfilment of the requirements stipulated in the OJK approval letter related to the Fit and Proper Test, and other relevant authorities (if any), and has been approved by the shareholders through the GMS.
- The term of office for the Independent Commissioners is 2 (two) consecutive terms or maximum 9 (nine) years.
- The position of a Board of Commissioners member shall expire in the event of:
 - The term of office is expired in accordance with the provisions in the Bank's AoA;
 - To resign in accordance with the prevailing regulations;
 - No longer comply with the law and regulatory requirements;
 - Pass away;
 - Dismissed based on the GMS resolution;
 - Declared bankrupt or placed under supervision based on a court decision;
 - Engaged in a financial crime.
- The member of the Board of Commissioners who have completed their term of office may be re-appointed after taking into account the prevailing regulations.

FIT AND PROPER TEST

OJK Regulation No.27/POJK.03/2016 concerning Fit and Proper Test for Main Parties of Financial Services Institutions regulated that candidates member of the Board of Commissioners must obtain approval from OJK before performing their actions, duties and functions as the member of the Board of Commissioners.

Board of Commissioners' members who have passed the fit and proper test without comments and have received approval from the OJK, indicates that each member of the Board of Commissioners has adequate integrity, competence and financial reputation, as shown in the table below:

Name	Position	Regulator	Appointment Basis	BI/OJK Approval	Effective Date	Reappointment
Tengku Dato' Sri Zafrul Tengku Abdul Aziz*	President Commissioner	Otoritas Jasa Keuangan	EGM 19 December 2018	No. SR-67/PB.12/2019 dated 15 March 2019	15 March 2019	-
Glenn M.S. Yusuf**	Vice President Commissioner	Bank Indonesia	EGM 26 January 2012	No. 14/57/GBI/DPIP/Rahasia, dated 18 June 2012	18 June 2012	AGM 15 April 2016
Zulkifli M. Ali	Independent Commissioner	Bank Indonesia	EGM 18 July 2008	No. 10/156/GBI/DPIP/Rahasia, dated 14 October 2008	1 November 2008	AGM 15 April 2016
Pri Notowidigdo	Independent Commissioner	Bank Indonesia	AGM 28 March 2013	No. 15/114/GBI/DPIP/Rahasia, dated 26 November 2013	26 November 2013	AGM 15 April 2016
Jeffrey Kairupan	Independent Commissioner***	Otoritas Jasa Keuangan	AGM 15 April 2016	No. SR-183/D.03/2016 dated 14 September 2016	14 September 2016	-
David Richard Thomas	Commissioner	Otoritas Jasa Keuangan	AGM 27 March 2014	No. SR-159/D.03/2014 dated 15 September 2014	15 September 2014	AGM 24 April 2018
Didi Syafruddin Yahya	Commissioner	Otoritas Jasa Keuangan	AGM 15 April 2019	No. SR-309/PB.12/2019 dated 20 November 2019	20 November 2019	-
Sri Widowati	Independent Commissioner	Otoritas Jasa Keuangan	AGM 15 April 2019	No. SR-309/PB.12/2019 dated 20 November 2019	20 November 2019	-

*) Has tendered his resignation from his position as President Commissioners through the letter that has been received on 9 March 2020 and will be conveyed to obtain resolution in the 2020 AGM

**) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

***) Appointed as Senior Independent Commissioner of the Bank through CIMB Niaga Board of Commissioners Circular Decree No. 014/DEKOM/KP/VI/2019 dated 28 June 2019

BOARD OF COMMISSIONERS' DUTIES, RESPONSIBILITIES AND AUTHORITIES

The Board of Commissioners shall act and be responsible collegially, and is assisted by the Audit Committee, the Risk Oversight Committee, the Nomination and Remuneration Committee and the Integrated Governance Committee in their respective areas. The Board of Commissioners duties, responsibilities, and authorities are applicable to each member of the Board of Commissioners:

- Each member of the Board of Commissioners must not act individually, and shall act based on a Board of Commissioners' decision.
- The Board of Commissioners shall perform their duties and responsibilities in good faith, with fully responsibility, prudence and independence.

- The Board of Commissioners shall ensure that the Good Corporate Governance principles are applied in all Bank's business activities and at all organizational levels at least through:
 - The implementation of the Board of Commissioners and the Board of Directors duties and responsibilities;
 - The completeness and implementation of the Committees and working units duties when performing the Bank's internal control functions;
 - The implementation of the compliance function, and the internal and external audits;
 - The risk management implementation, including the internal control system;

- e. The provision of funds to related parties and provision of large funds;
 - f. The Bank's strategic plan;
 - g. The transparency of the Bank's financial and non-financial condition;
 - h. Regularly approve and review the Bank's Vision, Mission and Core Values.
4. The Board of Commissioners shall supervise the management policies, the general management processes and is responsible for this supervision, and shall provide advice to the Board of Directors.
 5. In performing the supervisory duties as referred to in number 3 and 4 above, the Board of Commissioners must direct, monitor and evaluate the Bank's strategic policy implementation pursuant to the regulations.
 6. In the event that there is only one member of the Board of Commissioners due to the absence of the other members, all duties and authorities granted to the President Commissioner, or other members of the Board of Commissioners, as described in AoA will automatically apply to him/her.
 7. The Board of Commissioners are prohibited from take part in decision-making related to the Bank's operations, except for:
 - a. Loan provisions to related parties as regulated in the OJK regulation regarding Legal Lending Limit for Commercial Banks; and
 - b. Other matters specified in the AoA or in the prevailing rules and regulations
 8. Decision making by the Board of Commissioners as referred to in number (7) above is part of the supervisory functions of the Board of Commissioners so as not to negate the Board of Directors' responsibility for the management of the Bank.
 9. The Board of Commissioners approves and monitors the implementation of the Bank's strategies, the Business Plan, and several policies in accordance with the prevailing regulations, including the establishment and implementation of strategies related to Anti-Fraud, Anti Money Laundering and Combating the Financing of Terrorism (AML- CFT), Whistleblowing, Integrated Corporate Governance, Related Party Transaction (RPT), Legal Lending Limit (LLL), and other Bank strategies in accordance with the prevailing regulations.
 10. Through the Nomination and Remuneration Committee, supervises the selection and assessment of candidate members for the Board of Directors and the Board of Commissioners without interference.
 11. The Board of Commissioners shall ensure that the Board of Directors has taken follow up actions on audit findings and recommendations from the Bank's Internal Audit, External Auditor, supervision results from OJK and/or other authorities.
 12. The Board of Commissioners shall report to OJK within 7 (seven) working days any findings related to:
 - a. Violations of finance and banking laws and regulations; and
 - b. Any circumstances or projected circumstances that may compromise the sustainability of the Bank's business.
 13. In order to support the effectiveness of its duties and responsibilities, the Board of Commissioners shall establish at least:
 - a. Audit Committee;
 - b. Risk Oversight Committee;
 - c. Nomination and Remuneration Committee.
 14. The Board of Commissioners shall supervise the established Committees, as referred to in point 13 above, so they perform their duties effectively, and shall evaluate and/or assess the performance of these committees at a minimum at the end of each fiscal year.
 15. The Board of Commissioners shall conduct active supervision of the Compliance Function by:
 - a. Evaluating the Bank's Compliance Function at least twice a year.
 - b. Providing suggestions to improve the quality of the Bank's Compliance Function.
 16. Based on Point 15, the Board of Commissioners shall provide recommendations for improving the quality of the Compliance Function to the President Director.
 17. The Board of Commissioners is responsible for ensuring the implementation of Risk Management in accordance with the Bank's characteristics, complexity and risk profile by:
 - a. Approving the Risk Management policy including Risk Management Strategy and Framework as determined based on the Bank's risk appetite and risk tolerance.
 - b. Evaluating the Risk Management policies and strategy at least once a year, or more frequently in the event of any changes in factors significantly affecting the Bank's business activities.
 18. Each member of the Board of Commissioners shall be jointly and severally liable for any losses due to errors or negligence by members of the Board of Commissioners in performing their duties.
 19. Members of the Board of Commissioners shall not be liable for losses of the Bank as referred to in point 18 if it is proven that:

- a. The loss was not due to their error or negligence;
 - b. They performed supervision in good faith, with full responsibility, following prudential principles for the interests of, and in accordance with the Bank's objectives;
 - c. There was no direct or indirect conflict of interests in management activities resulting in the loss;
 - d. They had taken necessary actions to prevent any loss from occurring or continuing.
20. A member of the Board of Commissioners, appointed by the Board of Commissioners must chair the GMS.
 21. In the event that all members of the Board of Commissioners are absent or unable to attend due to any reason whatsoever, without any requirement to prove to third parties, the President Director shall chair the GMS.
 22. In performing its duties, the Board of Commissioners is entitled to seek the assistance of experts for a limited period of time.
 23. The Board of Commissioners, based on Board of Commissioners meeting resolutions, is authorized to temporarily dismiss members of the Board of Directors by stating the reasons.
In the event that a Board of Directors member is temporarily dismissed, the Board of Commissioners must convene a GMS within 90 (ninety) days after the date of any dismissal, to revoke or enforce the dismissal decision.
 24. The Board of Commissioners may undertake Bank management actions under certain circumstances and for a certain period of time. In such case, all provisions concerning the rights, authority and responsibilities of the Board of Directors to the Bank and third parties will apply.
 25. The Board of Commissioners is, at all times within office hours, entitled to enter the buildings, yards, 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 know all actions taken by the Board of Directors.
 26. The Board of Commissioners has the right 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.
 27. The Board of Commissioners shall ensure that the Board of Directors possess and implements the Financial Literacy and Financial Inclusion plans.
 28. The Board of Commissioners shall prepare a succession plan for the Chief Executive Officer (CEO)/President Director and key management to ensure the Bank's sustainable future leadership.
 29. The BOC shall ensure the harmony of environment, economic, social and governance aspects in the preparation of Bank's business strategies and implementation of business activities by the BOD, as the form of sustainable banking practices

PRESIDENT COMMISSIONER'S DUTIES AND RESPONSIBILITIES

In addition to the above duties and responsibilities, the President Commissioner has the following additional duties and responsibilities:

1. To coordinate the implementation of the Board of Commissioners duties and responsibilities;
2. May propose to hold a Board of Commissioners' meetings, including the Meetings' agenda;
3. To invite and chair the Board of Commissioners' meetings;
4. Deliver the BOC supervisory report to obtain approval from the AGM on the Board of Commissioners duties and supervision performance;
5. To ensure that the Board of Commissioners responsibilities have been carried out in accordance with the proper procedures;
6. To ensure that the Board of Commissioners' meetings are effective in that decisions are taken, based on sound and well-informed basis, including ensuring that:
 - a. All strategic and critical issues are considered by the Board of Commissioners
 - b. Matters are carefully and thoroughly discussed;
 - c. All members of the Board of Commissioners are given the opportunity to contribute effectively;
 - d. Each Commissioner receives the relevant information on a timely basis, including being properly briefed on issues arising at the Board of Commissioners' meetings; and
 - e. The Board of Commissioners' meetings come to clear decisions and resolutions are noted.
7. To ensure that the Board of Commissioners behaves in accordance with the Board of Commissioners Charter;
8. Lead efforts to address the Board of Commissioners development requirements;
9. Perform other responsibilities as assigned by the Board of Commissioners, from time to time; and
10. Conduct a final evaluation on the collegial performance of the Board of Commissioners and the Committees as well as individual performance of members of the Board of Commissioners and members of the Committees after taking into account the recommendation from the Nomination and Remuneration Committee.

BOARD OF COMMISSIONERS' SEGREGATION OF DUTIES

Based on their respective competencies and fields, several members of the Board of Commissioners concurrently serve as Chairman and/or Members of the Committees established to support the Board of Commissioners' duties and responsibilities.

Committee	Committee Membership by Board of Commissioners Members
Audit Committee	1. Jeffrey Kairupan (chairman concurrently member) 2. Zulkifli M. Ali (member)
Risk Oversight Committee	1. Zulkifli M. Ali (chairman concurrently member) 2. Glenn M.S.Yusuf (member)* 3. David Richard Thomas (member) 4. Didi Syafruddin Yahya (member)
Nomination and Remuneration Committee	1. Pri Notowidigdo (chairman concurrently member) 2. Glenn M.S. Yusuf (member)* 3. Didi Syafruddin Yahya (member) 4. Jeffrey Kairupan (member)
Integrated Governance Committee	1. Jeffrey Kairupan (chairman concurrently member)

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

BOARD OF COMMISSIONERS' INDEPENDENCY

The Board of Commissioners at all times upholds the principle of independency when performing its duties, prioritizes the interests of the Bank above its own interests and cannot be influenced by any party when conducting its duties.

This commitment is in line with those stipulated in the Board of Commissioners' Charter as follows:

1. The Board of Commissioners and their families and any parties affiliated to them are not allowed to take loans from the Bank.
2. The Board of Commissioners are not allowed to use information obtained from the Bank for making any decisions for the benefit of their own, their family and an affiliated parties.
3. The Board of Commissioners are not allowed to accept personal gains or income from the Bank other than remuneration and other facilities as set forth in the Bank's policy approved by the GMS.
4. The Board of Commissioners shall prioritize the interests of the Bank by adopting professionalism and integrity principles, and shall work and behave to the highest standard.
5. The Board of Commissioners are not allowed to retain and duplicate Bank's documents and control the Bank's assets for personal benefits.
6. Unless otherwise stipulated in the prevailing laws and regulations and the AoA, the Board of Commissioners has no right to represent the Bank even though authorized by the Board of Directors, unless due to the failure of the Board of Directors, when the Board of Commissioners shall take over the role of the Board of Directors.
7. All members of the Board of Commissioners shall not accept, give or offer anything from/to State Officer and business partners.

BOARD OF COMMISSIONERS' CONCURRENT POSITIONS

The Board of Commissioners' Charter governs the provisions regarding the CIMB Niaga's Board of Commissioners' concurrent positions, whereby Board of Commissioners' members may only hold concurrent positions as:

1. A member of the Board of Commissioners, Board of Directors, or Executive Officer of 1 (one) other non-financial institution/company; or
2. A Member of the Board of Commissioners, Board of Directors, or Executive Officer who carry out supervisory functions in 1 (one) non-bank subsidiary company controlled by the Bank.
3. A Committee member up to 5 (five) Committees in the Bank or Public Company where the person concerned also serves as the member of the Board of Directors or the Board of Commissioners.

Excluding the above concurrent positions when:

1. The non-Independent member of the Board of Commissioners carry out functional duties for the Bank's shareholders in the form of legal entities in their business groups; and/or
2. Members of the Board of Commissioners hold positions in non-profit organizations or institutions.

Provided that the member of the Board of Commissioners does not neglect their duties and responsibilities as a member of the Bank's Board of Commissioners.

No members of CIMB Niaga's Board of Commissioners have concurrent positions at CIMB Niaga's subsidiaries. Information on the concurrent positions for the Board of Commissioners members in other agencies/companies/institutions/organizations for 2019 are available in the Corporate Profile Chapter section of this Annual Report

BOARD OF COMMISSIONERS' CONFLICTS OF INTEREST

During 2019, the Bank ensured that all Board of Commissioners' members did not have a conflict of interest or a potential conflict of interest against CIMB Niaga. All Board of Commissioners' members must avoid potential conflicts of interest and must not place themselves in a potential position for conflicts of interest in any situation as stated in the Board of Commissioners' Charter. In the event of a conflict of interest, Board of Commissioners' members are prohibited from taking actions that could harm or reduce the Bank's profit and must disclose any potential conflict of interest in each decision taken.

The procedures that must be followed by the Board of Commissioners' members in the event of a conflict of interest are as follows:

1. They are obliged to immediately report in writing to the Board of Commissioners regarding any matters that have the potential to create and/or contain a conflict of interest that may have significant financial and reputational impact on CIMB Niaga, the Board of Commissioners, and the Board of Directors.
2. Should preclude from participating in the assessment process of any activities that may constitute a conflict of interest.
3. May participate in meeting, but are not allowed to participate in decision making.

BOARD OF COMMISSIONERS' LOAN PROVISION POLICY

The Board of Commissioners and their families and other affiliated parties are not allowed to borrow money from the Bank as stipulated in the Board of Commissioners' Charter.

BOARD OF COMMISSIONERS' SUPERVISION FOCUS IN 2019

The Board of Commissioners prepared its supervision focus and work plans as mutually agreed guidelines that became the basis for preparing the agenda of the Board of Commissioners' meetings and joint meetings with the Board of Directors. During 2019, the Board of Commissioners' meetings resulted in recommendations and input regarding various aspects on the Bank's business and business support. The main focus was still on how to achieve the business targets whilst paying close attention to risk management whilst following the prudential principle and complying with all prevailing regulations.

The Board of Commissioners supervision focus in 2019 covered several important aspects, including:

1. Analysed, provided input, and together with the Board of Directors approved the Bank Business Plan (RBB), including reviewing and approving RBB revisions to be submitted to OJK in accordance with the timeline stipulated by OJK, which was in November for the submission of the following year's RBB, and in June for the revised RBB for the current year.
2. The Board of Commissioners was obliged to carry out oversight on the RBB implementation and also report to OJK on a regular basis through the RBB realization report.
3. The Board of Commissioners also monitored, analyzed and provided input on the Bank's strategic plan including: (i) developing high-margin business, (ii) diversifying sources of income, (iii) growing low-cost funds; transforming sales and service, (iv) increasing efficiencies, and (v) developing human resources and monitoring the ongoing "Transformation Project".
4. Periodically the Board of Commissioners conducted the Bank's financial performance reviews, at each Board of Commissioners and/or Committee Meeting and also invited Business Units to submit their respective performances.
5. In line with prevailing regulations, active risk management supervision became the Board of Commissioners' focus, including conducting self-assessments of the Bank's Soundness level using Risk Based-Bank Rating ("RBBR"). In 2019, through the Risk Oversight Committee, monitored risk management, asset quality, the Bank's soundness status, and the stress tests results, and reviewed the Bank's risk management policies including the Funding Contingency Plan policy, and evaluated the suitability of risk management policies and policy implementation.
6. Ensured the Board of Directors had followed up on audit findings and recommendations from the Internal Audit Unit (IAU), including improvements to findings from the external auditors and regulators.
7. In relation to liquidity both in Rupiah and US Dollars, the Board of Commissioners periodically received the Board of Directors' reports to gain a clear illustration of the funding and liquidity structure as well as the Bank's funding strategy.
8. The Board of Commissioners has reviewed on: (i) Supervision Reports every half year, (ii) GCG Assessment Reports, and (iii) related party transactions and approved several internal policies that required approval of the Board of Commissioners.
9. The Board of Commissioners received the latest reports on investments and operations and information technology achievement implemented in 2019.

10. Monitored the Bank's operational risk including non-performing loans (NPLs), impaired loans, and fraud.
11. Reviewed and approved the updated Recovery Plan which has been submitted to OJK at the end of 2019 and ensured the updated Recovery Plan will also be proposed to get shareholders' approval at the 2020 AGM.
12. The Board of Commissioners approved the Nomination and Remuneration Committee review and recommendations for the nomination of members of the Board of Commissioners, the Board of Directors, the Sharia Supervisory Board and the independent parties as members of the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee and Integrated Governance Committee. Including approved changes related to the remuneration and compensation policies for the Board of Commissioners, the Board of Directors and the Sharia Supervisory Board.
13. In 2019, the Board of Commissioners approved the Nomination and Remuneration Committee recommendations for the appointment of new Board of Commissioners' members, namely: (i) Didi Syafruddin Yahya and Sri Widowati respectively as Commissioners and Independent Commissioners, (ii) the re-appointment of Tigor M. Siahaan as President Director, (iii) and the re-appointment of all Sharia Supervisory Board members namely Prof. Dr. M. Quraish Shihab, MA as the Chairman, Prof. Dr. Fathurrahman Djamil, MA and Dr. Yulizar Djamiluddin Sanrego, M.Ec., respectively as member with the term of office had expired at the AGM on 15 April 2019.
14. Ensured there was follow-up to the Recovery Plan for systemic banks that had received feedback from the regulators.
15. Regarding Human Resources, the Board of Commissioners, through the Nomination and Remuneration Committee, monitored the manpower policies and HR management functions that posed a significant risks to the Bank, as well as supervised the application of risk management related to outsourcing.
16. Through the Audit Committee reviewed the financial statements including the presentation of financial statements, accounting practices and conformity with the generally accepted accounting principles, and reviewed the adequacy of the published reports and reports to the authorities, as well as evaluated the implementation of the Bank's compliance functions.
17. Risk mitigation was conducted through the Risk Oversight Committee who provided recommendations to the Board of Commissioners to support the effectiveness of the Board of Commissioners duties and responsibilities related to risk management.
18. Carried out the supervisory function and implementation of the Integrated Governance ("IGC") in the CIMB Indonesia Financial Conglomerate through the IGC Committee, and evaluated the implementation of IGC by assessing the internal control's adequacy and the implementation of the integrated compliance function.
19. Analyzed, provided input, and together with the Board of Directors approved the Bank's Sustainable Financial Action Plan (RAKB) for 2020 to be submitted to the OJK.

To support the Board of Commissioners' effectiveness in carrying out their duties and responsibilities, at each Board of Commissioners' meeting received reports from each Committee, namely: Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee and Integrated Governance Committee.

BOARD OF COMMISSIONERS' RECOMMENDATIONS

The Board of Commissioners' supervision and advice is delivered through the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and Integrated Governance Committee and is discussed at the Board of Commissioners' meetings. During 2019, a number of important recommendations were provided by the Board of Commissioners including:

1. Provided input and approved the corporate plan throughout 2019 including conducted of the AGM, Issuance of Sukuk Mudharabah and Subordinated Bonds, and Increases in subsidiaries' capital.
2. Provided approval for the revision of the Bank Business Plan of 2019, Bank Business Plan of 2020 and approved the Bank's strategies & business plan for 2020.
3. Reviewed and provided input on the Bank's Risk Appetite Statement.
4. Provided input on the Bank's financial targets, including Net Interest Margin, NPL and watch list accounts, Loan to Deposit Ratio, Asset Quality, Productivity and market competition.
5. The Board of Commissioners provided input related to an increase in Bank's low-cost funds (CASA) and fee income by developing Bank services to ease transactions and services through Transaction Banking, Value Chain and improvements to Sharia Banking business services through Dual Banking leverage, and through the development of branchless banking such as ATM, CDM & CRM optimization, development of new platforms for CIMB Clicks (internet banking) and improving GoMobile (mobile banking), agent banking, and tablet banking services including programs to improve turn-around time to increase the customer transaction experience.

6. Provided input and recommendations related to efficiencies and cost discipline to reduce the cost ratio and increase the Bank's revenue, IT transformation programs and productivity from both front-liners and back offices, granting authority in the approval process to speed-up customer service.
7. Periodically discussed the macroeconomic and industrial conditions and any new banking regulations, their impact on the Bank's business and the follow-up.
8. Based on the Audit Committee's report, the Board of Commissioners provided recommendations to the Board of Directors, including:
 - a. The financial statements review results including the presentation of financial statements, accounting treatment and compliance with generally accepted accounting principles, as well as financial performance and adequacy of published financial statements and reporting to authorities.
 - b. The progress on the external audit, regulator and Bank Negara Malaysia results follow-up.
 - c. Independent opinions in the event of disagreements between management and the Public Accountant on the services provided.
 - d. Appointment of a Public Accounting Firm based on independency, scope of assignment and audit fees.
 - e. Reviewing the internal audits and supervising the follow-up by the Board of Directors on the internal auditor's findings.
 - f. Reviewing complaints regarding the accounting and financial reporting processes.
 - g. Implementation of strategies for detecting fraud, including the whistleblowing implementation.
9. Based on the Risk Oversight Committee report, the Board of Commissioners provided recommendations to the Board of Directors including those related to:
 - a. Risk management, asset quality, Bank soundness level and stress test results.
 - b. Risk management policies/frameworks established by the Board of Directors including the Internal Capital Adequacy Assessment Process for determining risk appetite and stress tests implementation.
 - c. Financial Statements and discussions on the on-going strategic initiatives/projects, especially for the risks implications to the Bank. These include the Bank's 2020 Budget Plan as well as each unit's business strategies and plans to ensure the conformity with the risk principle and risk appetite.
 - d. The risk aspects for new products and activities including evaluations on the Post Implementation Review (PIR) framework of products, and reviewing the strategies to increase CASA and Commission Revenue from a risk perspective, especially those related to Bank liquidity and financing.
 - e. Strategies for handling and settling impaired and NPL accounts and the associated recovery plans/strategies.
 - f. Monitoring significant audit findings from an operational risk management perspective including reports on the results of investigations carried out.
10. Through the Nomination and Remuneration Committee, the Board of Commissioners provided recommendations to the Board of Directors including:
 - a. Nomination policy recommendations for selecting, replacing or reappointing members of the Board of Commissioners, Board of Directors and Sharia Supervisory Board for submission and approval at the AGM on 15 April 2019.
 - b. Submitted to the AGM on 15 April 2019 on the recommendation for the remuneration policy for the Board of Commissioners, the Sharia Supervisory Board and the Board of Directors, together with the remuneration policy framework for Executive Officers and employees as a whole, as approved by the Board of Directors.
 - c. Changes related to the remuneration policy for the Board of Commissioners, the Independent Parties who are members of Committees under the Board of Commissioners, the Sharia Supervisory Board and the Board of Directors.
 - d. Manpower policies and HR management functions that contain significant risks on the Bank including the Bank's future growth.
 - e. Recommendations on the framework for distributing bonus to the Board of Directors in a balanced and reasonable manner and have been objectively consider on performance achievements.
 - f. Provided input on the Board of Directors' Key Performance Indicator (KPI) assessments based on achievement of each KPI component.
 - g. Provided input on the performance assessments for the Board of Commissioners and the Committees under the Board of Commissioners both individually and collegially; including the Committee Chairman performance assessments at least once a year using the self-assessment method or with other methods.
 - h. Provided input on training policies and/or programs for the Board of Directors and the Board of Commissioners.
11. Through the IGC, the Board of Commissioners provided recommendations including:
 - a. Supervised the Governance implementation for each member of the CIMB Indonesia Financial Conglomerate related to Audit, Risk Management and Integrated Compliance.

- b. Ensure the reporting and updating of the membership of Financial Services Institutions that are members of the CIMB Indonesia Financial Conglomerate.
- c. Ensure the IG implementation in the CIMB Indonesia Financial Conglomerate has been reported to the authorities in accordance with prevailing regulations.
12. Pursuant to the Bank's Articles of Association, the Board of Commissioners approved any proposed actions regarding NPL, restructuring and write-offs of loans above certain limits as stipulated in the Bank's policies. In addition, the Board of Commissioners approved credits to parties related to the Bank in order to meet the prevailing regulatory requirements.

BOARD OF COMMISSIONERS' DEVELOPMENT PROGRAM

CIMB Niaga continues to promote capacity building activities for the Board of Commissioners through its training programs for Board of Commissioners members to support their duties

to achieve sustainable growth and effective management as stipulated in the Board of Commissioners' Charter.

RISK MANAGEMENT CERTIFICATION

One of the Board of Commissioners' development programs conducted by CIMB Niaga is Risk Management Certification, which is conducted in accordance with the Employment Regulations (P2K) regarding Implementation of Employee Learning, and BI Regulation No.11/19/PBI/2009 dated 4 June 2009, and its amendment BI Regulation No. 12/7/PBI/2010 dated 19 April 2010 regarding Risk Management Certification for Management and Officers for Commercial Bank, Board of Directors and Board of Commissioners, who are required to participate in Risk Management Certification and Refreshment programs in accordance with the regulations.

All members of the Board of Commissioners has hold Risk Management Certification and/or Refreshment in accordance with the prevailing provisions as follows:

Name	Position	Certification Level	Institution Issuing Certification	Issue Date	Expiry date
Tengku Dato' Sri Zafrul Tengku Abdul Aziz*	President Commissioner	1	Risk Management Certification Agency ("BSMR")	7 December 2017	7 December 2021
Glenn M.S. Yusuf**	Vice President Commissioner	1	Banking Professional Certification Institute ("LSPP")	8 March 2012	8 March 2023
Zulkifli M. Ali	Independent Commissioner	2	BSMR	8 November 2016	8 November 2023
Pri Notowidigdo	Independent Commissioner	2	LSPP	15 June 2013	15 June 2023
Jeffrey Kairupan	Independent Commissioner***	2	BSMR	11 June 2016	11 June 2020
David Richard Thomas	Commissioner	1	LSPP	17 May 2014	17 May 2022
Didi Syafruddin Yahya	Commissioner	1	LSPP	11 May 2019	11 May 2023
Sri Widowati	Independent Commissioner	2	LSPP	10 August 2019	10 August 2023

*) Has tendered his resignation from his position as President Commissioners through the letter that has been received on 9 March 2020 and will be conveyed to obtain resolution in the 2020 AGM

**) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

***) Appointed as Senior Independent Commissioner of the Bank through CIMB Niaga Board of Commissioners Circular Decree No. 014/DEKOM/KP/VI/2019 dated 28 June 2019

COMPETENCY DEVELOPMENT AND TRAINING PROGRAM

CIMB Niaga is committed to conducting competency development and training programs for all Board of Commissioners members to support their supervisory function. This commitment is reflected in the training attended by each member of the Board of Commissioners, which listed in the Company Profile section of this Annual Report.

INDUCTION PROGRAM FOR NEW COMMISSIONERS

To be effective when conducting their functions and duties, the Board of Commissioners members must know and understand the Company's profile, its characteristics and business processes. In addition, so they can work harmoniously with other Company bodies, the newly appointed members of the Board of Commissioners shall undertake the Induction Program.

As stipulated in the Board of Commissioners Charter, newly appointed Board of Commissioners members must follow the Induction Program, which, aims to provide knowledge to the new Commissioners to gain an understanding of the Bank so they can carry out their duties effectively and efficiently.

The induction program for new Commissioners takes the form of documents prepared by the Corporate Affairs unit, including:

1. Bank's Vision and Mission.
2. Bank's Code of Ethics and Conduct.
3. Bank's Organizational Structure.
4. Bank's Articles of Association.
5. Corporate Policy Manual (GCG Charter).
6. Board of Commissioners Charter and The Committees under the Board of Commissioners Charters.
7. Regulations related to the Banking and Capital Markets.
8. Bank's Annual Report.
9. Bank's Business Plan.

To improve the induction program's quality and effectiveness, in 2019 the Bank has developed a digital induction program (e-Learning), through the Learning on the Go (LoG) application, which accessible by Commissioners candidates anywhere at anytime.

In 2019, induction programs were given to 2 (two) new members of the Board of Commissioners namely Didi Syafruddin Yahya and Sri Widowati.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS' PERFORMANCE ASSESSMENT

PERFORMANCE ASSESSMENT POLICY AND PROCEDURE FOR COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Performance assessments for the Committees under the Board of Commissioners are carried out every year (minimum once a year), and include collegial performance assessments for the Committees under the Board of Commissioners, individual performance assessments for each Committee members, and performance assessments for the Committee Chairman.

The final evaluation for the collegial and individual performance assessments of the Committees under the Board of Commissioners, including the performance assessment of the Committee Chairman are presented by the Nomination and Remuneration Committee in the Board of Commissioners

meeting. The discussion results will be followed up in the form of improvement and action plan (if necessary).

PERFORMANCE ASSESSMENT CRITERIA FOR COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Performance Assessment Criteria for Committees under the Board of Commissioners includes:

1. **Collegial Performance Assessment for Committees under the Board of Commissioners**
The assessment criteria includes the structure of the Committees, the effectiveness of the meetings of the Committees and the effectiveness of the Committees implementation of duties and responsibilities.
2. **Individual Performance Assessment for Each Member of the Committees under the Board of Commissioners**
The assessment criteria includes competency and capability, as well as effectiveness of the members of the Committees implementation of duties and responsibilities.
3. **Performance Assessment for the Chairman of the Committees under the Board of Commissioners**
The Committee Chairman's performance assessment criteria includes the effectiveness of the implementation of duties and responsibilities, as well as the Chairman's leadership in the Committees.

PARTIES CONDUCTING THE PERFORMANCE ASSESSMENT FOR THE COMMITTEES UNDER THE BOARD OF COMMISSIONERS

The performance assessment for Committees, Committee members and Chairman of the Committees under the Board of Commissioners is carried out by:

1. **Collegial Performance Assessment for Committees under the Board of Commissioners**
The assessment is carried out by each Committee member on the performance of the Committee under the Board of Commissioners.
2. **Individual Performance Assessment for Each Member of the Committees under the Board of Commissioners**
Each Committee member provides an assessment for each other member of the committee under the Board of Commissioners.
3. **Performance Assessment for Chairman of the Committee under the Board of Commissioners**
The assessment is carried out by each member of Committee on the performance of the Chairman of their respective Committee.

RESULTS OF THE PERFORMANCE ASSESSMENT FOR THE COMMITTEES UNDER THE BOARD OF COMMISSIONERS IN 2019

Detail results of the collegial performance assessment for the Committees under the Board of Commissioners are as follows:

Audit Committee	Risk Oversight Committee	Nomination and Remuneration Committee	Integrated Governance Committee
3.5	4.0	4.6	3.6

Meanwhile, the average results of the individual performance assessment for each member of the Committees are as follows:

Audit Committee	Risk Oversight Committee	Nomination and Remuneration Committee	Integrated Governance Committee
3.9	4.1	4.6	3.5

And for the performance assessment results for the Chairman of the Committees under the Board of Commissioners:

Audit Committee	Risk Oversight Committee	Nomination and Remuneration Committee	Integrated Governance Committee
3.2	4.3	4.3	3.7

Value Range as follows:

Range of Values	Description
≥ 4.7	Exceptional
4.0 - 4.6	Outstanding
3.7 - 3.9	Exceeded Expectations
3.0 - 3.6	Meet Expectations
< 3.0	Needs Improvement

INDEPENDENT COMMISSIONERS

Independent Commissioners are members of the Board of Commissioners who have no financial, managerial, share ownership and/or family relationship with other members of the Board of Commissioners, members of the Board of Directors and/or controlling shareholders or with companies that may hinder or inhibit their position to act independently in accordance with the GCG principles. Independent Commissioners are responsible for supervising and also representing the interests of minority shareholders.

INDEPENDENT COMMISSIONERS NUMBER OF MEMBERS AND COMPOSITION

Based on OJK Regulation No. 55/POJK.04/2014 concerning the Implementation of GCG for Commercial Banks, the Board of Commissioners must comprise at least 50% (fifty percent) of the total number of the Board of Commissioners members. As of 31 December 2019, there are 4 (four) Independent Commissioners out of a total of 8 (eight) Board of Commissioners members, or equivalent to 50% (fifty percent). All Independent Commissioners of CIMB Niaga has passed the Fit and Proper Test and has been approved by OJK as Independent Commissioners as well as appointed based on approval from GMS. As such, the composition of CIMB Niaga's Independent Commissioner is in accordance with the prevailing laws and regulations.

The Independent Commissioners of the Company:

Name	Term of Office
Zulkifli M. Ali	Appointed as an Independent Commissioner based on EGM resolution on 18 July 2008 which effective since 1 November 2008. The last re-appointment was at AGM on 15 April 2016
Pri Notowidigdo	Appointed as an Independent Commissioner based on AGM resolution on 28 March 2013. The last re-appointment was at AGM on 15 April 2016
Jeffrey Kairupan	Appointed as an Independent Commissioner based on AGM resolution on 15 April 2016 which effective since 14 September 2016.
Sri Widowati	Appointed as an Independent Commissioner based on AGM resolution on 15 April 2019 which effective since 20 November 2019.

INDEPENDENT COMMISSIONER'S CRITERIA

All Independent Commissioners in CIMB Niaga are selected based on criteria set forth in the Board of Commissioners' Charter, as well as the Policies and Procedures for Nomination, Appointment, Replacement and/or Dismissal of the members of the Board of Commissioners, members of the Board of Directors, and the Independent Parties as members of the Committees Responsible to the Board of Commissioners, and were prepared pursuant to the applicable regulations. The criteria includes:

1. Not an individual who had been employed or had the authority and responsibility to plan, direct, control or supervise the Bank's activities including former members of the Bank's Board of Directors or Executive Officers, or other parties with a relationship with the Bank, which may affect their ability to act independently during the last 1 (one) year, except for re-appointment as an Independent Commissioner of the Bank for a following period. The provisions referred to above do not apply to former Directors or Executive Officers performing supervisory functions.
2. Has no financial relationship, management relationship, share ownership relationship, family relationship with other members of the Board of Commissioners, the Board of Directors and/or the Ultimate Shareholders.
3. Has no direct or indirect shares in the Bank;
4. Has no affiliations with the Bank, members of the Board of Commissioners, members of the Board of Directors, or with the Ultimate Shareholders of the Bank.
5. Has no direct or indirect business relationship with the business activities of the Bank.
6. Fulfills the other requirements for Independent Commissioners as governed in the prevailing regulations.
7. If the Independent Commissioner is serving on the Audit Committee, then they may only be re- appointed to the Audit Committee for 1 (one) further term.
8. An Independent Commissioner who serves as a Committee Chairman may only concurrently serve as a Committee Chairman in one other Committee, at a maximum.

INDEPENDENCY STATEMENT FOR EACH INDEPENDENT COMMISSIONER

In accordance with OJK Regulation No. 33/POJK.04/2014, Zulkifli M. Ali has declared his independency statement at the AGM on 15 April 2016. This independency statement coincided with his appointment as an Independent Commissioner who has served for more than two periods.

Fulfillment of Independency Aspects

No	Independent Commissioners' Criteria	Zulkifli M. Ali	Pri Notowidigdo	Jeffrey Kairupan	Sri Widowati
1	Not an individual who was employed or had the authority and responsibility to plan, direct, control or supervise the activities of the Bank in the last six months.	√	√	√	√
2	Has no direct or indirect shares in the Bank.	√	√	√	√
3	Has no affiliations with the Bank, members of the Board of Commissioners, members of the Board of Directors, or with the Ultimate Shareholders of the Bank.	√	√	√	√
4	Has no financial relationship, management relationship, share ownership relationship, family relationship with other members of the Board of Commissioners, the Board of Directors and/or the Ultimate Shareholders.	√	√	√	√
5	Has no direct or indirect business relationship with the business activities of the Bank.	√	√	√	√

BOARD OF DIRECTORS

The Board of Directors is one of the Governance organs that have full collegial responsibility for the management of the Bank for the interests and in accordance with the vision and objectives of the Bank, 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 carries out his/her duties in accordance with their respective duties and authorities, with the aim of achieving management effectiveness and maximum results. The Board of Directors of CIMB Niaga always uphold professional, objective, strategic thinking and prioritize the interests of the Bank to increase added value for stakeholders and ensure business sustainability.

LEGAL BASIS

The legal basis that becomes a reference for the formation and appointment of the CIMB Niaga's Board of Directors refers to several provisions, including:

1. Laws of Republic Indonesia concerning Limited Liability Companies and Banking.
2. Bank's Articles of Association.
3. OJK Regulations, BI Regulations, OJK Circular Letters and BI Circular Letters related to Corporate Governance Implementation and Organs.
4. Deed of Shareholders General Meeting No. 95 dated 27 November 2019, which was notified to the Minister of Law and Human Rights (Menkumham) through Letter of Notification Receipt No. AHU-AH.01.03-0370172 on 9 December 2019.

THE BOARD OF DIRECTOR'S CHARTER

The Board of Directors has a Charter which periodically reviewed and updated with reference to the applicable rules and regulations in Indonesia that are binding for each member of the Board of Directors.

The basis for preparing the Board of Directors' Charter is as follows:

1. Law No. 40 of 2007 concerning Limited Liability Companies.
2. OJK Regulations and OJK Circular Letters related to Corporate Governance Implementation and Organs.
3. Bank's Articles of Association.
4. General Guidelines on GCG in Indonesia from the National Committee on Governance Policy (KNKG).
5. ASEAN Corporate Governance Scorecard.

The latest Board of Directors' Charter was updated on 27 September 2019 and has been uploaded to the Bank's website www.cimbniaga.co.id. The contents of the Charter of the Board of Directors regulate several matters including:

1. Accountability;
2. Structure and Membership;
3. Requirements and Appointment;
4. Duties, Responsibilities, and Authorities;
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.

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

The Bank has Policy and Procedure No. M.04 regarding the Nomination, Appointment, Replacement and/ or Dismissal of Members of the Board of Commissioners, Members of the Board of Directors and Independent Parties as Members of the Committee Responsible to the Board of Commissioners.

This policy was drafted with the aim of ensuring the implementation of good corporate governance and risk management as well as guidance in the process of nomination, replacement and/ or termination of members of the Board of Commissioners, Board of Directors and Independent Parties which regulate as follows:

1. Criteria for Board of Directors' Members
The candidates of CIMB Niaga's Board of Directors must at least meet the requirements and criteria as stipulated in the applicable laws and regulations, in terms of integrity, competence, reputation, domicile, independence or other specific requirements and criteria according to the Board of Director's field.
2. Nomination Procedures for the Board of Directors' Members, among others are as follows:
 - a. The candidates from internal talents who have the potential to become Bank's Board of Directors shall be prioritized. However, the candidates can also come from professionals.
 - b. The Bank can use independent third-party services (search firms) that have a good reputation in the selection process for Board of Directors' candidates. The appointed third parties (search firms) will assist the selection process, including:

- i. Identifying candidates who meet the requirements;
 - ii. Conducting interviews and selection of candidates (including background and reference checking);
 - iii. Acting as a liaison between the Board of Commissioners, the Nomination and Remuneration Committee and the candidates during the nomination and evaluation process;
 - iv. Providing consultations as needed by the Nomination and Remuneration Committee.
- c. Members of the Board of Directors, the Board of Commissioners and/or Shareholders of the Bank can submit proposed candidates to the Bank. The shareholders who can nominate a candidate for the Board of Directors are 1 (one) or more shareholders who represent 1/20 (one twenty) or more of the total shares with voting rights.
3. Appointment Procedures of the Board of Directors' Members is as follows:
Appointment of members of the Board of Directors must obtain GMS's approval and have passed the Fit and Proper Test from the OJK, and/or meet other requirements set by other relevant regulators before being declared effective as a Director.
4. Procedure for dismissal, replacement and/or resignation of the Board of Directors' members including as follows:
- a. Proposal of dismissal, and/or replacement of members of the Board of Directors submitted to the GMS and must have received recommendations from the Bank's Nomination and Remuneration Committee.
 - b. Members of the Board of Directors may be dismissed at any time based on the GMS's decision by stating the reasons.
 - c. Members of the Board of Directors are entitled to resign from their positions by submitting written notice of their intentions and reasons for resignation to the Bank no later than 90 (ninety) days or 3 (three) months prior to the effective resignation.

1. CIMB Niaga's Board of Directors consists of more than 3 (three) members, namely 11 (eleven) members.
2. CIMB Niaga's Board of Directors members are more than the members of CIMB Niaga's Board of Commissioners.
3. All CIMB Niaga's Board of Directors members are domiciled in Jakarta, Indonesia.
4. The majority of the Board of Directors members are Indonesian Citizens, namely 10 (ten) of the 11 (eleven) members.
5. The Board of Directors is led by a President Director, who is independent from the CIMB Niaga's controlling shareholders, other members of the Board of Directors and members of the Board of Commissioners.
6. The majority of members of the Board of Directors have at least 5 (five) years experience in banking operations (including but not limited to credit, funding, treasury, risk management, finance, etc.) as Executive Officers and do not have concurrent positions in other banks, companies or institutions.
7. The replacement and/or appointment of CIMB Niaga's Board of Directors members have considered the Remuneration and Nomination Committee's recommendations and have obtained approval from the GMS and OJK.
8. CIMB Niaga's Board of Directors members do not have family relations up to the second degree with other members of the Board of Directors and/ or the Board of Commissioners and the Controlling Shareholders.
9. All CIMB Niaga's Board of Directors members have passed the Fit and Proper Test.

To comply with the amendment of the Indonesia Stock Exchange (BEI) Regulation No. I-A through the Decree of BEI's Board of Directors, particularly on dismissal of obligation to have Independent Director at Listing Company, the position of Independent Director of Fransiska Oei have been effectively removed since it has been reported and after the close of the AGM dated 15 April 2019. Hence, in the AGM it has been confirmed that all CIMB Niaga's Board of Directors members are independent.

To achieve effective decision-making, the total members of the Board of Directors has been based on the need to achieve Bank's goals and objectives and in accordance with the Bank's condition including the characteristics, capacity, and size of the Bank as well as diversity of the Board of Directors members.

BOARD OF DIRECTORS' STRUCTURE, NUMBER OF MEMBERS AND COMPOSITION IN 2019

The structure and composition of members of CIMB Niaga's Board of Directors has fulfilled all applicable provisions, as stipulated in the Board of Directors' Charter, as follows:

Composition of the Board of Directors in 2019

No	Name	Position	Term of Office
1	Tigor M. Siahaan	President Director	2019 – 2023
2	Rita Mas'Oen	Operations & IT Director	2016 – 2020
3	Megawati Sutanto	Credit Director	2016 – 2020
4	Vera Handajani	Risk Management Director	2016 – 2020
5	John Simon	Treasury & Capital Market Director	2018 – 2022
6	Lani Darmawan	Consumer Banking Director	2016 – 2020
7	Pandji P. Djajanegara	Sharia Banking Director	2016 – 2020
8	Hedy Lopian	Human Resources Director	2016 – 2020
9	Fransiska Oei	Compliance, Corporate Affairs & Legal Director	2016 – 2020
10	Rahardja Alimhamzah *	Business Banking Director	2017 – 2021
11	Lee Kai Kwong	Finance & SPAPM Director	2019 – 2022

*) Tendered resignation as Director through letter received by the Bank on 21 February 2020.

BOARD OF DIRECTORS' TERM OF OFFICE

- The term of office of members of the Board of Directors shall be effective from the date specified in the GMS appointing them, until the close of the 4th AGM after the date of the appointment without prejudice to the right of the GMS to dismiss them at any time in accordance with Articles of Association and the prevailing regulations.
- In the event of vacancies for the members of the Board of Directors' position, where the total members of the Board of Directors is less than 3 (three) person, then the Bank must organize GMS to fulfill such vacancies.
- The members of the Board of Directors can be temporary dismissed by the Board of Commissioners by mentioning the reason of such dismissal.
- Such temporary dismissal must be conveyed in written to the concerned Board of Directors members, and shall be followed up according to the applicable regulations.
- The position of a member of the Board of Directors shall end in the event of:
 - The expiry of term of office in accordance with the provisions in the Bank's Article of Association;
 - Tender resignation in accordance with the prevailing regulations;
 - No longer comply with the law and regulation requirements;
 - Passed away;
 - Dismissed based on a resolution of the GMS.
- Members of the Board of Directors who have finished their term of office may be re-appointed after taking into account the prevailing regulations.

FIT AND PROPER TEST

OJK Regulation No. 27/POJK.03/2016 concerning Fit and Proper Test for Main Parties of the Financial Services Institutions states that candidates of Board of Directors members must obtain approval from OJK before conducting their act, duties and functions as the Board of Directors. Board of Directors members who have passed the fit and proper test without comments and have received approval from the OJK, shows that each of the Board of Directors members has adequate integrity, competence and financial reputation, as shown in the table below.

Name	Position	Regulator	Appointment Basis	BI/OJK Approval	Effective Date	Reappointment
Tigor M. Siahaan	President Director	OJK	AGM 10 April 2015	No. SR-84/D.03/2015, dated 19 May 2015	1 June 2015	AGM 15 April 2019
Rita Mas'Oen	Director	OJK	EGM 27 August 2009	No. 11/150/GBI/DPIP/ Rahasia, dated 16 November 2009	16 November 2009	
Megawati Sutanto	Director	BI	EGM 15 December 2010	No. 13/23/GBI/DPIP/ Rahasia, dated 3 March 2011	3 March 2011	AGM 15 April 2016
Vera Handajani	Director	BI	EGM 26 July 2013	No. 15/113/GBI/DPIP/ Rahasia, dated 26 November 2013	26 November 2013	

Name	Position	Regulator	Appointment Basis	BI/OJK Approval	Effective Date	Reappointment
John Simon	Director	OJK	AGM 27 March 2014	No. SR-143/D.03/2014, dated 29 August 2014	29 August 2014	AGM 24 April 2018
Lani Darmawan	Director	OJK	AGM 15 April 2016	No. SR-75/D.03/2016 dated 3 May 2016	27 July 2016	-
Pandji P. D jajanegara	Director	OJK	AGM 15 April 2016	No. SR-27/PB.13/2016, dated 4 October 2016	28 September 2016	-
Hedy Lopian	Director	OJK	AGM 15 April 2016	No. SR-154/D.03/2016, dated 15 August 2016	15 August 2016	-
Fransiska Oei	Director	OJK	AGM 15 April 2016	No. SR-138/D.03/2016, dated 27 July 2016	27 July 2016	-
Rahardja Alimhamzah*	Director	OJK	EGM 24 August 2017	No. SR-84/PB.12/2017, dated 31 May 2017	24 August 2017	-
Lee Kai Kwong	Director	OJK	EGM 19 December 2018	No. SR-98/PB.12/2019, dated 24 April 2019	24 April 2019	-

*) Tendered resignation as Director through letter received by the Bank on 21 February 2020.

BOARD OF DIRECTORS' DUTIES, RESPONSIBILITIES AND AUTHORITIES

The Board of Directors has duties, responsibilities and authorities in managing the Bank for the benefit of the Bank and in order to achieve the Bank's vision and objectives stipulated in the Articles of Association and applicable laws and regulations. The Board of Directors must implement the principles of Good Corporate Governance in every business activities of the Bank at all levels of the organization.

The main duties of the Board of Directors include but are not limited to: (i) leading and managing the Bank in accordance with the objectives of the Bank, (ii) controlling, maintaining and managing the Bank's assets for the Bank's interests, (iii) creating a structure of the Bank's internal control at each level of management and follow up on the findings of the internal audit and external audit, and the regulator's recommendations in accordance with the policies or advice from the Board of Commissioners.

The authorities of the Board of Directors, among others, represents the Bank inside and outside the Bank, binds the Bank with other parties and carries out immediate actions both regarding management and ownership with certain restrictions as described in the Bank's Articles of Association.

Detailed information on the duties, responsibilities and authorities of the Board of Directors is stipulated in the Bank's Articles of Association and the Board of Directors' Charter which has been uploaded on the CIMB Niaga's website www.cimbniaga.co.id.

SCOPE OF WORK AND RESPONSIBILITIES OF EACH DIRECTOR

TIGOR M. SIAHAAN – PRESIDENT DIRECTOR

Determines the Bank's long-term strategy, marketing strategy, and development of products/services in all business segments based on market demand. In addition, provides oversight and guidance on policies in operational support and banking services, information technology, systems and procedures, legal aspects, financial aspects, and human resources, as well as ensures compliance is implemented across all banking operations, and the Bank's risk management policies are comprehensively implemented, to ensure the Bank has high ethical standards, adheres to good corporate governance principles and prudential banking practices.

RITA MAS'OEN – OPERATIONS & INFORMATION TECHNOLOGY DIRECTOR

Determines the long-term strategy and directs the Operations & IT Directorate to create effective and efficient management of banking operational transactions with high standards, to achieve reliability, as well as to ensure smooth communications between users when needed.

MEGAWATI SUTANTO – CREDIT DIRECTOR

Provides strategic direction in all credit management aspects, determines the Credit Underwriting Standards in line with best practices, reviews credit proposals and continuously improves the quality of the credit review and approval process to improve the effectiveness and efficiency in the credit chain, and maintains the quality of the credit portfolio, as well as ensures that all business activities have complied with the prevailing policies and procedures.

VERA HANDAJANI – RISK MANAGEMENT DIRECTOR

Provides strategic direction in terms of the Bank's risk management by considering the principle of prudence, and all aspects of the Bank's risk management policies in a comprehensive manner. Responsible for educating and directing the focus of risk management towards the set targets. Follows-up, implements, and executes all directions from the regulators regarding the Bank's risk management.

JOHN SIMON – TREASURY & CAPITAL MARKETS DIRECTOR

Provides strategic direction in marketing and development of Treasury & Capital Market's products and services to increase the Bank's profitability growth through money market and capital market activities. Manages the Bank's funds, liquidity, and liabilities to ensure the Bank operates in a prudent manner.

LANI DARMAWAN – CONSUMER BANKING DIRECTOR

Develops strategies and provides guidance on Consumer Banking services and product sales at all branches in Indonesia, as well as optimizes the market potential by developing innovative and competitive Consumer Banking products, to achieve the Bank's profit targets, while paying attention to prudential principles, implementing risk management policies for all aspects of the Bank, and creates effective and efficient banking business processes.

FRANSISKA OEI – COMPLIANCE, CORPORATE AFFAIRS & LEGAL DIRECTOR

Develops compliance strategies, including those related to compliance policies and principles, as well as ensures the Bank's internal regulations (policies, systems, procedures) are in line with all relevant external regulations (Bank Indonesia, OJK and other financial institutions/authorities). In addition, is responsible for managing the Bank's legal risks, following developments in the Capital Market, in particular the prevailing regulations in the Capital Market, and provides services to the public for any information needed, particularly with regard to the condition of the Bank as a Public Company, including maintaining its reputation and acting as a liaison officer or contact person between the Bank, the Government and the community, as well as carrying out Corporate Social Responsibility activities and responsible on the implementation of sustainability and sustainable finance at the Bank.

HEDY LAPIAN – HUMAN RESOURCES DIRECTOR

Provides strategic direction in the management and development of the Bank's human resources to improve their productivity and quality to support the achievement of the Bank's objectives, while ensuring and maintaining compliance with the applicable employment regulations, and corporate culture.

PANDJI P. DJAJANEGARA – SHARIA BANKING DIRECTOR

Provides innovative strategic direction for the implementation of Sharia Banking operations by ensuring the availability of policies and working procedures, development, marketing, and products selling, as well as managing the Sharia Banking functions, including managing daily operations, business development, customer relationships, and managing systems and work processes to ensure the achievement of profit and business growth in line with Bank's objectives and Sharia Banking principles.

RAHARDJA ALIMHAMZAH – BUSINESS BANKING DIRECTOR

Together with the President Director, establishes the Bank's long-term strategy and helps to carry out the President Director's duties in formulating marketing strategies and developing products and services in the Corporate, Commercial and MSME (Micro, Small and Medium Enterprises) segments. Responsible for achieving funding and loan targets and increasing cross-selling in these segments; determines the direction of competitive products; service development with operational support in accordance with the banking industry demands and development.

LEE KAI KWONG - FINANCE & SPAPM DIRECTOR

Develops and monitors the implementation of business strategies and initiatives as well as the budget for achieving the Bank's Vision and Mission. Manages the Bank's financial performance by paying attention to productivity and efficiency when using Bank resources. Develops and manages management information systems and Bank's performance to be reported to regulators and communicated to the stakeholders. Develops capital and investment strategies to optimize Bank profitability and Total Shareholders' Return, ROA, and ROE. Supervises and plans effective financial management and ensures that accounting practices are carried out in accordance with applicable provisions and standards.

BOARD OF DIRECTORS' INDEPENDENCY

No members of the Board of Directors have financial, management, share-ownership, or family relationships with fellow members of the Board of Directors, members of the Board of Commissioners and/or the Ultimate Shareholders. Therefore, all members of the Board of Directors are declared to be independent.

The Board of Directors also adhere to the principle of independency and prioritize the interests of the Bank above their own interests, as well as work and behave with high integrity as stipulated in the Board of Directors' Charter as follows:

1. Members of the Board of Directors are prohibited to take advantage of the Bank and/or information obtained from the Bank for personal, family and/or other parties' interests that could harm and/or reduce the profits and reputation of the Bank and its subsidiaries.
2. Members of the Board of Directors are prohibited from taking and/or receiving personal benefits from the Bank other than remuneration and other facilities determined by the GMS and/or internal policies.
3. Board of Directors members are prohibited from using individual advisors and/or professional services as consultants unless fulfilling the following requirements:
 - a. The project is specific;
 - b. Based on a clear contract, which at least covers the scope of work, responsibilities and duration of work and fees;

- c. The Consultant is an Independent Party and has the qualifications to work on a specific project.

BOARD OF DIRECTORS' CONCURRENT POSITIONS

Pursuant to the provisions of OJK Regulation No. 55/POJK.03/2016 concerning the Implementation of Corporate Governance in Commercial Banks, all members of the Board of Directors are prohibited from serving concurrently as members of Board of Commissioners, Board of Directors or as Executive Officers in other banks, companies, and/or institutions except those permitted in the said regulation. No members of CIMB Niaga's Board of Directors have concurrent positions other than those permitted under the applicable regulations.

Member of the Board of Directors who are responsible for the supervision of the Bank's subsidiaries, may perform functional duties as a member of the Board of Commissioners of Non-Bank Subsidiaries controlled by of the Bank, provided such concurrent position does not result in any neglect in the execution of their duties and responsibilities as a member of the Board of Directors, and as such is not categorized as a concurrent position.

The information on concurrent position of the members of the Board of Directors at subsidiaries in 2019 is disclosed in the Company Profile section of this Annual Report.

PARTICIPATION OF MEMBERS OF DIRECTORS IN THE ASSOCIATIONS/ ORGANISATIONS

Several members of the Bank's Board of Directors are actively participating in various associations/organizations. Participation of the Board of Directors in associations /organizations as described in the below table, do not cause the Director concerned ignore the implementation of duties and responsibilities as a member of the Board of Directors of the Bank, and therefore this is not included in the concurrent position category.

Name	Position	Position at the Association/ Organization
Tigor M. Siahaan	President Director	<ul style="list-style-type: none"> • Deputy Chairman of the Indonesian Bankers Association (2019 - present) • Chairman of Banking, Financial Services and Taxation Sector of APINDO (2018 - present) • Chairman of Malaysia Bilateral Committee of KADIN Indonesia (2016 - present) • Deputy Chairman of PERBANAS (2016 - present) • Member of the Board of Trustees of Jakarta International School (JIS) (2014 - present) • Mentor at Endeavor Indonesia (2012 - present) • Member of Indonesia's Young Presidents Organization (YPO) (2008 - present)
Rita Mas'Oen	Operations & IT Director	<ul style="list-style-type: none"> • Member of Communication Forum of Banking Operations Directors (FKDOP) • Member of iCIO (Chief Information Officer Community)
Vera Handajani	Risk Management Director	<ul style="list-style-type: none"> • First Deputy Chairman of the Board of Management of the Bankers Association for Risk Management (BARA) (2018 – 2021) • Member of the Communication Sector of the Board Management of the Indonesian Bankers Association (IBI) (2019-2023)

Name	Position	Position at the Association/ Organization
John Simon	Tresury & Capital Market Director	<ul style="list-style-type: none"> Member of Association Cambiste Internationale the Financial Markets Association of Indonesia (ACI FMA Indonesia) Member of Indonesia Foreign Exchange Market Committee (IFEMC)
Pandji P. Djajanegara	Sharia Banking Director	<ul style="list-style-type: none"> Member of the ASBISINDO Regulatory Committee (2018-2021) Board Member of Organizational Sector of PERBANAS (2016-2020) Member of Research, Study and Publication (RPP) Sector of the Indonesian Bankers Association (IBI) (2019 – 2023)
Hedy Lopian	Human Resources Director	<ul style="list-style-type: none"> Board Members of Governance, Education and Human Resources Development Sector of PERBANAS (2016-2020) Board Members of Profession Guidance and Development Sector of the Indonesian Bankers Association (IBI) (2019 – 2023)
Fransiska Oei	Compliance, Corporate Affairs & Legal Director	<ul style="list-style-type: none"> Chairman of Communication Forum of Banking Compliance Director (FKDKP) (2019-2022) Chairman of Legal Sector of the PERBANAS (2016-2020) Chairman of Supervisory Board of LAPSPI (2016-present)
Rahardja Alimhamzah *	Business Banking Director	<ul style="list-style-type: none"> Member of Indonesia Business Council for Sustainable Development (IBCSO) (2019-2020)

*) Tendered resignation as Director through letter received by the Bank on 21 February 2020.

BOARD OF DIRECTORS' CONFLICTS OF INTEREST

During 2019, the Bank ensured that all Board of Directors members did not have a conflict of interest or a potential conflict of interest against CIMB Niaga. This is in line with the Board of Directors' Charter, that all Board of Directors members must avoid potential conflicts of interest and must not place themselves in a potential position for conflicts of interest in any situation. In the event of a conflict of interest, Board of Directors members are prohibited from taking actions that could harm or reduce the Bank's profit and must disclose any potential conflict of interest in each decision taken.

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

1. There is a case in the Court between the Bank and the member of the Board of Directors concerned;
2. Members of the Board of Directors concerned have a conflict of interest with the interests of the Bank.

The Bank has procedures that must be followed by members of the Board of Directors in the event of a conflict of interest as follows: every member of the Board of Directors who personally in any way directly or indirectly has an interest in a transaction, contract or proposed contract, where the Bank is one of the parties, must state the nature of the interests in the Board of Directors meeting and will not be allowed to participate in voting on matters relating to the proposed transaction or contract, unless the Board of Directors determines otherwise.

BOARD OF DIRECTORS' LOAN POLICY

The Bank may provide loans to the members of Board of Directors following the normal pricing policy and conditions, as is conducted to the third parties of the Bank. Loans to the members of the Board of Directors will be calculated as the CIMB Niaga's Legal Lending Limit in accordance with BI Regulation No. 8/13/PBI/2006. This policy is regulated in the Board of Directors' Charter.

IMPLEMENTATION OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS IN 2019

1. Establish strategic plan to achieve the Bank's mission to provide universal banking services in Indonesia in an integrated manner including: (i) focusing in key expertise, (ii) the growth of low-cost funds, (iii) increasing efficiency and discipline in cost management, (iv) balancing between the risk, compliance culture and capital adequacy, and (v) strengthening the use of technology and informations.
2. Conduct syndicated loans by managing credit risk and improving infrastructure to encourage the growth of business banking customers.
3. Improve the customer experience of each customer, which is done as Bank's aspirations to become a leader in innovation and digital banking services.
4. Issue program to use QR (Quick Response), which is the reception transactions of Rekening Ponsel, credit cards, debit cards by using the QR Code through mobile application that can be used by customers for their transactions.
5. Strengthen IT Security capability in securing confidential data of the Bank, improve the capability of the Security Operations Center in monitoring and combating cyber crime attacks.

6. Ensure that Business Continuity Management and Business Continuity Plans are prepared and practiced throughout CIMB Niaga's lines so that the organization can continue to operate in a crisis situation at the certain acceptance level to continue to provide financial services.
7. Launch a digital learning program platform through a device called the Learning on the Go ("LoG") which will change the employee learning experiences so that change management is needed through the formation of a learning culture.
8. Winning Immediate Team in the medium term, the Bank carried out a comprehensive transformation at each segment in the Bank, starting from internal improvements to customer service improvement by leveraging technology and analytics capability.
The 2019 and 2020 are crucial transformation phase for the Bank and is expected to be a momentum that can deliver CIMB Niaga to rise to a better level.

BOARD OF DIRECTORS' DEVELOPMENT PROGRAM

CIMB Niaga continues to promote capacity building activities for the Board of Directors through its induction program for new Directors, and through its competency development programs for Board of Directors members to support their duties to achieve sustainable growth and effective management as stipulated in the Board of Directors' Charter.

RISK MANAGEMENT CERTIFICATION

The Board of Directors and Board of Commissioners have an obligation to take part in a competency test certification program in accordance with the provisions of the regulator regulation namely Risk Management & Refreshment, it is in line with the Employment Regulation (P2K) concerning Implementation of Employee Learning and BI Regulation No. 11/19/PBI/2009 dated 4 June 2009 and its amendment BI Regulation No. 12/7/PBI/2010 dated 19 April 2010 concerning Risk Management Certification for Management and Officers of Commercial Banks.

All Board of Directors members of CIMB Niaga hold Risk Management and/or Refreshment Certification in accordance with the prevailing provisions as follows:

Name	Position	Certification Level	Institution Issuing Certification	Issue Date	Expiry date
Tigor M. Siahaan	President Director	5	Badan Sertifikasi Manajemen Risiko ("BSMR")	15 September 2006	15 September 2020
Rita Mas'Oen	Operations & IT Director	5	BSMR	26 November 2007	26 November 2020
Megawati Sutanto	Credit Director	5	BSMR	1 April 2008	1 April 2022
Vera Handajani	Risk Management Director	5	Lembaga Sertifikasi Profesi Perbankan ("LSPP")	13 July 2013	13 July 2021
John Simon	Treasury & Capital Market Director	5	LSPP	3 May 2014	3 May 2022
Lani Darmawan	Consumer Banking Director	5	BSMR	13 December 2008	13 December 2022
Pandji P. Djajanegara	Sharia Banking Director	5	LSPP	7 June 2014	7 June 2022
Hedy Lopian	Human Resources Director	5	BSMR	31 October 2008	31 October 2022
Fransiska Oei	Compliance, Corporate Affairs & Legal Director	5	BSMR	15 April 2005	15 April 2022
Rahardja Alimhamzah*	Business Banking Director	5	LSPP	28 June 2016	28 June 2021
Lee Kai Kwong	Finance & SPAPM Director	5	LSPP	19 January 2019	19 January 2021

*) Tendered resignation as Director through letter received by the Bank on 21 February 2020.

TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

All CIMB Niaga's members of the Board of Directors are committed to improve their competencies in order to support the implementation of their daily duties and responsibilities.

This commitment is reflected in the training attended by each member of the Board of Directors in 2019, which disclosed in the Company Profile section of this Annual Report.

INDUCTION PROGRAM FOR NEW MEMBERS OF THE BOARD OF DIRECTORS

The orientation program for new members of the Board of Directors is stipulated in the Board of Directors' Charter. Newly appointed members of the Board of Directors must participate in an Induction Program in order to gain an understanding of the Bank so they can carry out their duties effectively and efficiently.

The induction program materials prepared by the Corporate Affairs unit, which including:

1. Bank's Vision and Mission.
2. Bank's Code of Ethics and Conduct.
3. Bank's Organizational Structure.
4. Bank's Articles of Association.
5. Corporate Policy Manual (GCG Charter).
6. Board of Directors Charter and The Committees under the Board of Directors Charter.
7. Regulations related to the Banking and Capital Markets.
8. Bank's Annual Report.
9. Bank's Business Plan.

To improve the quality and effectiveness of the orientation programs, since 2019 the Bank has developed orientation program materials into the Bank's digital learning platform (e-Learning), the Learning on the Go (LoG) application that can be accessed by candidate Director wherever and whenever.

In 2019, there was no orientation program for candidate Director because there were no appointments for new Director.

PERFORMANCE ASSESSMENT COMMITTEES UNDER THE BOARD OF DIRECTORS

POLICIES AND PROCEDURE OF PERFORMANCE ASSESSMENT OF THE COMMITTEES UNDER THE BOARD OF DIRECTORS (EXECUTIVE COMMITTEES)

Criteria and basis for consideration of the evaluation of the Executive Committees, based on respective TOR are as follows:

1. Number of meetings held;
2. The presence of the Directors;
3. SLA of Minutes of Meeting;
4. Action Matters Arising; and
5. Distribution of the meeting invitation.

Throughout 2019, the implementation of the duties, responsibilities and discussions of the Executive Committee meetings were considered well done and effective. The presence of the Board of Directors in Committee meetings during 2019, including decisions taken during the discussion of the meeting can also be used as a reference.

Performance Assessment Results of Executive Committee in 2019

Executive Committee	Result
Risk Management Committee (RMC)	480
Asset & Liability Committee (ALCO)	460
Information Technology Steering Committee (ITSC)	470
Credit Policy Committee (CPC)	425

Performance Rating

1. Excellent > 470 – 500
2. Good 400 - < 470
3. Fair 300 - < 400
4. Poor 200 - < 300
5. Very Poor < 200

BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS' PERFORMANCE ASSESSMENT

The Board of Commissioners and Board of Directors performance in carrying out their functions, duties and responsibilities and regularly evaluated and reported to the Shareholders.

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

PERFORMANCE ASSESSMENT POLICIES AND PROCEDURES FOR BOARD OF COMMISSIONERS

The performance assessment for the Board of Commissioners is conducted annually (at least once a year) and includes:

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

Starting in 2018, performance assessments were conducted using online self-assessment. All assessment results are confidential and anonymous.

The performance assessment results are expected to contribute to the continuous improvement of the Board of Commissioners' performance.

PERFORMANCE ASSESSMENT CRITERIA FOR BOARD OF COMMISSIONERS

The criteria applied for the Board of Commissioners' (including the President Commissioner) performance assessments includes:

1. **Collegial performance assessment for the Board of Commissioners:**
Collegial assessment criteria shall include:
 - a. Effectiveness of the Board of Commissioners' role
 - b. Effectiveness of the implementation of Duties and Responsibilities
 - c. Effectiveness of the Board of Commissioners' Meetings

- d. Implementation of Good Corporate Governance
 - e. Effectiveness of the Implementation of Risk Management and Internal Control
2. **Individual performance assessments for each member of the Board of Commissioners**
Individual assessment criteria shall include:
 - a. Competency and capability
 - b. Effectiveness of the implementation of duties and responsibilities
 - c. Leadership
 3. **Performance assessment for the President Commissioner**
President Commissioner assessment criteria shall include:
 - a. Effectiveness of the implementation of duties and responsibilities
 - b. Leadership

PARTIES PERFORMING THE PERFORMANCE ASSESSMENTS FOR BOARD OF COMMISSIONERS

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

1. **Collegial Performance Assessment for the Board of Commissioners**
The assessment is carried out by each Commissioner on the overall performance of the Board of Commissioners.
2. **Individual Performance Assessment for each Member of the Board of Commissioners**
Each Commissioner provides an assessment for each other Commissioner.
3. **Performance Assessment for the President Commissioner**
Assessments are carried out by each Commissioner on the President Commissioner's performance.

The final evaluation of the collegial and individual performance assessments for the Board of Commissioners including performance assessment for the President Commissioner is presented by the Nomination and Remuneration Committee in the Board of Commissioners meeting. The President Commissioner may provides feedback and area for improvement on the collegial and individual performance assessment of the Board of Commissioners, if necessary.

RESULTS OF THE PERFORMANCE ASSESSMENT FOR BOARD OF COMMISSIONERS IN 2019

In 2019, the Board of Commissioners has performed its supervisory function in ensuring the achievement of the Bank's performance that met the expectations of shareholders and all stakeholders with the following assessment results:

In detail, the results of the collegial and individual performance assessment of the Board of Commissioners are as follows

Collegial Assessment	Average Individual Rating	President Commissioner
3.8	3.9	3.9

In addition, as a form of the Bank's commitment to implement GCG principles, the implementation of GCG principles is one of the aspects assessed in the collegial performance assessment of the Board of Commissioners. In 2019, the assessment result of the **implementation of GCG by the Board of Commissioners was 4.0.**

Range of Values

Range of Values	Description
> 4.7	Exceptional
4.0 – 4.6	Outstanding
3.7 – 3.9	Exceeded Expectations
3.0 – 3.6	Met Expectations
< 3.0	Needs Improvement

ASSESSMENT OF GCG IMPLEMENTATION ON THE BOARD OF COMMISSIONERS' ASPECTS

As part of the assessment conducted by the Bank, performance assessment for the Board of Commissioners in implementing GCG is also conducted based on POJK Regulation No. 55/POJK.03/2016 and SEOJK No. 13/SEOJK.03/2017 that require Commercial Banks to perform assessments on the Bank's governance implementation.

PROCEDURE FOR CONDUCTING PERFORMANCE ASSESSMENTS FOR BOARD OF COMMISSIONERS

The Board of Commissioners' performance assessments are included in the Bank's GCG self-assessments which are conducted semi-annually, in June and December in the current year.

PERFORMANCE ASSESSMENT CRITERIA FOR BOARD OF COMMISSIONERS

Similar to the GCG implementation assessment factors, the Board of Commissioners' performance assessments follow the governance system that is grouped into 3 (three) assessment aspects, namely governance structure, governance process and governance outcome.

PARTIES CONDUCTING THE ASSESSMENTS

The GCG self-assessments involve the Board of Commissioners, Independent Parties, Board of Directors, Executive Officers and independent functions, which coordinated by the Compliance Unit.

RESULTS OF THE PERFORMANCE ASSESSMENT FOR BOARD OF COMMISSIONERS

Self Assessment Results	
Bank Governance Implementation	
Description	Rating
Board of Commissioners' Duties and Responsibilities Implementation	2 (GOOD)

RECOMMENDATIONS AND ACTION PLANS

The members of the Board of Commissioners, and the Committees under the Board of Commissioners' structure and composition meet the minimum infrastructure requirements (charter, guidelines, policies and procedures) to support the implementation of their duties and responsibilities. During the period, there was a change in the Board of Commissioners' composition in compliance with OJK regulations, and followed the periodically-reviewed Board of Commissioners Charter's guidelines and work rules.

In 2019, no recommendations has not been followed up by the Board of Commissioners.

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

PERFORMANCE ASSESSMENT POLICIES AND PROCEDURES FOR BOARD OF DIRECTORS

To monitor the Bank's strategy and performance achievement on an annual basis, CIMB Niaga conducts individual performance assessments for each member of the Board of Directors, including the President Director. The performance indicators for each member of the Board of Directors are determined using a Balanced Scorecard approach, where the Bank's aspirations and strategic goals are translated into Key Performance Indicators (KPI) in accordance with each member of the Board of Directors' duties and responsibilities and take into account the collegial and individual responsibilities for

the financial and non-financial aspects. The KPI's set are mutually agreed upon by the Board of Directors, and with a recommendation from the Nomination and Remuneration Committee and approved by the Board of Commissioners. The KPIs are cascaded down to all employees to ensure alignment with the achievement of the Bank's goals and strategies.

The individual performance assessments for each member of the Board of Directors at the end of the year are submitted to the Nomination and Remuneration Committee for their input and recommendations before submitted for approval by the Board of Commissioners.

Since 2018 the Bank has also implemented collegial performance self-assessments for the Board of Directors that is conducted using online self-assessment. All assessment results are confidential and anonymous.

The assessment results will be discussed at the Board of Directors meetings, and at a Nomination and Remuneration Committee

meeting in order to obtain input for continuously improvements on the Board of Directors performance.

All performance assessments for the Board of Directors, both individually and collegially, are conducted at least once a year.

PERFORMANCE ASSESSMENT CRITERIA FOR BOARD OF DIRECTORS

The criteria applied for the Board of Directors' (including the President Directors) performance assessments includes:

1. **Collegial Performance Assessment for the Board of Directors**
Collegial assessment criteria shall include:
 - a. Effectiveness of the Board of Directors' role
 - b. Effectiveness of the implementation of Duties and Responsibilities
 - c. Effectiveness of the Board of Directors' Meetings
 - d. Implementation of Good Corporate Governance
 - e. Effectiveness of the Implementation of Risk Management and Internal Control

2. Individual Performance Assessment for the Board of Directors

Components applied in the individual performance assessments for each Director (including the President Director) include:

No.	Performance Parameter	Directorate										
		Business Unit					Business Enabler					
		President Director	Business Banking * (Corporate and MSME)	Consumer Banking (Retail)	Sharia Banking	Treasury and Capital Market	Credit *	Risk Management	Operational and Information Technology	Compliance, Corporate Affairs & Legal	Finance & SPAPM	Human Resources
1	Shared Target	-	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
2	Financial	45%	40%	40%	40%	40%	25%	10%	15%	15%	20%	15%
3	Customer	10%	15%	15%	15%	15%	10%	10%	10%	20%	10%	15%
4	Key Focus Areas	15%	5%	5%	5%	5%	25%	40%	35%	25%	30%	30%
5	Risk & Compliance	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
6	Learning & Growth	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%

*) Note:

- Business Banking is in charge of the Corporate Banking, Commercial Banking and MSME Banking
- Credit is in charge of Asset Restructuring & Recovery and Credit Underwriting for the Business Banking segment

PARTIES PERFORMING THE PERFORMANCE ASSESSMENTS FOR BOARD OF DIRECTORS

The parties involved in conducting the Board of Directors' performance assessments are as follows:

1. Individual Performance Assessment for the Board of Directors

The President Director carries out the performance assessments for each Director. The individual assessment results for all Directors (including the President Director) will be discussed in the Nomination and Remuneration Committee for input and recommendations before submitting to the Board of Commissioners' for approval.

2. Collegial Performance Assessment for the Board of Directors

Each Director provides an assessment on the Board of Directors' collegial performance. The collegial assessment results shall be discussed at the Board of Directors' meeting and the discussion results will be followed up in the form of improvements or action plans (if necessary). The President Director/appointed Bank's officer shall submit the Board of Directors' collegial performance assessment, including the improvement plans (if any), to the Board of Commissioners and the Nomination and Remuneration Committee to obtain input and approval.

RESULTS OF THE PERFORMANCE ASSESSMENT FOR BOARD OF DIRECTORS IN 2019

In general, the results of the Board of Directors' performance assessment in 2019, both individually and collegially, were good. In detail, the results of the collegial performance evaluation of the Board of Directors was **3.7**.

In addition, as a form of the Bank's commitment to implement GCG principles, the implementation of GCG principles is one of the aspects assessed in the collegial performance assessment of the Board of Directors. In 2019, the assessment result of the **implementation of GCG by the Board of Directors was 3.9**.

Range of Values

Range of Values	Description
> 4.7	Exceptional
4.0 – 4.6	Outstanding
3.7 – 3.9	Exceeded Expectations
3.0 – 3.6	Meet Expectations
< 3.0	Needs Improvement

ASSESSMENT OF GCG IMPLEMENTATION ON THE BOARD OF DIRECTORS' ASPECTS

As part of the assessment conducted by the Bank, performance assessment for the Board of Directors in implementing GCG is also conducted based on OJK provisions No. 55/POJK.03/2016 and No. 13/SEOJK.03/2017 that require Commercial Banks to perform assessments on the Bank's governance implementation.

PROCEDURE FOR CONDUCTING PERFORMANCE ASSESSMENTS FOR BOARD OF DIRECTORS

The Board of Directors' performance assessments are included in the Bank's GCG self-assessments which are conducted semi-annually, in June and December in the current year.

PERFORMANCE ASSESSMENT CRITERIA FOR BOARD OF DIRECTORS

Similar to the GCG implementation assessment factors, the Board of Directors' performance assessments follow the governance system that is grouped into 3 assessment aspects, namely governance structure, governance process and governance outcome.

PARTIES CONDUCTING THE ASSESSMENT

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

RESULTS OF THE PERFORMANCE ASSESSMENT FOR BOARD OF DIRECTORS

Self Assessment Results	
Bank Governance Implementation	
Description	Rating
Board of Directors' Duties and Responsibilities Implementation	2 (GOOD)

RECOMMENDATIONS AND ACTION PLANS

The members of the Board of Directors structure and composition meet the minimum infrastructure requirements (charter, guidelines, policies and procedures) to support the implementation of their duties and responsibilities. The Board of Directors manages the Bank according to the authorities and responsibilities stipulated in the Articles of Association as well as laws and regulations. The Board of Directors' Charter as its work guideline is reviewed regularly.

To support the Board of Directors' duties and responsibilities implementation Executive Committees. The Board of Directors follows up on audit findings and recommendations from the Internal Audit Unit, external auditors, and the results of other authorities' examinations. In the annual Governance implementation report, all members of the Board of Directors have disclosed their affiliated relationships within the Bank and their share ownership.

In 2019, no recommendations has not been followed up by the Board of Directors.

BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS' DIVERSITY POLICY

The Board of Commissioners and Board of Directors composition diversity is stipulated in the Appendix to the OJK Circular Letter No. 32/SEOJK.04/2015 concerning Corporate Governance Guidelines for Public Companies, which states the Board of Commissioners and Board of Directors composition should be consider the diversity on the composition. The diversity of the composition of the Board of Commissioners and the Board of Directors is a combination of the required characteristics both collegially and individually, in accordance with the Bank's needs.

This combination should take into account the appropriate expertise, knowledge and experience when distributing the duties and functions to the Board of Commissioners and Board of Directors, necessary for achieving the Public Company's goals. Consideration of these characteristics will have an impact on the accuracy of the nomination process and the appointment of individual members of the Board of Commissioners and Board of Directors or the Board of Commissioners and Board of Directors collegially.

CIMB Niaga has accomodate this principle in the Bank's Articles of Association. The Board of Commissioners and Board of Directors appointment is carried out by taking into account the banking industry experience and understanding, integrity and dedication of each individual.

When the composition diversity for members of the Bank's Board of Commissioners and Board of Directors is appropriate and is in accordance with the Bank's needs, it will support the effectiveness of the Board of Commissioners and Board of Directors duties and responsibilities implementation, and will support the achievement of the Bank's vision and mission to grow and develop.

The Bank's Diversity Composition Policy for Members of the Board of Commissioners and Board of Directors (No. M.07 Version 01.2019) regulates the following:

MEMBERS OF THE BOARD OF COMMISSIONERS COMPOSITION DIVERSITY

The diversity factors in the composition of the members of the Board of Commissioners includes:

1. **Expertise/Experience/Education, has at least:**
 - a. 1 (one) member who has expertise/work experience/ education in the fields of economy/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. **Citizenship**

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

3. **Gender**

Pays attention to gender diversity of the Board of Commissioners members

4. **Age**

Members of the Board of Commissioners shall have diversity in ages

5. **Independence**

- a. 50% (fifty percent) of the Board of Commissioners shall be Independent Commissioners.
- b. The term of office of an Independent Commissioner is 2 (two) consecutive terms or maximum 9 (nine) years.

MEMBERS OF THE BOARD OF DIRECTORS COMPOSITION DIVERSITY

The diversity factors in the composition of the members of the Board of Directors includes:

1. **Expertise/Experience/Education, has at least:**

- a. 1 (one) member who has expertise/work experience in the banking industry or expertise/work experience/ education in the field of economy/business
- b. 1 (one) member who has expertise/work experience/ education in the field of risk management.
- c. 1 (one) member who has expertise/work experience/ education in **the field of finance/accounting.**

2. **Citizenship**

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

3. **Gender**

Pays attention to gender diversity of the Board of Directors members, with a minimum 1 (one) female or male member

4. **Age**

Members of the Board of Directors shall have diversity in ages

5. **Independence**

The President Director will be an independent party to the Bank's controlling shareholders.

Aspects of Diversity of Members of the Board of Commissioners

Citizenship	Consists of: 1. 5 (five) members of the Board of Commissioners are Indonesian citizens. 2. 2 (two) members of the Board of Commissioners are Malaysian citizens. 3. 1 (one) member of the Board of Commissioners is a United States citizen.
Education	The level of education includes Bachelor and Postgraduate levels with various fields of education such as economics and accounting, economic development and management studies, finance, and political science and psychology.
Work experience	Diverse work experience, including: 1. Members of the Board of Commissioners and/or the Board of Directors and/or Executive or Senior Officers or other key positions in national and multinational financial and non-financial institutions; 2. Officials or Members/Chairman of Committee/Special Teams or Expert Staff or occupy 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.
Independency	1. 4 (four) Independent Commissioners out of 8 (eight) members of the Board of Commissioners, or 50% (fifty percent) are Independent Commissioners. 2. The term of office for 3 (three) Independent Commissioners is less than 9 (nine) years, while 1 (one) Independent Commissioner has served more than 2 (two) consecutive terms of office, but the last appointment concerned still paid attention to, and complied with the prevailing regulations, namely by declaring that he remain independent in the last Annual GMS of his appointment.
Age	The age diversity of members of the Board of Commissioners is in a fairly productive and mature ages, namely 46 years old - 72 years old.
Gender	There are 1 (one) female member of the Board of Commissioners.

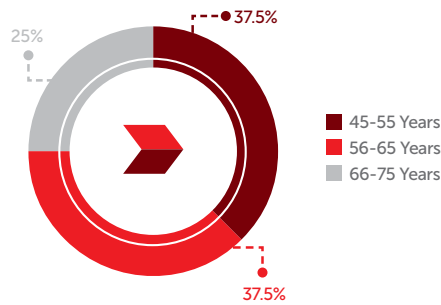
Aspects of Diversity of Members of the Board of Directors

Citizenship	Consists of: 10 (ten) members of the Board of Directors who are Indonesian citizens. 1 (one) member of the Board of Directors who is Malaysian citizen.
Education	The level of education includes Bachelor and Postgraduate levels with various fields of education such as economics, finance, law, trade, business, accounting, computer science, and others.
Work experience	Various work experience, including: 1. Member of the Board of Directors of national and multinational financial and non-financial institutions 2. Various important positions in national and foreign banks, such as Head of Strategic Business Development, Senior Country Operations Officers, Head of Corporate Banking, Head of Operation Risk, Head of Trading & Structuring, Head of Treasury, Head of Network, Chief of Syariah Banking, Head of Finance & Business Planning and others. 3. Independent Commissioner of the insurance company. 4. Founder and Senior Partner Law Firm. 5. Auditor. All members of the Board of Directors have work experience in the banking sector.
Independency	All members of the Board of Directors have no affiliation with fellow members of the Board of Directors, the Board of Commissioners and the Ultimate Shareholders of the Bank.
Age	The age diversity of members of the Board of Directors is in a fairly productive and mature ages, which is 48 years old - 62 years old.
Gender	There are 6 (six) female Directors, out of a total of 11 (eleven) members of the Board of Directors.

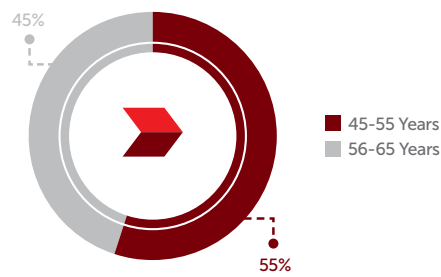
ACHIEVEMENT OF COMPOSITION DIVERSITY POLICY FOR THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

The current composition of the Bank's Board of Commissioners and the Board of Directors has fulfilled the above diversity aspects and is aligned with the Bank's strategy, Vision and Mission.

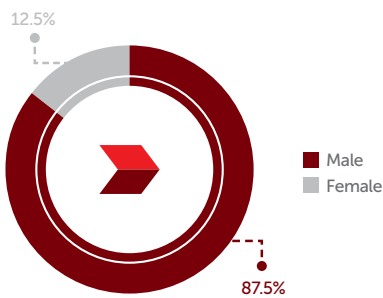
Board of Commissioners' Age



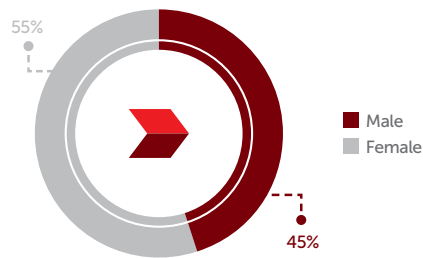
Board of Directors' Age



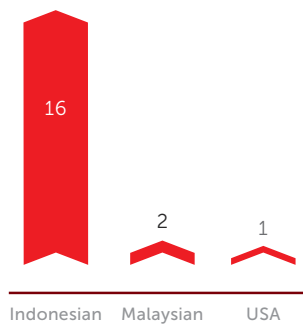
Board of Commissioners' Gender



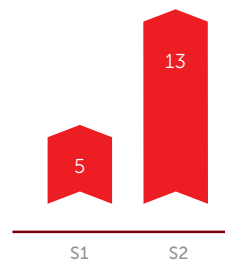
Board of Directors' Gender



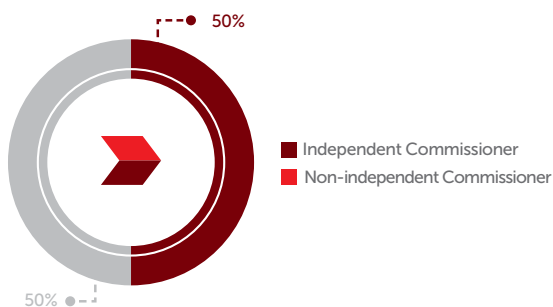
Nationality of the Board of Commissioners and Directors



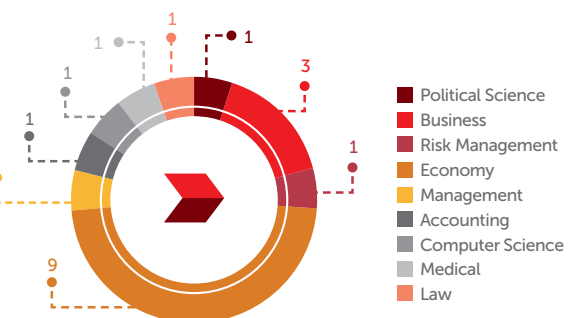
Education of the Board of Commissioners and Directors



Board of Commissioners Independency



Expertise of the Board of Commissioners & Board of Directors



REMUNERATION POLICY

The focus of the Bank's remuneration policy is based on performance, competitiveness, fairness, risk-based and in line with the provisions and policies from Otoritas Jasa Keuangan (OJK), and takes into account the Bank's capability. CIMB Niaga ensures that no individual receives compensation below the minimum wages set by the government.

In accordance with POJK No. 45/POJK.03/2015 concerning the Implementation of Governance in Providing Remuneration for Commercial Banks and Circular Letter of the OJK No. 40/SEOJK.03/2016 concerning the Implementation of Governance in Providing Remuneration for Commercial Banks, the Bank established and implemented a Risk Based Remuneration Policy No. A.06.02 since October 2017, which was amended on 1 December 2018 by adding Sharia principles to the policy.

PURPOSE AND BACKGROUND

The remuneration policy is an important aspect in attracting, motivating, and retaining the best employees. Bank sets remuneration policy in accordance with the prevailing rules and regulations for the Board of Commissioners, Board of Directors and employees both mandatory and additional requirements. The policy was also take into consideration of various factors including short-term and long-term liquidity requirements, capital adequacy and strength, financial stability, effectiveness of risk management, as well as potential future revenue.

The Bank did not use external consultants to prepare its remuneration policy. However, to maintain competitiveness, the Bank performed benchmarking through independent party surveys.

RISK-BASED REMUNERATION POLICY

Improvements to the remuneration strategy includes reviewing remuneration policies based on performance, risk, and empowerment. The Bank implement benefit program, policies and procedures as part of its strategy by taking risk profile in consideration.

The main risk types in the remuneration policy were adjusted in line with the annual Bank's risk profile assessment results, after looking at market conditions, industry developments, performance and financial capabilities of the Bank. As a result, the risk profile was the main influence for implementing variable remuneration.

The Bank's remuneration policy covers and applies to employees in business, operational and support functions,

as is in accordance with POJK No. 45/POJK.03/2015, SEOJK No. 40/SEOJK.03/2016, and POJK No. 59/POJK.03/2017 concerning the Implementation of Governance in Providing Remuneration for Commercial Banks and Sharia Business Units, whereby the policy regulates:

1. Prudential principles in the providing risk-based remuneration.
2. The application of variable remuneration in accordance with regulatory provisions regarding the implementation of remuneration for Commercial Banks and Sharia Business Units.

DETERMINATION OF REMUNERATION BASED ON PERFORMANCE AND RISK

The Bank established performance appraisals using the Key Performance Indicators (KPI) approach. The KPI were prepared based on the Bank's performance targets, related unit performance targets, and individual performance targets, in line with the Bank's goals and strategies and considered risk and compliance aspects. The Bank conducted periodic evaluations and assessments of performance achievements, and these were taken into consideration when determining the remuneration. The Bank also implemented risk-based remuneration with the establishment of Material Risk Takers (MRT) and also implemented a deferred payment scheme.

REMUNERATION POLICY IMPLEMENTATION ASSESSMENT AND INDEPENDENCE

The Bank reviews the employees' remuneration and benefits system regularly and continuously, taking into account the following aspects:

1. The Bank's financial performance and condition
2. Employee's competency and performance (meritocracy)
3. Remuneration practices that apply in the market (market competitiveness)
4. Principles of eligibility and appropriateness in accordance with position
5. Internal equality
6. Risk level attached to the position
7. Bank's long-term strategy

The Bank is committed to implementing a remuneration system that is dynamic, responsive, competitive, fair and balanced, and risk-based, as well as based on applicable laws and regulations. To ensure the independence of remuneration for all employees, including employees in the control units, the Bank ensures that performance evaluations and remuneration determination are conducted through supervision and review up to the Nomination and Remuneration Committee.

The Bank periodically reviews and communicates its Wages and Wage Scale Structure (SUSU) in accordance with the Minister of Manpower Regulation No. 1 Year 2017 concerning Wages Structure and Scale. In addition, the Bank implemented remuneration policies by taking into account POJK No. 45/POJK.03/2015 and SEOJK No. 40/SEOJK.03/2016 concerning the Implementation of Governance when Providing Remuneration for Commercial Banks.

DETERMINATION OF MATERIAL RISK TAKER

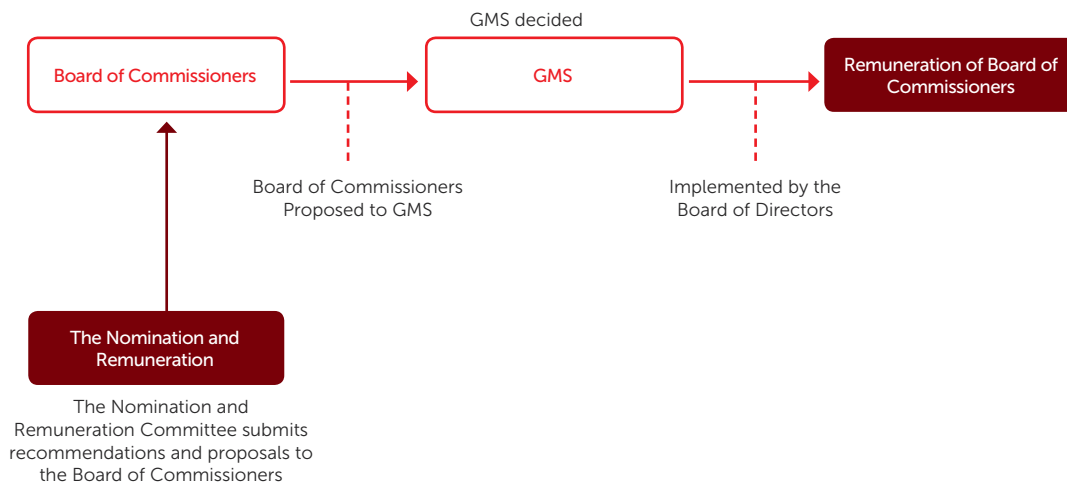
Determination of Material Risk Taker (MRT) is categorized as follows:

1. The MRT is determined by using qualitative methods in accordance with the portion of responsibilities that affects the main risk profile as determined based on the Bank's annual risk profile evaluations.
2. The MRT is also determined quantitatively through a comparison of variable remuneration between MRT and non-MRT employees after considering the performance and risk level for the position concerned.

The parties determined as MRT include all members of the Board of Directors and/or employees who meet the definitions, and currently the Bank has 15 (fifteen) individuals classified as MRT.

BOARD OF COMMISSIONERS' REMUNERATION

PROCEDURE FOR DETERMINING THE BOARD OF COMMISSIONERS' REMUNERATION



The Bank prepares the structure, policies, and amount of remuneration for each member of the Board of Commissioners after taking into account their duties, authorities, performance, and responsibilities. In addition, the Bank also considers the remuneration applicable in the similar industries (peers group) and the Bank's capabilities.

BOARD OF COMMISSIONERS' REMUNERATION POLICY

The procedures for determining the remuneration for the Board of Commissioners are as follows:

1. The Nomination and Remuneration Committee conducts discussions regarding the Board of Commissioners' remuneration after taking into account information on the range and remuneration standards with similar industries (peers group) and the Bank's capabilities;
2. The Committee provides recommendations for further discussion at the Board of Commissioners' meeting;
3. The Board of Commissioners studies the recommendations from the Nomination & Remuneration Committee and proposes to the GMS; and
4. The GMS determines the remuneration for the Board of Commissioners, to be further implemented by the Board of Directors.

BOARD OF COMMISSIONERS' REMUNERATION STRUCTURE

The Board of Commissioners' remuneration structure consists of an honorarium, meeting allowances, transportation allowances, feast day allowances, year-end benefits, and other facilities such as medical, communication, and club membership. Based on the decision at the 2019 AGM, detailed information for members of CIMB Niaga's Board of Commissioners' remuneration and other facilities is as follows:

1. REMUNERATION PACKAGES AND OTHER FACILITIES RECEIVED

Type of Remuneration and Other Facilities	Amount Received in 1 Year by Non- Independent Commissioners			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Remuneration (salary, routine allowance, tantiem, and other non-natura facilities)	4	5,384	4	7,021
Other natura facilities (housing, transportation, health insurance, etc.) which:				
a. Could be owned	-	-	-	-
b. Could not be owned	-	-	-	-
Total	4	5,384	4	7,021

Type of Remuneration and Other Facilities	Amount Received in 1 Year by Independent Commissioners			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Remuneration (salary, routine allowance, tantiem, and other non-natura facilities)	4	7,082	4	9,308
Other natura facilities (housing, transportation, health insurance, etc.) which:				
a. Could be owned	-	-	-	-
b. Could not be owned	-	-	-	-
Total	4	7,082	4	9,308

Remuneration Per Person	Total Non- Independent Commissioners		Total Independent Commissioners	
	2019	2018	2019	2018
Above Rp5 billion	-	-	-	-
Above Rp2 billion up to Rp5 billion	-	1	3	4
Above Rp1 billion up to Rp2 billion	3	3	-	-
Above Rp500 million up to Rp1 billion	-	-	-	-
Below Rp500 million	1	-	1	-

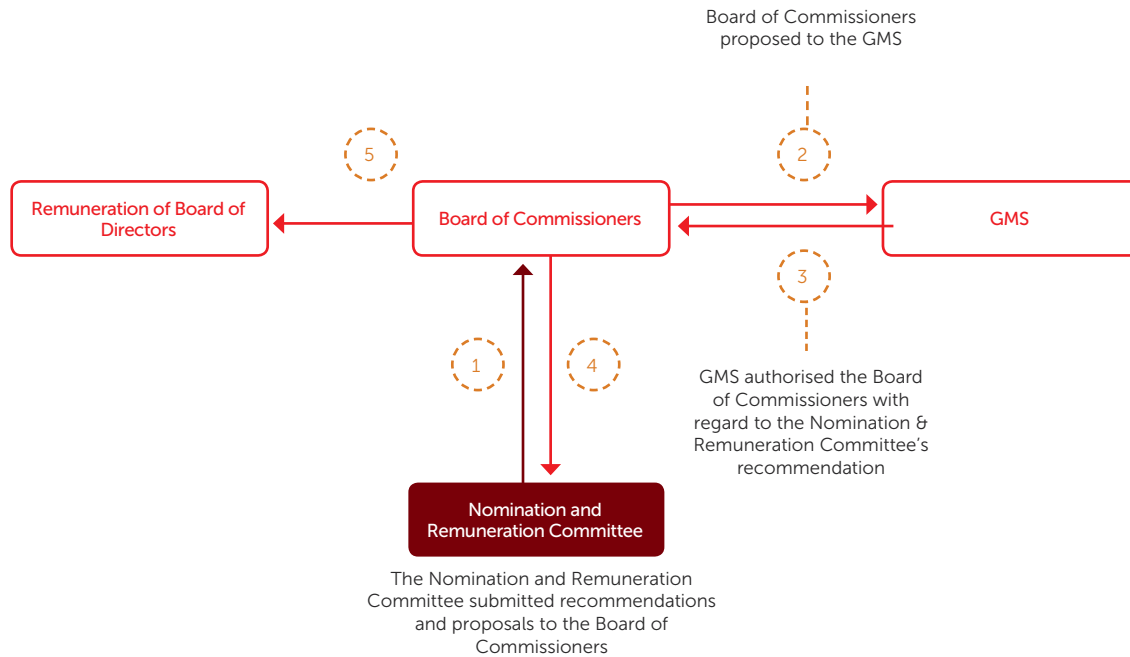
2. VARIABLE REMUNERATION FOR THE BOARD OF COMMISSIONERS

Variable Remuneration	Amount Received in 1 Year by Non- Independent Commissioners				Amount Received in 1 Year by Independent Commissioners			
	2019		2018		2019		2018	
	Person	Rp (million)	Person	Rp (million)	Person	Rp (million)	Person	Rp (million)
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

All members of Board of Commissioners (including Independent Commissioners) of CIMB Niaga did not receive any variable remuneration (shares or bonuses).

BOARD OF DIRECTORS' REMUNERATION

PROCEDURE FOR DETERMINING THE BOARD OF DIRECTORS' REMUNERATION



The Bank prepares the structure, policies, and amount of remuneration for each member of the Board of Directors after taking into account their duties, authorities, performance, and responsibilities. In addition, the Bank also considers the remuneration applicable in the similar industries (peers group), Bank's performance, individual performance of each Board of Directors member, and the Bank's capabilities.

BOARD OF DIRECTORS' REMUNERATION POLICY

The procedures for determining the remuneration for the Board of Directors are as follows:

1. The Nomination and Remuneration Committee conducts discussions regarding the Board of Directors' remuneration after taking into account information on the range and remuneration standards with similar industries (peers group), Bank's performance, each Director's performance and risk in achieving the predetermined KPIs, and the Bank's capabilities.
2. The Nomination and Remuneration Committee provides recommendations for further discussion at the Board of Commissioners' meeting;
3. The Board of Commissioners studies the recommendations from the Nomination & Remuneration Committee and proposes to the GMS; and
4. The GMS determines the remuneration for the Board of Directors by granting authority to the Board of

Commissioners to determine the Board of Directors' remuneration after taking into account the Nomination and Remuneration Committee's recommendations, to be further implemented by the Board of Directors.

INDICATORS TO DETERMINE THE BOARD OF DIRECTORS' REMUNERATION

Indicators for determining the Board of Directors' remuneration are based on Bank's performance, which includes financial performance, the Bank's Soundness level and appropriate risk governance in accordance with regulations. The remuneration is also determined by considering national economic conditions. The performance indicators are described in detail in the Board of Commissioners and the Board of Directors' Performance Assessment section in this Annual Report.

THE BOARD OF DIRECTORS' REMUNERATION STRUCTURE

The remuneration structure for Board of Directors consists of salaries, bonuses, transportation allowances, housing benefits, feast day allowances, year-end benefits, and club membership. Based on the decision at the 2019 AGM, detailed information for members of CIMB Niaga's Board of Directors' remuneration and other facilities is as follows:

1. REMUNERATION PACKAGE AND OTHER FACILITIES RECEIVED

Type of Remuneration and Other Facilities	Amount Received in 1 Year by the Board of Directors			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Remuneration (salary, routine allowance, tantiem, and other non-natura facilities)	11	91,185	11	88,513
Other natura facilities (housing, transportation, health insurance, etc.) which:				
a. Could be owned	-	-	-	-
b. Could not be owned	-	-	-	-
Total	11	91,185	11	88,513

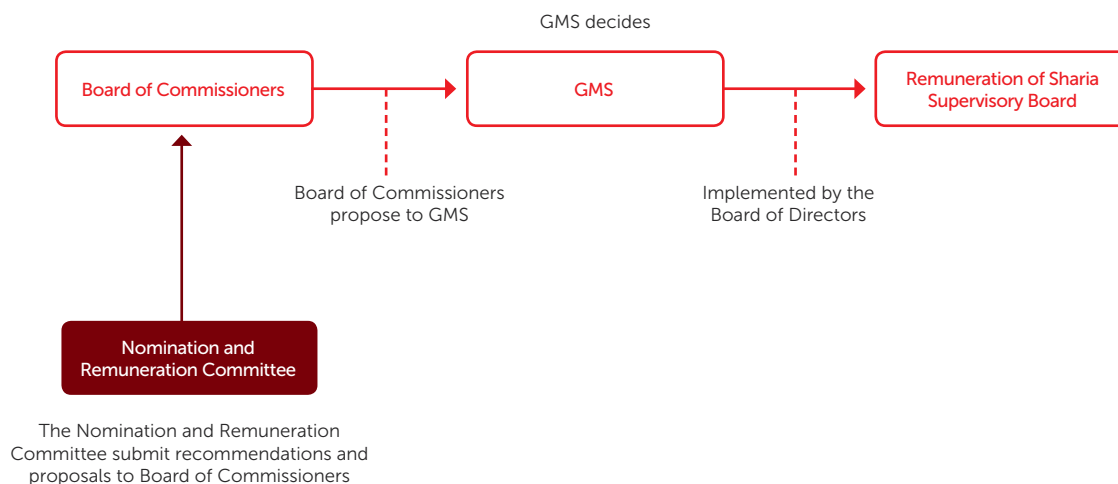
Remuneration Per Person	Total Members of the Board of Directors	
	2019	2018
Above Rp5 billion	10	9
Above Rp2 billion up to Rp5 billion	1	2
Above Rp1 billion up to Rp2 billion	-	-
Above Rp500 million up to Rp1 billion	-	-
Below Rp500 million	-	-

2. VARIABLE REMUNERATION FOR THE BOARD OF DIRECTORS

Variable Remuneration	Amount Received in 1 Year by the Board of Directors			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Total	11	72,969	11	60,358

SHARIA SUPERVISORY BOARD'S REMUNERATION

PROCEDURE FOR DETERMINING THE SHARIA SUPERVISORY BOARD REMUNERATION



The Bank prepares the structure, policies, and amount of remuneration for each member of the Sharia Supervisory Board after taking into account their duties, authorities, performance, and responsibilities. In addition, the Bank also considers the remuneration applicable in the banking industry (peers group) and the Bank's capabilities.

SHARIA SUPERVISORY BOARD'S REMUNERATION POLICY

The procedures for determining the Sharia Supervisory Board's remuneration are as follows:

1. The Nomination and Remuneration Committee conducts discussions regarding the Sharia Supervisory Board's

remuneration after taking into account information on the range and remuneration standards with similar industries (peers group) and the Bank's capabilities;

2. The Nomination and Remuneration Committee provides recommendations for further discussion at the Board of Commissioners' meeting;
3. The Board of Commissioners studies the recommendations from the Nomination & Remuneration Committee and proposes to the GMS; and
4. The GMS determines the Sharia Supervisory Board's remuneration, to be further implemented by the Board of Directors.

SHARIA SUPERVISORY BOARD'S REMUNERATION STRUCTURE

The Sharia Supervisory Board's remuneration structure consists of honorarium, meeting allowances, holiday allowances, and year-end benefits. Detailed information regarding remuneration and other facilities for members of the CIMB Niaga Sharia Supervisory Board are as follows:

1. REMUNERATION PACKAGES AND OTHER FACILITIES RECEIVED

Type of Remuneration and Other Facilities	Amount Received in 1 Year by the Sharia Supervisory Board			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Remuneration (salary, routine allowance, tantiem, and other non-natura facilities)	3	1,643	3	1,603
Other natura facilities (housing, transportation, health insurance, etc.) which:				
a. Could be owned	-	-	-	-
b. Could not be owned	-	-	-	-
Total	3	1,643	3	1,603

Remuneration Per Person	Total Members of the Sharia Supervisory Board	
	2019	2018
Above Rp5 billion	-	-
Above Rp2 billion up to Rp5 billion	-	-
Above Rp1 billion up to Rp2 billion	-	-
Above Rp500 million up to Rp1 billion	1	1
Below Rp500 million	2	2

2. VARIABLE REMUNERATION FOR THE SHARIA SUPERVISORY BOARD

Variable Remuneration	Amount Received in 1 Year by the Sharia Supervisory Board			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Total	Nil	Nil	Nil	Nil

All members of the Sharia Supervisory Board of CIMB Niaga did not receive any variable remuneration (shares or bonuses).

SHARE OWNERSHIP PROGRAM FOR EMPLOYEES AND MANAGEMENT

In 2018, CIMB Niaga launched a share ownership program for employees and / or management..

Remarks	2019				2018			
	Number of Shares Owned (shares)	Option Amount		Option Price Rp (time period)	Number of Shares Owned	Option Amount		Option Price Rp (time period)
		Given (shares)	Executed (shares)			Given (shares)	Executed (shares)	
Board of Directors	Nil	Nil	Nil	Nil	Nil	77,000,000	Nil	1,391 (3 years)
Board of Commissioners	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Executive Officers	Nil	Nil	Nil	Nil	Nil	40,651,000	Nil	1,391 (3 years)
Total	Nil	Nil	Nil	Nil	Nil	117,651,000	Nil	1,391 (3 years)

HIGHEST AND LOWEST SALARY RATIO

Rasio	2019	2018
The highest and lowest ratio of employees' salary	116.80 : 1	121.15 : 1
The highest and lowest ratio of the Board of Directors' salary	4.31 : 1	4.37 : 1
The highest and lowest ratio of the Board of Commissioners' salary	1.37 : 1	1.50 : 1
The ratio of the highest Board of Directors' salary and the highest employees' salary	3.97 : 1	3.95 : 1

VARIABLE REMUNERATION FOR EMPLOYEES

Variable Remuneration	Amount Received in 1 year by Employees			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Total	8,739	337,940	8,900	294,492

FIXED AND VARIABLE REMUNERATION FOR PARTIES CATEGORIZED AS MATERIAL RISK TAKERS (MRT)

A. Fixed Remuneration	2019		2018	
1. Cash (Rp million)	69,318,82		95,099,63	
2. Shares / Instruments based on shares issued by the Bank (shares)	-		-	

B. Variable Remuneration	2019		2018	
	Non-deferred	Deferred	Non-deferred	Deferred
1. Cash (Rp million)	34,715	11,456	59,009	6,742
2. Shares / Instruments based on shares issued by the Bank (shares)	-	26,731	-	28,931

QUANTITATIVE INFORMATION FOR PARTIES CATEGORIZED AS MRT

Type of Variable Remuneration	2019				2018			
	Remaining Deferred	Total Reduction during the Report Period			Remaining Deferred	Total Reduction during the Report 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)	15,184	398	-	398	6,742	-	-	-
2. Shares/ Stock-based instruments issued by the Bank (in shares and nominal million rupiah which is a conversion from the shares)	7,169,778 shares (Rp 44,901)	182,488 shares (Rp 1,123)	Rp 5,546	Rp 6,669	3,644,522 shares (Rp 28,931)	-	-	-
Total (Rp million)	60,085	1,520	5,546	7,066	35,674	-	-	-

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 between the date of grant and the end date of the report.

TOTAL SEVERANCE GRANTED TO EMPLOYEES AFFECTED BY TERMINATION AND TOTAL AMOUNT PAID

Severance pay amount paid per person in 1 (one) year	Number of Employees	
	2019	2018
Above Rp1 billion	27	6
Above Rp500 million up to Rp1 billion	65	10
Below Rp500 million	644	366

BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS' MEETING

PROVISIONS FOR BOARD OF COMMISSIONERS' MEETINGS AND JOINT MEETING OF BOARD OF COMMISSIONERS WITH THE BOARD OF DIRECTORS

1. The Board of Commissioners must prepare a schedule for the Board of Commissioners meeting and the Board of Commissioners meeting by inviting the Board of Directors (Joint meeting of the Board of Commissioners with the Board of Directors) for the next financial year before the end of the financial year and uploading it to the Bank's website.
2. The Board of Commissioners Meeting must be held periodically at least 1 (one) time in 2 (two) months or at any time if deemed necessary. While the Board of Commissioners meeting by inviting the Board of Directors (Joint meeting of the Board of Commissioners with the Board of Directors) must be held at least 1 (one) time in 4 (four) months.
3. Meetings can be conducted, among others, by meeting face to face or by using teleconferencing technology (hearing and seeing each other between participants in the Meeting).
4. At least 2 (two) times a year, meetings of the Board of Commissioners must be attended physically by all members of the Board of Commissioners. In the event that a Non-Independent Commissioner cannot physically attend a Meeting, the Meeting can be attended by teleconferencing or telepresence technology.
5. The proposal for holding a meeting can come from the President Commissioner or more than 2 (two) members of the Board of Commissioners, or a Board of Directors meeting, or at the written request of one or more shareholders who (collectively) have at least 1/10 (one per ten) share 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. Each member of the Board of Commissioners must attend meetings of the Board of Commissioners of at least 75% (seventy-five percent) in a year.
7. Minutes of meeting shall disclose the attendance of each member of the Board of Commissioners either physically or via teleconference/telepresence. Attendance via teleconference/telepresence must be accompanied by a recording (audio / visual) of the meeting.
8. Meetings can be attended by the Corporate Secretary or other parties appointed by the Board of Commissioners, and can also be attended by other parties invited, both internal and external parties of the Bank.
9. Invitations and materials for the Board of Commissioners meeting must be delivered to the participants of the Board of Commissioners meeting no later than 5 (five) working days before the Meeting is held. In the event of an ad-hoc Board of Commissioners meeting, the meeting material is delivered to participants of the Board of Commissioners meeting at the latest before the meeting is held.
10. Invitation to the meeting must be signed by the President Commissioner, other members of the Board of Commissioners, or the Corporate Secretary by stating the date, time, place and agenda of the meeting.
11. A member of the Board of Commissioners may only be represented by other members of the Board of Commissioners in a meeting based on a special Power of Attorney made for the purpose of the meeting, with the note:
 - a. The physical absence can be calculated in the frequency of physical attendance at the meeting;
 - b. The physical absence of the person concerned does not nullify the right to vote in decision-making in accordance with the power granted so that the voting rights are taken into account in the meeting quorum.
12. Meetings must be held in the territory of Indonesia but in the case of being held outside the territory of Indonesia, the decision of the meeting is considered valid if attended by all members of the Board of Commissioners or representatives based on a special power of attorney.
13. Meetings are valid and have the right to make binding decisions if attended/represented by at least 2/3 (two thirds) of the total number of members of the Board of Commissioners.
14. Meeting decisions are made 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 an agreed vote of more than 2/3 (two thirds) of the total members of the Board of Commissioners present.
15. Voting is generally done verbally but under certain conditions and according to the collective agreement voting can be done with a closed letter.
16. Members of the Board of Commissioners present at the meeting but when the decision is made not present in the meeting room for some reason, the voting rights concerned are considered blank.
17. Each member of the Board of Commissioners present is entitled to cast 1 (one) vote and an additional 1 (one) vote for the other members of the Board of Commissioners he represents.
18. Members of the Board of Commissioners who are unable to attend the meeting must inform the President Commissioner of the reasons for his absence.
19. The meeting shall be chaired by the President Commissioner, in the event that the President Commissioner is unable to attend, which does not need to be proven to a third party, then the meeting will be chaired by a member of the Board of Commissioners present and elected by the Meeting.
20. Minutes of meetings are made by the Corporate Secretary or other parties appointed by the Board of Commissioners and documented properly.

21. In the event that a meeting is conducted through teleconferencing technology, it must be followed up with the preparation of meeting minutes signed by all members of the Board of Commissioners present.
22. Minutes of Board of Commissioners' meetings 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 there are members of the Board of Commissioners who have not signed the minutes of the meeting, the relevant party must state the reasons in writing in a separate letter attached to the minutes of the meeting.
24. If there are dissenting opinions that occur in a meeting, it must be clearly stated in the minutes of the meeting along with the reasons for the dissenting opinion.
25. The Board of Commissioners may also take legal and binding decisions without holding a meeting of the Board of Commissioners, provided that all currently serving members of the Board of Commissioners give their approval by signing the decision proposal (Circular Decision). Circular Decisions have the same power as decisions taken legally in a Board of Commissioners meeting.
26. In case the minutes of the meeting are made bilingual, then in the event that there are differences in interpretation, the Indonesian version applies.

27. Minutes of meetings are valid evidence for members of the Board of Commissioners and third parties regarding the decisions taken at the meeting.

The schedule of the Board of Commissioners' meeting and the Board of Commissioners meeting inviting the Board of Directors (Joint meeting of the Board of Commissioners with the Board of Directors) for 2019 has been prepared at the end of 2018 and uploaded to the Bank's website. Both meeting schedules were approved by the Board of Commissioners meeting on 19 December 2018.

AGENDA FOR BOARD OF COMMISSIONERS MEETINGS IN 2019

The regular agenda to be discussed during the Board of Commissioners meetings every year was as follows:

1. Ratification of the previous Board of Commissioners Meeting Minutes;
2. Discussion on matters arising from the previous Board of Commissioners Meeting;
3. Summary of the previous month's credit proposals;
4. Financial Performance Report; and
5. Reports from the Committees under the Board of Commissioners, namely the Audit Committee, Risk Oversight Committee, and Nomination and Remuneration Committee.

In addition to the fixed agenda, other agenda items were also discussed including the following:

No.	Date	Agenda	Participants
1	25 February 2019	<ol style="list-style-type: none"> 1. Discussion related to Specific Debtors (Watch List) 2. Risk Appetite Statement (RAS) as of January 2019 3. Update the Action Plan 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas
2	28 March 2019	<ol style="list-style-type: none"> 1. Update regarding Automotive Business (CNAF) 2. Risk Appetite Statement (RAS) as of February 2019 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan
3	28 May 2019	<ol style="list-style-type: none"> 1. Changes to the Bank's Business Plan ("RBB") 2019 2. Issuance Proposal (Rupiah) Subordinated Bonds - Shelf Registration (PUB) I, Senior Bond (PUB) III and Sukuk Bond (PUB) I Phase II 3. CAPEX Budget for Transformation 4. Investigation Update (Debtor Commercial Banking) 5. Risk Appetite Statement (RAS) as of April 2019 and Escalation Risk Events - Critical Impacts 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 7. Didi Syafruddin Yahya** 8. Sri Widowati**
4	29 July 2019	<ol style="list-style-type: none"> 1. Internal Audit Update of Semester 1 of 2019 2. Risk Appetite Statement (RAS) as of June 2019 3. Realization and Supervision Report on Revised RBB of Quarter 2 2019 4. Forward Transformation Project 23 (F23) Update 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 7. Didi Syafruddin Yahya**

No.	Date	Agenda	Participants
5	26 August 2019	Risk Appetite Statement (RAS) as of July 2019	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 7. Didi Syafruddin Yahya**) 8. Sri Widowati**)
6	2 October 2019	<ol style="list-style-type: none"> 1. Risk Appetite Statement (RAS) as of August 2019 2. Corporate Assurance Division Group Report 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Zulkifli M. Ali 3. Pri Notowidigdo 4. Jeffrey Kairupan 5. David Richard Thomas 6. Didi Syafruddin Yahya** 7. Sri Widowati**
7	26 November 2019	<ol style="list-style-type: none"> 1. Update the 2020 Budget 2. 2020 RBB 3. Summary of the Corporate Assurance Group Division as of October 2019 4. Summary of Audit Results 5. Risk Appetite Statement - Dashboard Monitoring as of October 2019 & Recovery Plan Indicators 6. Realization RAKB of Sustainable Financial Action Plans ("RAKB") of 2019 & RAKB of 2020 7. Board of Commissioners Meeting Schedule & Work Plan in 2020 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Zulkifli M. Ali 3. Pri Notowidigdo 4. Jeffrey Kairupan 5. David Richard Thomas 6. Didi Syafruddin Yahya** 7. Sri Widowati**
8	16 December 2019	<ol style="list-style-type: none"> 1. Approval of the 2020 Budget 2. CIMB Niaga Auto Finance (CNAF) Corporate Action Update 3. Risk Appetite Statement - Monitoring Dashboard & Indicators of the Recovery Plan as of November 2019 	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Zulkifli M. Ali 3. Pri Notowidigdo 4. Jeffrey Kairupan 5. David Richard Thomas 6. Didi Syafruddin Yahya** 7. Sri Widowati**

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

***) Appointed as a member of the Board of Commissioners based on the AGMS on 15 April 2019 and effectively served as a member of the Board of Commissioners on 20 November 2019 based on OJK approval.

****) Appointed at the Extraordinary General Meeting of Shareholders ("EGMS") on 19 December 2018 and effectively served as Director in accordance with the approval of the OJK on 24 April 2019.

AGENDA OF THE BOARD OF COMMISSIONERS JOINT MEETING WITH THE DIRECTORS IN 2019

No	Date	Board of Commissioners Participation	Board of Directors Participation	Agenda
1.	7 February 2019	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. Fransiska Oei 6. Hedy Lopian 7. Pandji Djajanegara 8. Rahardja Alimhamzah 	<ol style="list-style-type: none"> 1. Dividend Payment in 2019 2. Realization and Supervision Report of Bank Business Plan of Semester 2 of 2018 3. Internal Audit Update for the 4th Quarter of 2018 4. Risk Appetite Statement Update as of December 2018 5. Recovery Plan Update
2.	15 April 2019	<ol style="list-style-type: none"> 1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. Lani Darmawan 6. Fransiska Oei 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja Alimhamzah 10. Lee Kai Kwong*** 	<ol style="list-style-type: none"> 1. RBB Realization Report of the First Quarter of 2019 2. Quarterly Internal Audit Results of 2019 3. Sales of Portofolio (Receivables) 4. Update the Transformation Project

No	Date	Board of Commissioners Participation	Board of Directors Participation	Agenda
3.	28 June 2019	1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Zulkifli M. Ali 3. Pri Notowidigdo 4. Jeffrey Kairupan 5. David Richard Thomas 6. Didi Syafruddin Yahya** 7. Sri Widowati**	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. Lani Darmawan 6. Fransiska Oei 7. Hedy Lopian 8. Rahardja Alimhamzah 9. Lee Kai Kwong***	1. Capital Needs of CIMB Niaga Securities (CNS) 2. Update Commercial Banking Watch List Debtors 3. Risk Appetite Statement as of May 2019 4. Escalation of Risk Events 5. HR Directorate Update
4.	29 October 2019	1. Tengku Dato' Sri Zafrul Tengku Abdul Aziz 2. Zulkifli M. Ali 3. Pri Notowidigdo 4. Jeffrey Kairupan 5. David Richard Thomas 6. Didi Syafruddin Yahya** 7. Sri Widowati**	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah 11. Lee Kai Kwong***	1. IFRS 9 - PSAK 71 Day 1 impact 2. RBB Budget in 2020 3. Recovery Plan Update 4. Realization of third quartal of RBB 2019 5. Forward Transformation 23 (F23): Update Indonesia 6. MSME Asset Quality Update 7. Risk Appetite Statement (Monitoring Dashboard) as of September 2019

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**) Appointed as a member of the Board of Commissioners based on the AGMS on 15 April 2019 and effectively served as a member of the Board of Commissioners on 20 November 2019 based on OJK approval.

***) Appointed at the Extraordinary General Meeting of Shareholders ("EGMS") on 19 December 2018 and effectively served as Director in accordance with the approval of the OJK on 24 April 2019.

FREQUENCY AND ATTENDANCE OF BOARD OF COMMISSIONERS MEETINGS IN 2019

No	Name	Board of Commissioners' Meeting			Board of Commissioners Joint Meeting with the Board of Directors		
		Attendance Frequency	Attendance Level	Average Attendance Level	Attendance Frequency	Attendance level	Average Attendance Level
1	Tengku Dato' Sri Zafrul Tengku Abdul Aziz*	8/8	100%	96.4%	4/4	100%	96.9%
2	Glenn M.S. Yusuf**	5/5	100%		3/3	100%	
3	Zulkifli M. Ali	8/8	100%		4/4	100%	
4	Pri Notowidigdo	8/8	100%		3/4	75%	
5	Jeffrey Kairupan	8/8	100%		4/4	100%	
6	David Richard Thomas	7/8	88%		4/4	100%	
7	Didi Syafruddin Yahya***	6/6	100%		2/2	100%	
8	Sri Widowati***	5/6	83%		2/2	100%	

*) Has tendered his resignation from his position as President Commissioners through the letter that has been received on 9 March 2020 and will be conveyed to obtain resolution in the 2020 AGM

**) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

***) Appointed as a member of the Board of Commissioners based on the AGMS on April 15, 2019 and effectively served as a member of the Board of Commissioners on 20 November 2019 based on OJK approval.

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

- The Board of Directors must prepare a schedule for the Board of Directors and Board of Directors meetings inviting the Board of Commissioners (Joint meeting of the Board of Directors with the Board of Commissioners) for the following year before the end of the fiscal year, and uploaded in the Bank's website.
- Meetings of the Board of Directors are held periodically at least 1 (one) time a month or at any time if deemed necessary, or as a whole at least 12 (twelve) times a year. The Board of Directors meeting may be proposed by 1 (one) or more members of

the Board of Directors or based on written request of the Board of Commissioners, or based on written request from 1 (one) or more shareholders who collectively representing 1/10 (one-tenth) or more of the total number of shares with valid voting rights issued by the Bank.

- The Board of Directors must hold a Board of Directors meeting by inviting the Board of Commissioners (Joint meeting of the Board of Directors with the Board of Commissioners) periodically at least 1 (one) time in 4 (four) months or 3 (three) times a year.
- Meetings of the Board of Directors can be held by physical presence or by the use of teleconference, telepresence or through other electronic media.

5. The minimum annual attendance of the meeting is at least 75% (seventy-five percent) which among others must be attended by all members of the Board of Directors.
 6. Every policy and strategic decision must be decided through a Board of Directors meeting by taking into account the provisions of the AD and the applicable laws and regulations.
 7. Invitations and meeting materials must be submitted to meeting participants in accordance with applicable regulations..
 8. In the event that a meeting is held outside the schedule that has been prepared as referred to above, the meeting material is delivered to the meeting participants at least before the meeting is held.
 9. The Board of Directors Meeting is led by the President Director, in the event the President Director is vacant or absent or unable to attend, where it is not necessary to be proven to the third party, the Board of Directors meeting will be led by the Vice President Director or a member of the Board of Directors present and elected by the Directors present in a meeting.
 10. The Board of Directors Meeting is lawful and entitled to take legal and binding decisions if attended/represented by more than 2/3 (two thirds) of the total members of the Board of Directors.
 11. Decisions making in the Board of Directors' Meeting is conducted based on deliberation to reach consensus. In the event that consensus is not reached, then the decision is taken by voting based on a vote of "agree" at least 2/3 (two-thirds) of the total members of the Board of Directors present at the meeting.
 12. Each member of the Board of Directors present shall be entitled 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 of the Board of Directors based on a special Power of Attorney made for the purpose of the meeting, provided that the physical absence:
 - a. can be calculated in the frequency of physical attendance at meetings of the Board of Directors of the Bank;
 - b. invalidate the right to vote in decision-making according to the power granted so that the voting rights are taken into account in the meeting minutes.
 14. Members of the Board of Directors who are unable to attend the Board of Directors' meeting must submit the reasons for their absence to the President Director through the Corporate Secretary.
 15. Decisions can be taken through meetings or outside meetings, which is through the circular of the Board of Directors or other acknowledged media, provided that all members of the Board of Directors are required to sign the circular or media concerned.
 16. The Board of Directors meeting is attended by the Corporate Secretary, and by other parties either internal or external parties of the Bank, if deemed necessary by the Board of Directors and is related to the agenda of the meeting.
 17. Minutes of meetings are prepared and administered by the Corporate Secretary and if the Corporate Secretary is concurrently held by one of the Directors, then minutes of the meeting can be made by Corporate Affairs.
 18. Minutes of Board of Directors' meetings must be signed by all members of the Board of Directors present at the meeting and distributed to all members of the Board of Directors.
 19. Minutes of the Board of Directors' meeting disclose the attendance of each member of the Board of Directors whether physically, teleconference or telepresence.
 20. In the event that a Board of Directors meeting is conducted through teleconference, telepresence, or through other electronic media, then it must be followed up with the making of minutes of meetings signed by all members of the Board of Directors present.
 21. Minutes of Board of Directors' meeting is the valid evidence for members of the Board of Directors and third parties regarding decisions taken at Directors' meetings.
 22. If there are dissenting opinions that occur in a Board of Directors meeting, it must be clearly stated in the minutes of the meeting along with the reasons for the dissenting opinion.
 23. The decision of the Board of Directors meeting by inviting the Board of Commissioners must be stated in the minutes of the meeting, signed by all members of the Board of Directors and the Board of Commissioners present, and submitted to all members of the Board of Directors and the Board of Commissioners and the Corporate Secretary.
 24. In the event that there are members of the Board of Directors and/or members of the Board of Commissioners who have not signed the minutes of the meeting above, the relevant party must state the reasons in writing in a separate letter attached to the minutes of the meeting.
 25. Directors may also adopt valid and binding decisions without holding a Board of Directors meeting, provided that all members of the Board of Directors incumbent give their approval by signing the decision letter containing the relevant proposal (Circular Decision).
 26. Circular Decisions have the same power as decisions taken legally at a Board of Directors meeting.
- The schedule of the Board of Directors meeting and Board of Directors meeting inviting the Board of Commissioners (joint meeting of the Board of Directors and the Board of Commissioners) for 2019 was scheduled at the end of 2018 and uploaded to the Bank's website. Both meetings have been approved by the Board of Directors' meeting on 19 December 2018.

BOARD OF DIRECTORS' MEETING AGENDA IN 2019

The Board of Directors' Meeting was held in the 14th floor of the Kalimantan Meeting Room, Graha CIMB Niaga, Jl. Jend. Sudirman Kav 58, Jakarta with meeting agendas are as follows:

No	Date	Agenda	participants	
1.	8 January 2019	1. Financial Consolidation Performance as of December 2018 2. Annual Report Update 2018 3. Others	1. Tigor M. Siahaan 2. Vera Handajani 3. John Simon	4. Lani Darmawan 5. Hedy Lopian 6. Pandji P. Djajanegara
2.	9 January 2019	Summary of the main discussions regarding: Proposal Letter: Project "Making of the Elite Bank in Indonesia" and BCG General Terms and Conditions.	1. Tigor M. Siahaan 2. Megawati Sutanto 3. Vera Handajani 4. John Simon 5. Fransiska Oei	6. Lani Darmawan 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja Alimhamzah
3.	22 January 2019	1. Confirmation on Minutes of Board of Directors Joint Meeting with Board of Commissioner in 19 December 2018 & Board of Directors Meeting in 8 Jan 2019 2. CIMB Niaga Employee Engagement Survey 2018 3. Audit Plan 2019 4. CIMB Niaga Internal Audit Results 4Q 2018 5. Realization of the 4th Quarter of the RBB 2018 6. RBB of 2019 7. Final Audit Findings in 2018 8. Others	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon	6. Fransiska Oei 7. Lani Darmawan 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah
4.	29 January 2019	1. Basel III-OJK Standardized Approach Consultative Paper 2. Sustainability Committee & 5 years Road Map 3. Others	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Fransiska Oei	7. Lani Darmawan 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah
5.	6 February 2019	1. Consolidated Financial Performance as of January 2019 2. Recovery Plan Update 3. Vendor Selection for Renewal and/or Purchase of Bank Head Office Buildings 4. Others	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Fransiska Oei	7. Lani Darmawan 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah
6.	19 February 2019	1. Confirmation on the Minutes of the Board of Directors' Meeting on 29 Jan & 6 Feb 2019 and Board of Directors and Board of Commissioners Joint Meeting on 7 Feb 2019 2. Matters Arising Board of Directors Meeting on 6 Feb 2019 3. Summary of Internal Audit as of January 2019 4. New Regulatory Report: Antasena, Apolo and Obox 5. Review of the New Pension Credit Business Model 6. Approval of the External Auditor for 2019	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Fransiska Oei	7. Lani Darmawan 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah
7.	5 March 2019	1. Confirmation on Minutes of Board of Directors' Meeting on 19 Feb 2019 2. Tax Update 3. Land and Building Revaluation 4. Financial Consolidation Performance as of February 2019 5. Transformation Update 6. Others.	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan	7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah
8.	19 March 2019	1. Confirmation on the Minutes of the Board of Directors' Meeting on 5 March 2019 2. Matters Arising the previous Board of Directors' Meeting 3. CFP Testing VI - Short-term Liquidity Loans 4. Sharia Banking Update 5. Summary of Internal Audit as of February 2019 6. Request for Sensitive Data from Internal Audit 7. CIMB Niaga - OJK BUST 8. Others	1. Rita Mas'Oen 2. Megawati Sutanto 3. Vera Handajani 4. John Simon 5. Lani Darmawan	6. Fransiska Oei 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja Alimhamzah
9.	20 March 2019	1. Asset Quality 2018 & Portfolio Sales Update; and 2. Sale Recommendation - Project Valor by Grant Thornton	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Fransiska Oei	7. Lani Darmawan 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah

No	Date	Agenda	participants	
10.	26 March 2019	<ol style="list-style-type: none"> 1. Benchmarks for 10 Large Banks as of December 2018 2. Car Business Update (CNAF) 3. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 	<ol style="list-style-type: none"> 6. Fransiska Oei 7. Lani Darmawan 8. Hedy Lopian 9. Rahardja Alimhamzah
11.	2 April 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 19 & 20 March 2019 2. Follow-up Report on the previous Board of Directors Meeting 3. Update the Transformation Project 4. Power 9 Implementation Plan 5. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. John Simon 3. Lani Darmawan 4. Fransiska Oei 	<ol style="list-style-type: none"> 5. Pandji P. Djajanegara 6. Rahardja Alimhamzah
12.	9 April 2019	<ol style="list-style-type: none"> 1. Consolidated Financial Performance as of March 2019 2. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. John Simon 5. Lani Darmawan 	<ol style="list-style-type: none"> 6. Fransiska Oei 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja Alimhamzah
13.	16 April 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 26 Mar & 2 Apr 2019 2. Follow-Up Report on Previous Board of Directors' Meetings 3. Executive Summary of Collective Labor Agreement (CLA) of 2019 - 2020 4. Big Data Updates 5. BCG Update 6. Digital COE - Work Space Definition 7. Transformation Update 8. Pension Credit Approval 9. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 	<ol style="list-style-type: none"> 6. Lani Darmawan 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja Alimhamzah
14.	30 April 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 9 & 16 April 2019 and Minutes of Board of Directors and Board of Commissioners Joint Meeting on 15 April 2019 2. Follow-up Report on Previous Directors' Meetings 3. BCG Transformation Update 4. Summary on the The Implementation of Proposal Letter on Project 'Making of the Elite Bank in Indonesia 'and BCG General Terms and Conditions in the Engagement; 5. Financial Impact on Credit Portfolio Sales 6. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 	<ol style="list-style-type: none"> 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah 11. Lee Kai Kwong*
15.	7 May 2019	<ol style="list-style-type: none"> 1. Confirmation on the Minutes of the Board of Directors' Meeting on 23 April 2019 2. Financial Consolidation Performance as of April 2019 3. RAROC IRB - 2019 4. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Megawati Sutanto 3. Vera Handajani 4. John Simon 5. Lani Darmawan 6. Fransiska Oei 	<ol style="list-style-type: none"> 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja Alimhamzah 10. Lee Kai Kwong*
16.	21 May 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 30 April 2019 and 7 May 2019 2. Follow-up Report on Results of Previous Meetings 3. Approval of Inactive Asset Sales 4. Summary of Internal Audit as of April 2019 5. Changes to the 2019 RBB 6. Preparation for Election Announcement on 22 May 2019 7. Initiative No. 066.03 Increasing Committee Effectiveness - Enabling Decision-Making Agility 8. Finalization of Desired CIMB Niaga Culture 9. Transformation Update 10. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 	<ol style="list-style-type: none"> 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah 11. Lee Kai Kwong*
17.	28 May 2019	<ol style="list-style-type: none"> 1. Lebaran Holiday Activities in 2019 2. Violations of Statutory Reserves on 1 - 5 May 2019 3. Enhanced Overbooking 4. Customer Journeys - Resourcing Gaps 5. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 	<ol style="list-style-type: none"> 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Lee Kai Kwong*

No	Date	Agenda	participants	
18.	18 June 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board of Directors' Meetings on 30 Apr 2019 & 7 May 2019 Follow Up Issues of Previous Meetings Changes to the 2019 RBB Financial Consolidation Performance as of May 2019 Update the Transformation Project CIMB Niaga's 65th Anniversary Halal Bi Halal Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
19.	2 July 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board of Directors' Meeting on 18 June 2019 Follow Up Issues of Previous Meetings MSME Asset Quality Update Property & Fixed Asset Management - Application for Approval of Inactive Assets Sales Unsecured Collection Group - Improvements of Credit Card Collection - Change in Key Strategies of 2018 Agile New CIMB Clicks Revamping the Bank's Website - Launch Plan Transformation Project Update Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
20.	9 July 2019	<ol style="list-style-type: none"> Financial Consolidation Performance as of June 2019 Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
21.	16 July 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board of Directors' Meeting on 2 July 2019 & Board of Directors and Board of Commissioners Joint Meeting on 28 June, 2019 Follow up on previous Meeting Issues; Bank Audit Plan as of 30 Jun 2019 & 31 Dec 2019; Outlook NPL Sales Progress Results of the Corporate Assurance Division Group Q2/2019 Update on Good Corporate Governance Updates on Sustainable Finance; Risk Profile Q2/2019, RBBR H1/2019 and Integrated Risk Profile Integrated H1/2019 CIMB Niaga Group Wide Stress (as of June 2019) Realization of 2nd Quarter of 2019 RBB (Bank) Updated Fixed Asset Stock Count as of July 5, 2019 Data Management Changes to the National Clearing System Regulation CIMB Niaga Transformation Leadership Journey - IC Transformation Project 7.01 BAU Budget - CAPEX Routine for the Transformation Project 2019 Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan 	<ol style="list-style-type: none"> Fransiska Oei Hedy Lopian Rahardja Alimhamzah Lee Kai Kwong*
22.	30 July 2019	<ol style="list-style-type: none"> Confirmation on the Minutes of Board of Directors' Meetings on 9 and 6 July 2019 Follow-up to the Results of Previous Meetings; Developing CIMB Niaga Transformation Ready Leaders; CIMB Niaga Risk Posture 2020; Update on the Launch of CIMB Niaga Smart; Transformation Update - Procurement Journey Update Process Improvement and Expenditure Analysis Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
23.	6 August 2019	<ol style="list-style-type: none"> Follow-Up to the Results of Previous Meetings; Employee Engagement Platform-Connect Us Recovery of MSME and Commercial Banking Proposed Transformation Initiative - Conversation of Dedicated Driver and Car Consolidated Financial Performance as of July 2019 Presentation of RBB Revision for OJK Update of IT / Non-IT CAPEX Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*

No	Date	Agenda	participants
24.	13 August 2019	<ol style="list-style-type: none"> 1. Update of Audit Status as per 30 June 2019 2. Update of the Transformation Project 3. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Fransiska Oei 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja 10. Alimhamzah 11. Lee Kai Kwong*
25.	20 August 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 30 July & 6 August 2019 2. Follow-Up to the Results of Previous Meetings 3. GACD - Summary July 2019 4. Compliance Director's Report of Semester 1 2019 5. Risk Appetite Statement - Monitoring Dashboard (July 2019) 6. Monthly Governance Data 7. Transformation Initiative in Second Semester of 2019 8. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja 11. Alimhamzah
26.	3 September 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 13 & 20 August 2019 2. Follow-Up Report on Previous Meetings 3. Update of the Transformation Project 4. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. Lani Darmawan 6. Fransiska Oei 7. Hedy Lopian 8. Pandji P. Djajanegara 9. Rahardja 10. Alimhamzah
27.	10 September 2019	<ol style="list-style-type: none"> 1. Financial Consolidation Performance as of August 2019 2. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja 11. Alimhamzah 12. Lee Kai Kwong*
28.	17 September 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meeting on 3 Sep 2019 2. Follow-Up Report on Previous Meetings 3. New Bank's Wide Credit Checking System (BWCCS) 4. Summary of Internal Audit - August 2019 5. Monthly Governance Data 6. Request for Rebate from Grab (IC 5.10) 7. Update of the Transformation Project 8. Model of the CIMB Niaga Head Office 9. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja 11. Alimhamzah 12. Lee Kai Kwong*
29.	1 October 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 10 & 17 Sep 2019 2. Follow-Up Report on Previous Meetings 3. The Color Run: Love Tour 4. 4.36 Finance Journey Close-Out 5. IC 01 - Transformation Update 6. IC10 - Update 7. IC09 - H1 Initiatives 8. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Lee Kai Kwong*
30.	8 October 2019	<ol style="list-style-type: none"> 1. Financial Consolidation Performance as of September 2019 2. Others 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Lee Kai Kwong*
31.	15 October 2019	<ol style="list-style-type: none"> 1. Confirmation on Minutes of Board of Directors' Meetings on 1 & 8 October 2019; 2. Follow-Up Report on Previous Meetings; 3. CNAF Corporation Action Update 4. Recovery Plan 5. Risk Profile of Quarter 3 of 2019 6. Realization of Quarter 3 of RBB of 2019 7. Bank Business Plan (RBB) of 2020; 8. Tax Update 9. HR Directorate Update 10. Transformation Update 	<ol style="list-style-type: none"> 1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja 11. Alimhamzah 12. Lee Kai Kwong*

No	Date	Agenda	participants	
32.	22 October 2019	<ol style="list-style-type: none"> Responses to Follow-Up to Previous Meetings Bank Business Protection: IT Security Securing 3rd Party; GCA Report Quarter 3 of 2019 Monthly Governance Data Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
33.	5 November 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board Directors' Meetings on 15 & 22 October 2019 Model of the CIMB Niaga Head Office Building Fixed Asset Stock Count Update; Non-CNAF Corporation Action Update Consolidated Financial Performance as of October 2019 BizChannel @ CIMB Mobile; Update of the Spin-Off Progress Update of the Transformation Project Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
34.	19 November 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board of Directors' Meeting on 5 November 2019 and Board of Directors and Commissioners Joint Meeting on 29 October 2019 Bank Business Plan (RBB) 2020; Realization of RAKB 2019 and RAKB 2020; Summary of Internal Audit - October 2019 Lifestyle (Flexi) Benefit 2020; 2019 Transformation IO & Team Member Performance Evaluation IC13.03- E2E Loan Journey IC 05 TOM & Cost Optimization Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
35.	3 December 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board of Directors' Meeting on 19 November 2019 CAPEX Budget Update: Use of 2019 & Final Budget 2020; Building Management and Fixed Assets Credit Limit System 1.0 Monthly Governance Data 65 Years of Serving Indonesia IC11 Consumer Banking Customer Journey IC12 SME Customer Journey Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
36.	10 December 2019	<ol style="list-style-type: none"> Financial Consolidation Performance as of November 2019 Budget 2020 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
37.	13 December 2019	<ol style="list-style-type: none"> CNAF Corporation Action Update 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*
38.	17 December 2019	<ol style="list-style-type: none"> Confirmation on Minutes of Board of Directors' Meeting on 3 December 2019 CAR & ICT Targets of 2020 Update of the Final Tax Results for Fiscal Year of 2016 CIMB Niaga XTRA XPO; Activities at the end of 2019 POJK No. 28/POJK.03/2019 - Banking Synergy Others 	<ol style="list-style-type: none"> Tigor M. Siahaan Rita Mas'Oen Megawati Sutanto Vera Handajani John Simon Lani Darmawan Fransiska Oei 	<ol style="list-style-type: none"> Hedy Lopian Pandji P. Djajanegara Rahardja Alimhamzah Lee Kai Kwong*

*) Appointed at the Extraordinary General Meeting of Shareholders ("EGMS") on 19 December 2018 and effectively served as Director in accordance with the approval of the OJK on 24 April 2019.

AGENDA OF THE BOARD OF DIRECTORS JOINT MEETING WITH THE BOARD OF COMMISSIONERS IN 2019

No	Date of Meeting	Board of Directors in Presence	Board of Commissioners in presence	Agenda
	7 February 2019	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah	1. Tengku Dato' Sri Zafrul 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas	1. Message from the President Director 2. Financial Performance as of December 2019
2.	15 April 2019	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah	1. Tengku Dato' Sri Zafrul 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas	1. Message from the President Director 2. Financial Performance as of March 2019
3.	28 June 2019	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah 11. Lee Kai Kwong***	1. Tengku Dato' Sri Zafrul 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 7. Didi Syafruddin Yahya** 8. Sri Widowati**	1. Message from the President Director 2. Financial Performance as of May 2019
4.	29 October 2019	1. Tigor M. Siahaan 2. Rita Mas'Oen 3. Megawati Sutanto 4. Vera Handajani 5. John Simon 6. Lani Darmawan 7. Fransiska Oei 8. Hedy Lopian 9. Pandji P. Djajanegara 10. Rahardja Alimhamzah 11. Lee Kai Kwong***	1. Tengku Dato' Sri Zafrul 2. Glenn M. S. Yusuf* 3. Zulkifli M. Ali 4. Pri Notowidigdo 5. Jeffrey Kairupan 6. David Richard Thomas 7. Didi Syafruddin Yahya** 8. Sri Widowati**	1. Message from the President Director 2. Financial Performance as of November 2019

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

**) Appointed as a member of the Board of Commissioners based on the AGMS on 15 April 2019 and effectively served as a member of the Board of Commissioners on 20 November 2019 based on OJK approval.

***) Appointed at the Extraordinary General Meeting of Shareholders ("EGMS") on 19 December 2018 and effectively served as Director in accordance with the approval of OJK on 24 April 2019

FREQUENCY AND ATTENDANCE AT BOARD OF DIRECTORS' MEETINGS IN 2019

No	Name	Board of Directors' Meetings			Board of Directors the Board of Commissioners		
		Attendance Frequency	Attendance Level	Average Attendance Level	Attendance Frequency	Attendance Level	Average Attendance Level
1	Tigor M. Siahaan	36/38	95%		4/4	100%	
2	Rita Mas'Oen	35/38	92%		4/4	100%	
3	Megawati Sutanto	35/38	92%		4/4	100%	
4	Vera Handajani	35/38	92%		4/4	100%	
5	John Simon	36/38	95%		4/4	100%	
6	Lani Darmawan	37/38	97%	94%	4/4	100%	100%
7	Pandji P. D jajanegara	37/38	97%		4/4	100%	
8	Hedy Lopian	36/38	95%		4/4	100%	
9	Fransiska Oei	35/38	92%		4/4	100%	
10	Rahardja Alimhamzah*	36/38	95%		4/4	100%	
11	Lee Kai Kwong**	23/25	92%		2/2	100%	

*) Has tendered his resignation as Director through the letter that has been received by the Bank on 21 February 2020

**) Appointed at the Extraordinary General Meeting of Shareholders ("EGMS") on 19 December 2018 and effectively served as Director in accordance with the approval of OJK on 24 April 2019

ULTIMATE AND CONTROLLING SHAREHOLDERS

The information of the Ultimate and Controlling Shareholders is available in the Company Profile section of this Annual Report.

AFFILIATED RELATIONSHIPS BETWEEN BOARD OF COMMISSIONERS, BOARD OF DIRECTORS AND CONTROLLING SHAREHOLDER

The majority of the CIMB Niaga's Board of Commissioners and Board of Directors have no affiliated relationship either familial or financial relationships with fellow members of the Board of Commissioners, the Board of Directors and the Controlling Shareholders, however 50% (fifty percent) of the Non-Independent Commissioners on the Bank's Board of Commissioners have financial relationships with the Bank's Controlling Shareholders. CIMB Niaga's Board of Commissioners and Board of Directors have integrity and independence and have no conflicts of interest that may impair their ability to carry out their duties in a professional and objective manner.

The affiliated relationships criteria for members of the Board of Commissioners, Board of Directors and Controlling Shareholders include:

1. Affiliated relationships between a member of the Board of Directors and other members of the Board of Directors.
2. Affiliated relationships between a member of the Board of Directors and members of the Board of Commissioners.
3. Affiliated relationships between a member of the Board of Directors and the Ultimate/Controlling Shareholder.
4. Affiliated relationships between a member of the Board of Commissioners and other members of the Board of Commissioners; and
5. Affiliated relationships between a member of the Board of Commissioners and the Ultimate/Controlling Shareholder.

BOARD OF COMMISSIONERS

Affiliated Relationships with Members of the Board of Directors, other Members of the Board of Commissioners and the Controlling Shareholder

Name	Position	Family Relationship with						Financial Relationship with					
		Board of Commissioners		Board of Directors		Controlling Shareholder		Board of Commissioners		Board of Directors		Controlling Shareholder	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Tengku Dato' Sri Zafrul Tengku Abdul Aziz*	President Commissioner	-	√	-	√	-	√	-	√	-	√	√	-
Glenn M.S. Yusuf**	Vice President Commissioner	-	√	-	√	-	√	-	√	-	√	√	-
Zulkifli M. Ali	Independent Commissioner	-	√	-	√	-	√	-	√	-	√	-	√
Pri Notowidigdo	Independent Commissioner	-	√	-	√	-	√	-	√	-	√	-	√
Jeffrey Kairupan	Independent Commissioner***	-	√	-	√	-	√	-	√	-	√	-	√
David Richard Thomas	Commissioner	-	√	-	√	-	√	-	√	-	√	√	-
Didi Syafruddin Yahya	Commissioner	-	√	-	√	-	√	-	√	-	√	√	-
Sri Widowati	Independent Commissioner	-	√	-	√	-	√	-	√	-	√	-	√

*) Has tendered his resignation from his position as President Commissioners through the letter that has been received on 9 March 2020 and will be conveyed to obtain resolution in the 2020 AGM

**) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

***) Appointed as Senior Independent Commissioner of the Bank through CIMB Niaga Board of Commissioners Circular Decree No. 014/DEKOM/KP/M/2019 dated 28 June 2019

BOARD OF DIRECTORS

Affiliated Relationships with other Members of the Board of Directors, Members of the Board of Commissioners and the Controlling Shareholder

Name	Position	Family Relationship with						Financial Relationship with					
		Board of Commissioners		Board of Directors		Controlling Shareholder		Board of Commissioners		Board of Directors		Controlling Shareholder	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Tigor M. Siahaan	President Director	-	√	-	√	-	√	-	√	-	√	-	√
Rita Mas'Oen	Director	-	√	-	√	-	√	-	√	-	√	-	√
Megawati Sutanto	Director	-	√	-	√	-	√	-	√	-	√	-	√
Vera Handajani	Director	-	√	-	√	-	√	-	√	-	√	-	√
John Simon	Director	-	√	-	√	-	√	-	√	-	√	-	√
Lani Darmawan	Director	-	√	-	√	-	√	-	√	-	√	-	√
Pandji P. Djajanegara	Director	-	√	-	√	-	√	-	√	-	√	-	√
Hedy Lopian	Director	-	√	-	√	-	√	-	√	-	√	-	√
Fransiska Oei	Director	-	√	-	√	-	√	-	√	-	√	-	√
Rahardja Alimhamzah*	Director	-	√	-	√	-	√	-	√	-	√	-	√
Lee Kai Kwong**	Director	-	√	-	√	-	√	-	√	-	√	-	√

*) Has tendered his resignation as Director through the letter that has been received by the Bank on 21 February 2020.

**) Appointed at the Extraordinary General Meeting of Shareholders ("EGMS") on 19 December 2018 and effectively served as Director in accordance with the approval of the OJK on 24 April 2019.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

In carrying out its supervision duties, the CIMB Niaga Board of Commissioners is assisted by Committees under the Board of Commissioners, which consist of:

1. Audit Committee
2. Risk Oversight Committee
3. Nomination and Remuneration Committee
4. Integrated Governance Committee

All the committees under the Board of Commissioners are chaired by Independent Commissioners who do not have financial,

management, share ownership, and/or family relations with other members of the Board of Commissioners, Board of Directors and/or Controlling Shareholders or other forms of relationship with the Bank that can affect their independence.

The implementation of the Committees under the CIMB Niaga Board of Commissioners duties and responsibilities refers to the Committee's Charter, compiled based on the applicable regulations in Indonesia, especially Bank Indonesia's GCG regulations, and best practices that are regularly reviewed.

AUDIT COMMITTEE

The Audit Committee is a committee that works collectively to assist the Board of Commissioners in reviewing and clarifying financial information, selection, appointment and supervision of the independent auditors, evaluating the effectiveness of the internal audit function, internal control, and legal compliance.

LEGAL BASIS

The Audit Committee was established based on the following regulations:

1. Financial Services Authority (OJK) Regulations and OJK Circular Letters regarding the implementation and organisation of Corporate Governance, Audit Committee, Compliance Function of Commercial Banks, Anti-Fraud Strategy of Commercial Banks, Public Accountant, as well as Affiliated Transactions and Conflict of Interest for Certain Transactions.
2. CIMB Niaga's Articles of Association concerning the Board of Commissioners duties and authorities.
3. International Professional Practices Framework from the Institute of Internal Auditors.
4. The Bank's Corporate Policy Manual

AUDIT COMMITTEE CHARTER

The Audit Committee has as Working Guidelines which is Audit Committee Charter, regulates the following:

1. Purpose
2. Composition, structure, tenure and membership
3. Membership Requirements
4. Duties and responsibilities
5. Authorities
6. Guidelines, procedures and conduct of meetings
7. Reporting
8. Management of complaints or reports concerning alleged violations related to financial statements
9. Work Ethics and working hours

The Audit Committee Charter is reviewed and updated periodically so as to comply with the prevailing regulations and the business

requirements of the Bank. The Audit Committee Charter was last updated on 29 May 2019 and has been uploaded to CIMB Niaga's website.

TERM OF OFFICE

The prevailing regulation stipulates that the Audit Committee's term of office shall be no longer than the term of office of the Board of Commissioners, in accordance with OJK Regulation No. 55/POJK.04/2015 and the Audit Committee Charter, and can only be re-elected for one subsequent period.

The term of office for Committee members appointed during their term of office on the Board of Commissioners shall end at the same time as their term of office ends as a member of the Board of Commissioners.

AUDIT COMMITTEE'S NUMBER OF MEMBERS, STRUCTURE AND COMPOSITION

The membership and composition, as well as independency of the Audit Committee members meets the requirements of the relevant authorities as stipulated in the Audit Committee Charter. In 2019, the CIMB Niaga's Audit Committee consisted of 4 (four) members comprising 1 (one) Chairman concurrently member who is an Independent Commissioner, 1 (one) member who is an Independent Commissioner and 2 (two) non-Commissioner members from Independent Parties with competencies and qualifications in the field of accounting and banking finance.

All of the Audit Committee members were appointed based on the Recommendation of the Nomination and Remuneration Committee No. 017/NOMREM/KP/XII/2018 dated 19 December 2018 and approved by Board of Commissioners' Circular Decision No. 023/DEKOM/KP/XII/2018 dated 19 December 2018. Further, the Audit Committee members were appointed based on Board of Directors' Circular Decision No. 001/SIR/DIR/XII/2018 dated 20 December 2018.

Audit Committee Membership Composition in 2019

No	Name	Position in Bank	Position in Committee	Term of Office
1	Jeffrey Kairupan	Independent Commissioner	Chairman	2016 - 2020
2	Zulkifli M. Ali	Independent Commissioner	Member	2016 - 2020
3	Mawar I. R. Napitupulu	Independent Party	Member	2016 - 2020
4	Yap Tjay Soen	Independent Party	Member	2016 - 2020

PROFILE OF AUDIT COMMITTEE MEMBERS



Jeffrey Kairupan
Audit Committee Chairman

Appointed as Audit Committee Chairman on 1 January 2019 and is concurrently the Integrated Governance Committee Chairman and a Nomination and Remuneration Committee Member.

He also serves as Independent Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles



Zulkifli M. Ali
Audit Committee Member

Appointed as Audit Committee Member on 1 January 2019 and is concurrently a Risk Oversight Committee Member.

He also serves as Independent Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles



Mawar I. R. Napitupulu
Audit Committee Member

Appointed as an Audit Committee Member on March 2013 and reappointed at the AGMS on 15 April 2016.

Age 57

Nationality Indonesian

Domicile Jakarta

Education

- Bachelor degree in Accounting from the Faculty of Economics, University of Indonesia (1986)
- MBA in Finance from Katholieke Universiteit Leuven, Belgium (1990).

Riwayat Pekerjaan

- Associate Consultant of Management Institute of the, University of Indonesia (July 1990 – June 1994)
- Senior Auditor of SGV-Utomo, member firm of Arthur Andersen (1986 – 1988)

Other Positions

- Supervisory Board Member and Chairperson of Indonesia Institute of Public Accountants (IAPI) (2018 – present)
- Member of Indonesian Audit Committee Association (2004 – present)
- Member of Indonesian Curator and Management Association (1999 – present)
- Senior Managing Partner of Amir Abadi Jusuf, Aryanto, Mawar & Rekan Public Accountant Firm, member firm of RSM International (July 1994 – present)
- Teaching Staff in Accounting Department of Faculty of Economics and Business, University of Indonesia (1985 – present)

Shareholding

Nil

Affiliated Relations

Has no affiliations with other members of the Committee, members of the Board of Commissioners, members of the Board of Directors, or the Majority and Controlling Shareholders



Yap Tjay Soen
Audit Committee Member

Appointed as an Audit Committee Member at the AGM on 15 April 2016.

Age	66
Nationality	Indonesian
Domicile	Jakarta
Education	<ul style="list-style-type: none"> Bachelor degree in Mechanical Engineering from McGill University, Montreal - Canada (1976) Master of Business Administration from McGill University, Montreal - Canada (1980)
Work Experience	<ul style="list-style-type: none"> Independent Director of PT. Eagle High Plantations (June 2015-September 2019) President Commissioner of PT BNI Life (2014-2015) Managing Director & Chief Financial Officer of PT. Bank Negara Indonesia (2007-March 2015) President Director & Group CEO of PT. Tuban Petrochemical Industries (2002-2007) Commissioner of Bank Mandiri Tbk (2005-2007) Commissioner of Bank Negara Indonesia '46 Tbk (2003-2005) Commissioner of PT. Aneka Tambang Tbk (2002-2007) Vice President Director of Bank International Indonesia (1999-2001)
Other Positions	<ul style="list-style-type: none"> Director of PT. Finansia Pacifica Raya (2019-present) Commissioner of PT. Finansia Multifinance (2019-present) Sr. Advisor of Independent Research & Advisory Indonesia (2019-present) Independent Commissioner of PT.Putra Mandiri Jembar Tbk (2019-present) Chairman of Karma Advisory (2016 – present)
Shareholding	Nil
Affiliated Relations	Has no affiliations with other member of Committees, members of the Board of Commissioners, members of the Board of Directors, or the Majority and Controlling Shareholders

TRAINING OF AUDIT COMMITTEE MEMBERS

Training data for the Audit Committee members throughout 2019 are included in the Company Profile Chapter of this Annual Report.

AUDIT COMMITTEE'S INDEPENDENCY

All members of the Audit Committee have met all independency criteria and are able to perform their duties independently, uphold the Bank's interests and are not influenced by any parties. This is evidenced by the membership composition that consists of 1 (one) Chairman who is an Independent Commissioner, 1 (one) member who is an Independent Commissioner and 2 (two) non-Commissioner members from Independent Parties.

In accordance with OJK Regulation No.55/POJK.03/2016 concerning the Implementation of Corporate Governance for Commercial Banks Article 41 paragraph 4, the Independent Commissioners and Independent Parties who are members of the Audit Committee account for at least 51% (fifty one percent) of the total Audit Committee members. All Bank CIMB Niaga Audit Committee members are Independent Commissioners and Independent Parties, thus the composition has met the independence requirements.

Table of Independency of Audit Committee Members

Independency Aspect	Jeffrey Kairupan	Zulkifli M. Ali	Mawar I. R. Napitupulu	Yap Tjay Soen
Has no financial relationship with the Board of Commissioners and Board of Directors	Yes	Yes	Yes	Yes
Has no management relationship at the Bank, subsidiary or affiliate companies of the Bank	Yes	Yes	Yes	Yes
Has no shareholding relationship at the Bank	Yes	Yes	Yes	Yes
Has no family relationship with the Board of Commissioners, Board of Directors, and/or fellow members of Audit Committee	Yes	Yes	Yes	Yes
Not serving as an administrator of political parties, officials or government	Yes	Yes	Yes	Yes

DUTIES, RESPONSIBILITIES AND AUTHORITIES

The Audit Committee is assigned with the following duties and responsibilities:

1. Reviewing financial information that will be issued 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 prevailing financial accounting standards.
2. Reviewing compliance with laws and regulations related to Bank activities.
3. Providing independent opinion in the event of differences of opinion between management and accountants for the services rendered.
4. Assisting the Board of Commissioners in performing active supervision on the external auditor's activities by:
 - a. Providing recommendations to the Board of Commissioners regarding the appointment and/or replacement of a Public Accountant based on independency, scope of assignment and fees, expertise, and methods used.
 - b. Discussing audit plans which include the nature and scope of the audit;
 - c. Reviewing the adequacy of the examination by Public Accounting Firm by considering all important risks
 - d. Monitoring and evaluating implementation of the audit services on annual historical financial information by Public Accountant and/or the Public Accounting Firm including compliance with applicable financial accounting standards, adequacy of time for field work, adequacy of selecting tests, and recommendations for improvement given.
 - e. The Audit Committee's evaluation results on the Public Accountant implementation duties are to be submitted no later than 6 (six) months after the fiscal year ends.
 - f. Ensuring the coordination of which assignments are made to more than one Public Accounting Firms
5. Related to functional accountability of Internal Audit to the Audit Committee, Audit Committee responsibilities are as follows:
 - a. Providing recommendations to the Board of Commissioners on the Head of Internal Audit Unit's (IAU) appointment, dismissal, and performance assessment.
 - b. Reviewing, monitoring and evaluating audit planning and the effectiveness of audit implementation as well as monitoring the follow up of audit results in order to assess the adequacy of internal control, including the adequacy of the financial reporting process.
 - c. Assisting the Board of Commissioners to ensure that the Board of Directors develop and maintain an adequate, effective and efficient internal control system.
 - d. Assisting the Board of Commissioners to review the effectiveness and efficiency of the internal control system based on information received from the Internal Audit Unit at least once a year.
 - e. Providing recommendations to the Board of Commissioners related to the audit plan preparation, scope and budget for the Internal Audit Unit.
 - f. Signing special reports regarding any internal audit findings that could endanger the Bank's business continuity and report the internal audit implementation and main results to OJK
 - g. Providing recommendations to the Board of Commissioners for approval of the internal audit charter.
 - h. Providing recommendations to the Board of Commissioners on appointment of an independent quality controller from an external party to conduct a review of the Internal Audit Unit's (IAU) performance.
 - i. Ensuring IAU communicates with the Board of Directors, the Board of Commissioners, the Sharia Supervisory Board, external auditors, and the Otoritas Jasa Keuangan.
 - j. Providing recommendations to the Board of Commissioners on the overall remuneration of the IAU as well as performance awards.
 - k. Ensuring that IAU upholds integrity in carrying out its duties.
 - l. Assisting the Board of Commissioners to ensure that internal audit in the subsidiary is carried out using the Bank's standard audits.
 - m. Reviewing the audit report and ensuring the Board of Directors takes the corrective actions needed quickly to overcome weaknesses in control, fraud, issues of compliance with policies, laws and regulations, or other problems identified and reported by IAU, external auditors and any other regulatory recommendations.
6. Reviewing and reporting to the Board of Commissioners concerning complaints relating to the Bank's accounting process and financial reporting, including if there are possibilities of any erroneous decisions being made during the Board of Directors meetings, or deviations from the Board of Directors meeting decisions.
7. Reviewing and providing advice and recommendations to the Board of Commissioners relating to the existence of material affiliated transaction plans and potential conflicts of interest to the Bank submitted by Management to the Audit Committee
8. Assisting the Board of Commissioners in performing active supervision on the Compliance Function by:
 - a. Evaluating the implementation of the Bank's Compliance Function based on the Bank's internal policies and prevailing rules and regulations related to the activities of the Bank at least 2 (twice) in 1 (one) year.
 - b. Providing suggestions to improve the quality of the Bank's Compliance Function implementation.

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 Bank documents, data and information.
11. The Chairman and Members of the Committee conduct collegial performance assessments for Audit Committee, individual performance assessments for each member of the Audit Committee, and performance assessment of the Audit Committee Chairman, in accordance with the criteria and assessment process set out in the Attachment of the Nomination and Remuneration Committee Charter.
12. The Audit Committee Chairman is in charge of and responsible for coordinating all Audit Committee activities to meet the Audit Committee objectives in accordance with its establishment, including being responsible for the following matters:
 - a. Preparing the annual work plan
 - b. Preparing the annual meeting schedule
 - c. Preparing periodic reports regarding the Committee activities as well as matters considered of concerned to the Board of Commissioners
 - d. Conducting self-assessments regarding the effectiveness of Audit Committee activities.
 - e. Appointing non-Commissioners members to the Audit Committee or appointing other third parties as secretaries to the Audit Committee to record Audit Committee Meetings and prepare the Minutes of Meetings.
13. Assisting the Board of Commissioners to ensure the Board of Directors implement sustainability in the Bank

AUTHORITIES

In performing its duties, the Audit Committee authorities include:

1. Accessing Bank documents, data and information, regarding employees, funds, assets and Bank resources required.
2. Communicating directly with Bank employees including Board of Directors and/or Senior Executives/Officers and parties who perform the functions of Internal Audit, Risk Management, and accountants related to the duties and responsibilities of the Audit Committee.
3. Involving independent parties outside of the Audit Committee who are required to assist in performing their duties (if needed).
4. Executing other authorities delegated by the Board of Commissioners.

AUDIT COMMITTEE MEETINGS AND ATTENDANCE

The Audit Committee Charter stipulates that the Audit Committee must hold meetings at least once every 3 (three) months, and the meetings must be physically attended at least twice a year. Meetings can only be held if attended by at least 51% (fifty-one percent) of the total members, including Independent Commissioners and Independent Parties.

During 2019, the Audit Committee held 15 (fifteen) meetings, which included approval for the minutes of the previous meeting, discussion of matters that require follow-ups from the previous meetings and other matters that require attention.

Table of Members Attendance in Audit Committee Meetings for January – December 2019

Name	Attendance in Audit Committee Meetings	Physical Attendance	Attendance through Teleconference or Telepresence	Attendance Level	Average Attendance Level
Jeffrey Kairupan	15	15	-	100%	96.5%
Zulkifli M. Ali	14	10	4	93%	
Mawar IR. Napitupulu	15	15	-	100%	
Yap Tjay Soen	14	14	-	93%	

In 2019, the Audit Committee meetings discussed the following agenda items:

1. Meetings with the Finance Director and Executives Officers:
 - a. Reviewed financial statements including the presentation of financial statements, accounting treatment and compliance with generally accepted accounting principles.
 - b. Reviewed financial performance and adequacy of published financial statements and the reporting of financial reports to authorities.
 - c. Provide recommendations to the Board of Commissioners regarding the Public Accountant appointment.

- d. Discussed recommendations and progress of follow-up of audit results from external auditors.
- e. Discussed matters related to asset quality on credit quality
2. Meetings with the Head of the Internal Audit Unit:
 - a. Discussed the audit plan, scope and audit findings, follow-up recommendations regarding audit results and the adequacy of the internal control system.
 - b. Discussed Internal Audit Performance.
3. Meetings with the Compliance Director:
 - a. Discussed recommendations and the progress of follow-up of audit results from the Financial Services Authority, Bank Indonesia and Bank Negara Malaysia.
 - b. Discussed compliance risk and sanctions imposed by Bank Indonesia. In addition, experiences learned from existing cases were discussed.
 - c. Discussed new rules and regulations and their impact to the Bank
4. The implementation of anti-fraud strategies through four interrelated anti-fraud pillars namely Prevention, Detection, Investigation and Monitoring. Some fraud prevention programs have been implemented, such as the Anti-Fraud Campaign Weeks, Anti-Fraud Awareness Training & Socialization, and E-learning & certification through applications, conducting investigations on fraud cases, and monitoring sanctions against fraud perpetrators, and corrective actions taken by the Bank so that fraud is not repeated
5. Meetings with the Public Accountant to discuss audit plan, the scope of the audit, audit findings, recommendations regarding audit results and the management letter that has been submitted.
6. Meetings with related Directors and working units to ensure the adequacy of the internal control system in managing Non-Performing Assets, Non- Performing Loans (NPL) of Corporate Banking and Commercial Banking, and the status of important projects in 2019.

AUDIT COMMITTEE REPORT OF DUTIES IMPLEMENTATION IN 2019

Report of the Audit Committee's duties implementation in 2019 includes the following activities and recommendations as follows:

1. Conducted a review on the accountability and transparency of financial statements
2. Conducted a review on the resilience of the Bank's compliance structure and internal control
3. Conducted a review on the effectiveness of fraud prevention, detection and investigation
4. Conducted a review on the Anti Money Laundering Act
5. Conducted a review on Cyber Security
6. Conducted a review on Data Quality.

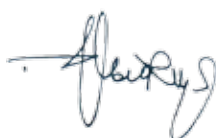
AUDIT COMMITTEE STATEMENT ON THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

The internal control system implemented by CIMB Niaga is considered to have been running effectively and adequately as reflected in the effective implementation of internal control functions, including the functions of Internal Audit, Risk Management, Compliance, Finance and Operational Controls.

WORK PLANS FOR 2020

For 2020, the Audit Committee's work plan has established the following strategic priorities:

1. Accountability and transparency of financial statements review.
2. Resilience of the Bank's compliance structure and internal control review.
3. Effectiveness of fraud prevention, detection and investigation review.
4. Anti-Money Laundering Act review.
5. Cyber Security review.
6. Data Quality review.
7. Asset Quality review.
8. Economic conditions development review.



JEFFREY KAIRUPAN
AUDIT COMMITTEE CHAIRMAN



ZULKIFLI M. ALI
AUDIT COMMITTEE MEMBER



MAWAR I. R. NAPITUPULU
AUDIT COMMITTEE MEMBER



YAP TJAY SOEN
AUDIT COMMITTEE MEMBER

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is a committee established by the Board of Commissioners to assist the Board of Commissioners in performing its supervision responsibilities related to the nomination and remuneration policies for the Board of Commissioners, Board of Directors, Sharia Supervisory Board, members of Committees under the Board of Commissioners, and all Bank employees in accordance with the prevailing rules and regulations.

LEGAL BASIS

NRC was established based on the following regulations:

1. Financial Services Authority OJK Regulations and OJK Circular Letters regarding the implementation and organisation of Corporate Governance, Nomination and Remuneration Committee, Remuneration Governance and the Principle of Prudency for Commercial Banks that conduct Outsourcing to Other Parties.
2. CIMB Niaga's Articles of Association concerning the duties and authorities of the Board of Commissioners
3. Corporate Policy Manual.

NOMINATION AND REMUNERATION COMMITTEE'S NUMBER OF MEMBERS, STRUCTURE AND COMPOSITION

The membership and composition, as well as independency of the NRC members meet the requirements of the prevailing regulations. In 2019, CIMB Niaga NRC comprised a total of 4 (four) members, consists of 1 (one) Chairman concurrently as a member who was an Independent Commissioner, 1 (one) member who was an Independent Commissioner, 1 (one) member who was a Commissioner, and 1 (one) Bank Executive Officer in charge of Human Resources (HR).

NRC members are appointed by the Board of Directors with the approval of the Board of Commissioners, and based on the recommendation of the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Membership Composition in 2019

No	Name	Position in Bank	Position in Committee	Term of Office
1	Pri Notowidigdo	Independent Commissioner	Chairman	2016 – 2020
2	Glenn M. Surya Yusuf *	Vice President Commissioner	Member	2018 - 2020
3	Didi Syafruddin Yahya **	Commissioner	Member	2019 - 2023
4	Jeffrey Kairupan **	Independent Commissioner	Member	2019 - 2020
5	Joni Raini	Executive Officer in charge of HR	Secretary and Member	2016 - 2020

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**) NRC member with effective date as of 26 November 2019

PROFILE OF NOMINATION AND REMUNERATION COMMITTEE MEMBERS



Pri Notowidigdo

Nomination and Remuneration Committee Chairman.

Appointed as Nomination and Remuneration Committee Chairman in March 2013 and reappointed at the AGM on 15 April 2016.

He also serves as Independent Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles.

Legal Basis of Appointment as NRC Chairman	<ul style="list-style-type: none"> NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016 Board of Commissioners' Circular Decree 007/DEKOM/KP/IV/2016 dated 6 April 2016. Board of Directors' Circular Decree No.003/SIR/DIR/X/2018 dated 30 October 2018
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Glenn M. Surya Yusuf

Nomination and Remuneration Committee Member.

Appointed as Nomination and Remuneration Committee Member on 19 October 2018 and is concurrently a Risk Oversight Committee Member.

He also served as Vice President Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles.

Legal Basis of Appointment as NRC Member	<ul style="list-style-type: none"> NRC Recommendation No. 013/NOMREM/KP/X/2018 dated 22 October 2018 Board of Commissioners' Circular Decree No. 018/DEKOM/KP/X/2018 dated 23 October 2018 Board of Directors' Circular Decree No. 003/SIR/DIR/X/2018 dated 30 October 2018
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Didi Syafruddin Yahya

Nomination and Remuneration Committee Member.

Appointed as Nomination and Remuneration Committee Member on 26 November 2019 and is concurrently a Risk Oversight Committee Member.

He also serves as Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles .

Legal Basis of Appointment as NRC Member	<ul style="list-style-type: none"> NRC Recommendation No. 011/NOMREM/KP/XI/2019 dated 26 November 2019 Board of Commissioners' Circular Decree No. 021/DEKOM/KP/XI/2019 dated 26 November 2019 Board of Directors' Circular Decree No. 001/SIR/DIR/I/2020 dated 7 January 2020
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Jeffrey Kairupan

Nomination and Remuneration Committee Member

Appointed as Nomination and Remuneration Committee Member on 26 November 2019 and is concurrently an Audit Committee Chairman and Integrated Governance Committee Chairman.

He also serves as Independent Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles

Legal Basis of Appointment as NRC Member	<ul style="list-style-type: none"> NRC Recommendation no. 011/NOMREM/KP/XI/2019 dated 26 November 2019 Board of Commissioners Circular Decree no. 021/DEKOM/KP/XI/2019 dated 26 November 2019 Board of Directors' Circular Decree No. 001/SIR/DIR/I/2020 dated 7 January 2020
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Joni Raini

Nomination and Remuneration Committee Secretary concurrently Member.

Appointed as Nomination and Remuneration Committee Secretary concurrently Member in 2015 and reappointed at the AGM on 15 April 2016.

He is the Executive Officer in charge of HR.

The complete profile is available in the Senior Executive's Profiles.

Legal Basis of Appointment as NRC Member	<ul style="list-style-type: none"> NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016 Board of Commissioners Circular Decree No. 007/DEKOM/KP/IV/2016 dated 6 April 2016. Board of Directors' Circular Decree No. 003/SIR/DIR/X/2018 dated 30 October 2018
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TRAINING OF NOMINATION AND REMUNERATION COMMITTEE MEMBERS

Training data for the Nomination and Remuneration Committee throughout 2019 are included in the Company Profile Chapter of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE INDEPENDENCY

The NRC performs its duties, responsibilities and authorities in a professional and independent manner, without interference from any parties that is contrary to the rules and regulations.

NRC members have met all independence criteria and are able to perform their duties independently, uphold the interests of the Bank without influence by any parties. This is evidenced by the majority of the Commissioners who are members of the NRC are Independent Commissioners.

DUTIES, RESPONSIBILITIES AND AUTHORITIES

The NRC has the duty, responsibility for and authority to provide recommendations to the Board of Commissioners as follows:

1. Related to the nomination policy:
 - a. Preparing and providing recommendations regarding the system and procedures for nominating and/or replacing members of the Board of Commissioners, Board of Directors, as well as the Sharia Supervisory Board to the Board of Commissioners to be submitted to the GMS.
 - b. Providing recommendations regarding candidates for the Board of Commissioners and/or Board of Directors, and/or the Sharia Supervisory Board to the Board of Commissioners to be submitted to the GMS.
 - c. Performing performance assessments and establishing development programs for the Board of Commissioners and Board of Directors as well as the Sharia Supervisory Board.
2. Related to remuneration policy:
 - a. Evaluating the remuneration policy;
 - b. Evaluating the alignment of the remuneration policy with its implementation;
 - c. Providing recommendations to the Board of Commissioners regarding :
 - i. Structure, policy and amount of remuneration for the Board of Commissioners, the Sharia Supervisory Board, the Board of Directors and the Committee members under the Board of Commissioners; and
 - ii. Remuneration policy framework for Executive Officers and employees as a whole that has been approved by the Board of Directors.
3. The Committee shall ensure that the remuneration policy takes into account:
 - a. Financial performance and reserve requirements as governed in the prevailing rules and regulations;
 - b. Individual work performance;
 - c. Fairness within the peer group;
 - d. Consideration of the Bank's long-term goals and strategies;
4. In the event that a Committee member has a conflict of interest with the proposed recommendation, the proposal shall disclose the conflict of interest and the considerations underlying the proposal.

NOMINATION AND REMUNERATION COMMITTEE MEETINGS AND ATTENDANCE

The NRC Charter stipulates that NRC Meetings are held in line with the business requirements of the Bank, at least every 4 months. Meetings can only be held if attended by at least 51% (fifty one percent) of the total members, including Independent Commissioners and HR Executives Officers.

In 2019, the NRC held 6 (six) meetings, with attendance as follows:

Table of Members Attendance in the Nomination and Remuneration Committee Meetings for January – December 2019

Name	Attendance in NRC Meetings	Physical Attendance	Attendance through Teleconference or Telepresence	Attendance Level	Average Attendance Level Company
Pri Notowidigdo	6	6	-	100%	
Glenn M. S. Yusuf *	5	5	-	100%	
Didi Syafruddin Yahya **	1	1	-	100%	96.6%
Jeffrey Kairupan **	1	1	-	100%	
Joni Raini	5	5	-	83%	

*J) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**J) NRC member with effective date as of 26 November 2019

NOMINATION AND REMUNERATION COMMITTEE REPORT OF DUTIES IMPLEMENTATION IN 2019

During 2019, the NRC performed the following activities and provided several recommendations including the following:

1. Provided assessments and recommendations for the nominations of members for the Board of Directors, Commissioners, Committees and Independent parties after considering the expertise, competence, background and experience of candidates proposed by the Shareholders for further discussion at the General Meeting of Shareholders.
2. Provided direction and input regarding the 2019 Board of Directors Key Performance Indicator (KPI) framework and important aspects that require the attention of the Board of Directors.
3. Provided assessments and recommendations on the remuneration review for the Board of Commissioners, Board of Directors, Committee members and Sharia Supervisory Board for 2019 so as to continuously maintain the level of fairness and competitiveness to create a positive impact on the Bank's overall performance.
4. Provided input and recommendations for the bonus payments and salary increases as well as promotions for employees in 2019 related to performance achievements (KPI) in 2018.
5. Provided direction and input regarding the competency development program for the Board of Commissioners and Board of Directors to be formulated in a structured, integrated manner, and in line with the Bank's long-term strategy and industry development.
6. Conducted discussions and provided input on the collegial assessment of the Board of Directors, collegial assessment of the Board of Commissioners, individual performance assessments of each member of the Board of Commissioners and performance assessment for the President Commissioner and Committee Chairman.
7. Periodically provided evaluations and directions on the Board of Directors' (KPI) performance achievements and provided input for units whose performance achievements are still below the targets set to ensure performance improvement.
8. Conducted discussions and provided input on the Mutual Separation Scheme (MSS) in 2019.

NOMINATION AND REMUNERATION COMMITTEE ASSESSMENT ON THE IMPLEMENTATION OF NOMINATION AND REMUNERATION POLICIES IN THE BANK

For 2019, the NRC has evaluated and is of the opinion that the nomination process implemented by the Bank is in accordance with Good Corporate Governance principles, while the Bank's remuneration structure and policies have been carried out in accordance with the remuneration policies applicable to the banking industry, and by considering Good Corporate Governance principles, and risk-based remuneration.

WORK PLANS IN 2020

For 2020, the NRC has established work plan with the following strategic priorities:

1. Providing assessment and recommendations on the nominations for members of the Board of Directors, Board of Commissioners, Committees and/or Independent parties as members of the Committees to be submitted to the Board of Commissioners to be proposed at the GMS.
2. Conducting reviews and providing recommendations on the Board of Directors KPI framework.
3. Evaluating the collegial and individual performance of the Board of Commissioners, Board of Directors and Committees under the Board of Commissioners.
4. Conducting reviews and providing recommendations on the remuneration proposals for the Board of Commissioners, Board of Directors, Committee under the Board of Commissioners and Sharia Supervisory Board, also Remuneration policy framework for Executive Officers and all employees.
5. Evaluating and reviewing the competency development programs for the Board of Commissioners, Board of Directors and Sharia Supervisory Board

REMUNERATION FOR NOMINATION AND REMUNERATION COMMITTEE MEMBERS

1. REMUNERATION PACKAGE AND OTHER FACILITIES RECEIVED

Types of Remuneration and Other Facilities	Amount Received in 1 Year by NRC Member			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Remuneration (salary, routine allowance, bonus, and other non-natura facilities)	4	4,418	4	6,848
Other natura facilities (housing, transportation, health insurance, etc.) which:				
a. Could be owned	-	-	-	-
b. Could not be owned	-	-	-	-
Total	4	4,418	4	6,848

Remuneration per Person	Total NRC Members	
	2019	2018
Above Rp5 billion	-	-
Above Rp2 billion s/d Rp5 billion	-	2
Above Rp1 billion s/d Rp2 billion	2	1
Above Rp500 million s/d Rp1 billion	-	1
Rp500 million below	2	-

2. VARIABLE REMUNERATION FOR NRC MEMBERS

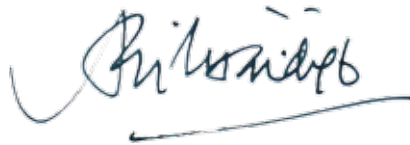
Variable Remuneration	Amount Received in 1 Year by NRC Members			
	2019		2018	
	Person	Rp (million)	Person	Rp (million)
Total	Nil	Nil	Nil	Nil

All NRC members of CIMB Niaga did not receive any variable remuneration (shares or bonuses).

BOARD OF DIRECTORS' SUCCESSION POLICY

The succession policy for the Board of Directors and/or Senior Management in CIMB Niaga is governed under the Bank Policy, as follows:

1. The Board of Commissioners, assisted by the NRC, ensure that the Bank adopts a talent management system managed by the HR Directorate, as a tool to identifying executive officers that have the potential to maintain the continuity of the Bank's future leadership, to maintain business sustainability and the long-term goals of the Bank.
2. The Human Resources Directorate, together with the Nomination and Remuneration Committee, identifies talent within the Bank and does not rule out any potential talent who are professionals parties in the succession planning for the Board of Directors, including the President Director and/or Senior Management.
3. For internal talent within the Bank, the Human Resources Directorate performs assessments so as to provide further opportunities for the self-development of these talented employees, both in the form of mandatory training and career development opportunities, and others.
4. Talented employees identified as potential successors as members for the Board of Directors are evaluated and identified and must meet the criteria for candidates of the Bank's Board of Directors..



PRI NOTOWIDIGDO
NOMINATION AND REMUNERATION
COMMITTEE CHAIRMAN



GLENN M. SURYA YUSUF *
NOMINATION AND REMUNERATION
COMMITTEE MEMBER



DIDI SYAFRUDDIN YAHYA **
NOMINATION AND REMUNERATION
COMMITTEE MEMBER



JEFFREY KAIRUPAN **
NOMINATION AND REMUNERATION
COMMITTEE MEMBER



JONI RAINI
NOMINATION AND REMUNERATION
COMMITTEE SECRETARY
CONCURRENTLY MEMBER

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**) NRC member with effective date as of 26 November 2019

RISK OVERSIGHT COMMITTEE

The Risk Oversight Committee (ROC) is a committee established by and responsible to the Board of Commissioners to support the implementation of the Board of Commissioners' duties and responsibilities in relation to Risk Management in the Bank.

LEGAL BASIS

The Bank established the ROC based on:

1. OJK Regulations and Circular Letters regarding Governance Implementation for Commercial Banks
2. Bank's Articles of Association
3. Corporate Policy Manual

RISK OVERSIGHT COMMITTEE CHARTER

The ROC established a Charter governing the membership, structure, authority, duties and responsibilities, meetings, activities and working procedures of the ROC in performing its functions. The ROC Charter was last updated on 21 April 2017 and has been uploaded to CIMB Niaga's website. Furthermore, the ROC Charter is reviewed periodically to ensure its compliance with all prevailing regulations and Bank requirements.

TERM OF OFFICE

The prevailing regulation stipulates that the ROC members' term of office shall be no longer than the term of office of the Board of Commissioners as stipulated in the Articles of Association and they can be re-elected. The term of office for Committee members appointed during their term of office on the Board of Commissioners shall end at the same time as their term of office ends as a member of the Board of Commissioners.

RISK OVERSIGHT COMMITTEE'S NUMBER OF MEMBERS, STRUCTURE AND COMPOSITION

The membership, composition and independency of ROC members meet the requirements of all prevailing regulations. In 2019, ROC consisted of 5 (five) members, comprising of 1 (one) Chairman concurrently as member who is an Independent Commissioner, 2 (two) members who are Commissioners, and 2 (two) non-Commissioner members as Independent Parties with competencies and qualifications in Finance and Risk Management.

The ROC members were appointed by the Board of Directors with the approval of the Board of Commissioners, and based on the recommendation of the Nomination and Remuneration Committee.

Risk Oversight Committee Membership Composition in 2019

No	Name	Position in Bank	Position in Committee	Term of Office
1	Zulkifli M. Ali	Independent Commissioner	Chairman	2016 – 2020
2	Glenn M. S. Yusuf*	Vice President Commissioner	Member	2016 – 2020
3	David Richard Thomas	Commissioner	Member	2016 – 2020
4	Didi Syafruddin Yahya**	Commissioner	Member	2019 - 2023
5	Firmanzah	Independent Party	Member	2016 – 2020
6	Sri Indrastuti (Tuti) S. Hadiputranto	Independent Party	Member	2016 – 2020

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**) ROC member with effective date as of 26 November 2019

PROFILES OF RISK OVERSIGHT COMMITTEE MEMBERS'



Zulkifli M. Ali
Risk Oversight Committee Chairman

Appointed as Risk Oversight Committee Chairman in March 2013 and reappointed at the AGM on 15 April 2016, and is concurrently an Audit Committee Member

He also serves as Independent Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles

Legal Basis of Appointment as ROC Chairman

- NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016.
- Board of Commissioners Circular Decree No. 007/DEKOM/KP/IV/2016 dated 6 April 2016.
- Board of Directors' Circular Decree No.003/SIR/DIR/X/2018 dated 30 October 2018

**Glenn M. S. Yusuf**

Risk Oversight Committee Member

Appointed as Risk Oversight Committee Member in March 2013 and reappointed at the AGM on 15 April 2016, and is concurrently a Nomination and Remuneration Committee Member

He also served as Vice President Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles

Legal Basis of Appointment as ROC Member

- NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016.
- Board of Commissioners' Circular Decree No. 007/DEKOM/KP/IV/2016 dated 6 April 2016.
- Board of Directors' Circular Decree No.003/SIR/DIR/X/2018 dated 30 October 2018

**David Richard Thomas**

Risk Oversight Committee Member

Appointed as Risk Oversight Committee Member in November 2014 and reappointed at the AGM on 15 April 2016.

He also serves as Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles

Legal Basis of Appointment as ROC Member

- NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016.
- Board of Commissioners' Circular Decree No. 007/DEKOM/KP/IV/2016 dated 6 April 2016.
- Board of Directors' Circular Decree No.003/SIR/DIR/X/2018 dated 30 October 2018

**Didi Syafruddin Yahya**

Risk Oversight Committee Member

Appointed as Risk Oversight Committee Member on 26 November 2019 and is concurrently a Nomination and Remuneration Committee Member.

He also serves as Commissioner of the Bank.

The complete profile is available in the Board of Commissioners' Profiles

Legal Basis of Appointment as ROC Member

- NRC Recommendation No. 011/NOMREM/KP/XI/2019 dated 26 November 2019.
- Board of Commissioners' Circular Decree No. 021/DEKOM/KP/XI/2019 dated 26 November 2019
- Board of Directors' Circular Decree No. 001/SIR/DIR/II/2020 dated 7 January 2020

**Firmanzah**

Risk Oversight Committee Member

Appointed as Risk Oversight Committee Member in April 2016.

Age 43

Nationality Indonesian

Domicile Jakarta

Legal Basis of Appointment as ROC Member

- NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016.
- Board of Commissioners' Circular Decree No. 007/DEKOM/KP/IV/2016 dated 6 April 2016.
- Board of Directors' Circular Decree No.003/SIR/DIR/X/2018 dated 30 October 2018

Education

- PhD in Strategic & International Management from the University of Pau et Pays de l'Adour, France (2015).
- Master of Philosophy from University of Science and Technology of Lille 1, France (2002).
- MBA degree from University of Pierre Mendes-Grenoble II, France and Master of Management (2001).
- Bachelor of Economics from University of Indonesia (1998)

Work Experience

- Commissioner of PT. Perusahaan Gas Negara (PGN) (2012-2015)
- Special Staff of the President of RI in Economic and Development (2012-2014)
- President Commissioner of PT. Rajawali Nusantara (RNI) (2012 -2013)
- Independent Commissioner of CIMB-Asset Principal Indonesia (2012)
- Member of the Advisory Council of the Minister of Fisheries and Maritime Affairs of the RI (2012-2013)
- Indonesian Advisory Council for Public Policy Studies (ICPPS) (2011-2012)

Other Positions

- Independent Commissioner of PT Bakrie & Brothers (2018 – present)
- Member of Index SMInfra 18 Committee of PT. Sarana Multi Infrastruktur (SMI) (2015-present)
- Rector of Paramadina University (2015-present)
- Professor of the Faculty of Economics and Business of University of Indonesia (2010-present)
- Permanent Lecture of the Faculty of Economics and Business of University of Indonesia (2005-present)

Shareholding

Nil

Affiliated Relations

Has no affiliations with other members of the Committee, members of the Board of Commissioners, members of the Board of Directors, or the Majority and Controlling Shareholders


Sri Indrastuti (Tuti) S. Hadiputranto

Risk Oversight Committee Member

Appointed as Risk Oversight Committee Member in July 2016

Age	76
Nationality	Indonesian
Domicile	Jakarta
Legal Basis of Appointment as ROC Member	<ul style="list-style-type: none"> NRC Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016. Board of Commissioners' Circular Decree No. 007/DEKOM/KP/IV/2016 dated 6 April 2016. Board of Directors' Circular Decree No.003/SIR/DIR/X/2018 dated 30 October 2018

Education	<ul style="list-style-type: none"> Law Degree from the University of Indonesia (1970) Master of Laws from the University of Washington (1981).
Work Experience	<ul style="list-style-type: none"> One of the founding partners of Hadiputranto, Hadinoto & Partners, the largest Law Firm in Indonesia, a member of the Baker & McKenzie International Law Firm. Became an International Partner (1989 – 2016). Member of the Board of Commissioner of the Indonesian Stock Exchange ("IDX") for the period of 2001-2004. Furthermore, for more than a decade, she has been a member of various committees in IDX with the most recent position as a member of the Discipline Committee.
Other Positions	<ul style="list-style-type: none"> Senior Advisor of GT Group (2016 – present). President Commissioner of PT Bali Turtle Island Development (2017 – present). Independent Commissioner of PT Astra International Tbk (2018 – present). Senior Advisor of PT Morgan Stanley Indonesia (2016 – present)
Shareholding	Nil
Affiliated Relations	Has no affiliations with other members of the Committees, members of the Board of Commissioners, members of the Board of Directors, or the Majority and Controlling Shareholders

TRAINING OF RISK MONITORING COMMITTEE'S MEMBERS

Training data for the Risk Oversight Committee members throughout 2019 are included in the Company Profile Chapter of this Annual Report.

RISK OVERSIGHT COMMITTEE INDEPENDENCY

The ROC performs its duties, responsibilities, and authority in a professional and independent manner without influence of any party that is not in accordance with the regulations. The ROC members meet all independency criteria and are able to perform their duties independently, uphold the Bank's interests and are not influenced by any parties. This is evidenced by the membership composition that consists of 1 (one) Chairman who is an Independent Commissioner, 2 (two) members who are Commissioners and 2 (two) non-Commissioner members as Independent Parties.

DUTIES, RESPONSIBILITIES, AND AUTHORITIES

In general, the ROC's main duty, responsibility and authority is to provide recommendations to the Board of Commissioners to support the effective implementation of the Board of Commissioners duties and responsibilities related to Risk Management, including:

- Evaluating the conformity of Risk Management policies and the implementation of Bank policies; and
- Monitoring and evaluating the implementation of duties of the Risk Management Committee and Risk Management Unit.

RISK OVERSIGHT COMMITTEE MEETINGS AND ATTENDANCE

The ROC Charter stipulates that the ROC must hold meetings at least once a month and the meetings must be physically attended at least twice a year. Meetings can only be held if attended by at least 51% (fifty-one percent) of the total members, including an Independent Commissioner and an Independent Party.

During 2019, the ROC held 12 (twelve) meetings with attendance as follow

Table of Members Attendance in Risk Oversight Committee Meetings for January - December 2019

Name	Attendance in ROC Meetings	Physical Attendance	Attendance through Teleconference or Telepresence	Attendance Level	Average Attendance Level in ROC
Zulkifli M. Ali	12	7	5	100%	94.5%
Glenn M. S. Yusuf *	8	8	-	100%	
David Richard Thomas	11	6	5	92%	
Didi Syafruddin Yahya **	3	2	1	100%	
Firmanzah	12	12	-	100%	
Sri Indrastuti (Tuti) S. Hadiputranto	9	9	-	75%	

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**) ROC member with effective date as of 26 November 2019

RISK OVERSIGHT COMMITTEE REPORT OF DUTIES IMPLEMENTATION IN 2019

In 2019, the ROC performed its activities in accordance with the ROC's Work Plan that was prepared once a year which referred to the ROC duties and responsibilities as set forth in the ROC Charter.

In 2019, there were 25 (twenty-five) additional agenda items from the work plan that was set at the beginning of the year, to ensure that the ROC meetings discussed the most latest and relevant topics related to the Bank. The ROC carried out its duties in 2019, including the following activities and recommendations:

1. Reviewed and submitted recommendations to the Board of Commissioners on:
 - a. Policies/frameworks and its implementation by the Board of Directors related to risk management, and
 - b. Setting of risk appetite, including risk appetite statement, risk posture, sector appetite, and sector limit.
2. Evaluated the Risk Management Committee and the Risk Management Unit duties as well as evaluated 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, Reputational Risk and Information Technology Risk.
 - b. Risk Management related to capital, including Internal Capital Adequacy Assessment Process and the implementation of stress tests.
 - c. Internal reports that included the monitoring results of material & emerging risk, macro-economic conditions, the Bank's financial performance, and risk indicators to ensure compliance with the Bank's risk appetite.
 - d. Mandatory reports to be submitted to the Bank's supervisor consisting of the Risk Profile Report, the Risk Based Bank Rating Report and other reports to ensure that the information conveyed to the Bank supervisor accurately reflect the actual risks faced by the Bank.

3. Monitored the Bank's credit risk by discussing:
 - a. Status and projection of asset quality for each loan segment to ensure each business unit has taken the necessary measures to maintain and improve the Bank's assets quality in line with the established risk posture and risk appetite.
 - b. Thematic review of loan portfolios in the Palm Oil, Property and Hospitality sectors and other portfolios that could be negatively affected by interest rate movements in 2019.
 - c. Business plan, strategy and account planning for Large Group borrowers.
 - d. The Credit Assurance Testing assessment results presented every 3 months in an effort to improve the underwriting process.
4. Evaluated the Bank's strategy and steps by discussing:
 - a. Latest report on Forward23 initiatives
 - b. Latest report on the impact of IFRS9 implementation in 2020.

RISK OVERSIGHT COMMITTEE'S ASSESSMENT ON THE IMPLEMENTATION OF RISK MANAGEMENT IN THE BANK

In 2019, the ROC assessed that the Bank's application of Risk Management have actively managed the Bank's Risk Profile through inherent risk monitoring and strengthened quality of risk management strengthening, application of Good Corporate Governance through various Risk Committees and maximized added value to the shareholders by managing capital in a comprehensive manner as well as ensuring sustainable business profitability and growth, enabling the Bank's soundness level based on risk to be adequately maintained.

WORK PLAN FOR 2020

In 2020, the ROC will continue to carry out its main duties and responsibilities, namely to support the effectiveness of the Board of Commissioners duties and responsibilities related to risk management. In addition to the work plans that have been established based on the responsibilities stipulated in the Charter, the ROC proactively continues to monitor and raise the latest risk-related issues so that they remain relevant and up-to-date with the risks faced by the Bank.



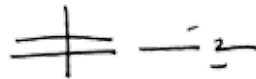
ZULKIFLI M. ALI
RISK OVERSIGHT COMMITTEE CHAIRMAN



GLENN M. S. YUSUF *
RISK OVERSIGHT COMMITTEE MEMBER



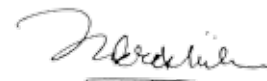
DAVID RICHARD THOMAS
RISK OVERSIGHT COMMITTEE MEMBER



FIRMANZAH
RISK OVERSIGHT COMMITTEE MEMBER



DIDI SYAFRUDDIN YAHYA**
RISK OVERSIGHT COMMITTEE MEMBER



**SRI INDRASTUTI (TUTI) S.
HADIPUTRANTO**
RISK OVERSIGHT COMMITTEE MEMBER

*) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019.

**) ROC member with effective date as of 26 November 2019

INTEGRATED GOVERNANCE COMMITTEE

CIMB Niaga as the Main Entity of CIMB Indonesia Financial Conglomerate (CIFC) established the Integrated Governance Committee (IGC) to assist the implementation of the Board of Commissioners duties, as the Board of Commissioners of ME, especially for carrying out their supervisory function on the implementation of Integrated Governance in the CIMB Indonesia Financial Conglomerate, in compliance with all prevailing regulations and legislation.

The composition of CIMB Indonesia Financial Conglomerate:

Main Entity	: PT Bank CIMB Niaga Tbk.
Member	: PT CIMB Niaga Auto Finance (CNAF) PT CIMB Niaga Sekuritas (CNS)

LEGAL BASIS

The IGC was established based on the following regulations:

1. The Otoritas Jasa Keuangan (OJK) Regulations and OJK Circular Letters regarding the implementation of Integrated Governance for Financial Conglomerates.
2. CIMB Niaga's Articles of Association regarding the Board of Commissioners' duties and authorities.

INTEGRATED GOVERNANCE COMMITTEE CHARTER

The CIMB Niaga IGC has a Charter that regulates the membership, authority, authorities, duties and responsibilities, meetings, activities and work procedures of the IGC in carrying out its functions.

The IGC Charter is reviewed periodically so as to comply with the prevailing rules and regulations and Bank's need. The IGC Charter was last updated on 3 October 2018 and has been uploaded to Bank's website.

TERM OF OFFICE

The prevailing regulations stipulates that the term of office of members of the IGC who are Independent Commissioners of the Financial Services Institution (FSI) of CIFC is 4 (four) years and/or does not exceed the term of office at the FSI of CIFC. Meanwhile, the term of office of members who are Independent Parties and/or other parties (if any) is 4 (four) years and/or does not exceed the term of office of the Board of Commissioners of ME.

INTEGRATED GOVERNANCE COMMITTEES' NUMBER OF MEMBERS, STRUCTURE AND COMPOSITION

The membership, composition and independency of IGC members have met the applicable criteria and conditions and in accordance with the IGC Charter. In 2019, there were 5 (five) IGC members, consisting of 1 (one) Chairman concurrently as member who is an Independent Commissioner, 1 (one) member who is an Independent Party, 1 (one) member who is a member of SSB of EU, and 2 (two) members who are Independent Commissioners of Subsidiaries as representatives of FSI members in CIFC.

The IGC members were appointed by the Board of Directors with the approval of the Board of Commissioners based on the recommendations from the NomRem Committee or in or in certain cases based on an IGC meeting decision in accordance with the Letter of Appointment of FSI members in CIFC.

Integrated Governance Committee Membership Composition in 2019

No	Name	Position in the FSI as Member of the CIMB Indonesia Financial Conglomeration	Position in the Committee	Term of Office
1	Jeffrey Kairupan	Independent Commissioner of CIMB Niaga	Chairman	2016 - 2020
2	Endang Kussulanjari S.	Independent Party	Member	2016 - 2020
3	Serena K. Ferdinandus	Independent Commissioner of CIMB Niaga Auto Finance	Member	2016 - 2020
4	Dr. Yulizar Djamiluddin Sanrego, M.Ec.	Sharia Supervisory Board of CIMB Niaga	Member	2019 - 2023
5	Achiran Pandu Djajanto*	Independent Commissioner of CIMB Niaga Sekuritas	Member	2019 - 2022

*) IGC member with effective date as of 7 August 2019

PROFILES OF INTEGRATED GOVERNANCE COMMITTEE MEMBERS



Jeffrey Kairupan

Integrated Governance Committee Chairman

Appointed as Integrated Governance Committee Chairman since April 2016 and is concurrently an Audit Committee Chairman and a Nomination and Remuneration Committee Member.

He also serves as Independent Commissioner of the Bank

The complete profile is available in the Board of Commissioners' Profile

Legal Basis of Appointment as IGC Chairman	<ul style="list-style-type: none"> NRC of EU Recommendation No. 006 / NOMREM / KP/III/2016 dated 23 March 2016. Circular Decree of the Board of Commissioners of EU No. 007/DEKOM/KP/IV/2016 dated 6 April 2016. Board of Directors' Circular Decree No. 009/SIR/DIR/IX/2019 dated 2 September 2019
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Endang Kussulanjari S.

Integrated Governance Committee Member

Appointed as Integrated Governance Committee member since August 2016.

Age	63
Nationality	Indonesian
Domicile	Jakarta
Legal Basis of Appointment as IGC Member	<ul style="list-style-type: none"> Decision of NRC Meeting on 22 June 2016 Decision of Board of Commissioners Meeting on 24 June 2016 Circular Decree of Board of Directors of EU No. 009/SIR/DIR/IX/2019 dated 2 September 2019

Riwayat Pendidikan	<ul style="list-style-type: none"> Master of Arts, University of Colorado, Boulder, Colorado – USA (1987) Bachelor of Economics from University of Gadjah Mada, Yogyakarta, Indonesia (1981)
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Riwayat Pekerjaan	<ul style="list-style-type: none"> Deputy Commissioner AIMRPK in Otoritas Jasa Keuangan (April 2015 – Mei 2016) Deputy Commissioner DKB2 in Otoritas Jasa Keuangan (January 2014 – March 2015) Head of Department in DPB2 in Bank Indonesia (August 2008n- April 2013)
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Jabatan Lainnya	Commissioner at PT Pefindo Credit Bureau (2016 - present)
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Kepemilikan Saham	Nil
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Affiliate relationship	Has no affiliation with other committee members, members of the Board of Commissioners, members of the Board of Directors, or Major and Controlling Shareholders
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Serena K. Ferdinandus

Integrated Governance Committee Member

Appointed as Integrated Governance Committee member since March 2015 and reappointed at the AGM on 15 April 2016.

Age	60
Nationality	Indonesia
Domicile	Jakarta
Legal Basis of Appointment as IGC Member	<ul style="list-style-type: none"> NRC of EU Recommendation No. 006/NOMREM/KP/III/2016 dated 23 March 2016 Circular Decree of the Board of Commissioners of EU No. 007/DEKOM/IV/2016 dated 6 April 2016 Circular Decree of the Board of Directors of EU No. 009/SIR/DIR/IX/2019 dated 2 September 2019

Education	Bachelor of Economics from University of Indonesia (1986)
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Work Experience	<ul style="list-style-type: none"> Commissioner at PT Anpa Internasional (2012 – 2018) Audit Committee member at PT Elnusa Tbk (2015 – 2016) Audit Committee member at PT Chandra Asri Petrochemical Tbk (2009 – 2015) Audit Committee member 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) Manager Audit Division at Ernst & Young, Sarwoko & Sandjaja in Indonesia (1986 – 1995) and Ernst & Young, Dallas.
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Other Positions	<ul style="list-style-type: none"> Risk Management Committee member at PT Elnusa Tbk (2016 - present) Independent Commissioner and Audit Committee Chairman at PT CIMB Niaga Auto Finance (2012 - present) Audit Committee member at PT Blue Bird Tbk (2014 – present) Chief Audit Executive (Internal Audit & Risk Management Head) at PT Ithaca Resources (2009 - present)
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Share ownership	Nil
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Affiliate relationship	Has no affiliation with other committee members, members of the Board of Commissioners, members of the Board of Directors, or Major and Controlling Shareholders
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Achiran Pandu Djajanto
Integrated Governance Committee Member

Appointed as Integrated Governance Committee member as of 7 August 2019.

Age	61
Nationality	Indonesia
Domicile	Jakarta
Legal Basis of Appointment as IGC Member	<ul style="list-style-type: none"> Decision of IGC Meeting on 7 August 2019 Decision of Board of Commissioners of EU Meeting on 26 August 2019. Circular Decree of the Board of Directors of EU No. 009/SIR/DIR/IX/2019 dated 2 September 2019

Education

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

Work Experience

- Compliance and Risk Management Director of 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 for Strategic Planning and Restructuring (2013–2014)
- Expert Staff of the Minister of SOEs for Corporate Governance (2010–2013).

Other Positions

Independent Commissioner of PT CIMB Niaga Sekuritas since 2018

Share ownership

Nil

Affiliate relationship

Has no affiliation with other committee members, members of the Board of Commissioners, members of the Board of Directors, or Major and Controlling Shareholders



Dr. Yulizar Djamatuddin Sanrego, M.Ec.
Integrated Governance Committee Member

Appointed as Integrated Governance Committee member since March 2015 and reappointed at the AGM on 15 April 2016.

He also serves as the Sharia Supervisory Board in the CIMB Niaga Sharia Business Unit

The complete profile is available in the Sharia Supervisory Board's Profile

Legal Basis of Appointment as IGC Member	<ul style="list-style-type: none"> Recommendation of the NRC of EU No. 006/NOMREM/KP/III/2016 dated 23 March 2016 Circular Decree of the Board of Commissioners of EU No. 007/DEKOM/IV/2016 dated 6 April 2016 Circular Decree of the Board of Directors No. 009/SIR/DIR/IX/2019 dated 2 September 2019
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INTEGRATED GOVERNANCE COMMITTEE INDEPENDENCY

IGC members have met all independency criteria and are capable of performing their duties independently, upholding the Bank's interest without interference from any parties. This is evidenced in the minimum membership requirements for the IGC, which is as follows:

- An Independent Commissioner who serves as Chairman of another committee at the Main Entity, acting as Chairman concurrently as a member;
- An Independent Commissioner who represents, and is appointed from the Financial Services Institution (FSI) within the Financial Conglomerate, as a member;
- An independent party, as a member.

DUTIES, RESPONSIBILITIES AND AUTHORITIES

The IGC has duties, responsibilities and authorities, including:

- Evaluating the implementation of IG at least through the assessment of the adequacy of internal control and the implementation of the integrated compliance function;
- Providing recommendations on the adequacy of internal control and the implementation of the integrated compliance function;
- Providing recommendations in the context of implementing improved internal control, application of risk management and the application of good corporate governance;
- Providing recommendations to the Board of Commissioners of EU for the preparation and improvement of the IG Guidelines;
- Organizing regular IGC meetings;
- Obtaining input, suggestions and recommendations from professional parties or other parties outside the EU, FSI or CIFC related to their duties as members of the IGC;
- Authorized to request information in the form of evaluation results from:
 - The integrated compliance function of the Integrated Compliance Unit;
 - The integrated internal audit function of the Integrated Internal Audit Unit on the implementation of internal audit; and
 - 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 apply integrated minimum capital;

8. The Chairman of the Committee shall prepare and submit a report to the Board of Commissioners of EU on each implementation of their duties accompanied by recommendations (if necessary for approval).

INTEGRATED GOVERNANCE COMMITTEE MEETINGS AND ATTENDANCE

The IGC Charter stipulates that the IGC Meetings must hold at least twice a year. Meetings can only be held if attended by at least 51% (fifty-one percent) of the total members, including the Independent Commissioners and Independent Parties.

In 2019, the IGC held 2 (two) meetings, on 8 February 2019 and 7 August 2019, which included ratification of the previous meetings minutes, discussion regarding issues that needed to be followed-up from the previous meeting, and other matters that required attention, with attendance levels of the meetings as follows:

Table of Members Attendance in Integrated Governance Committee Meetings for January - December 2019

Name	Attendance in IGC Meetings	Physical Attendance	Attendance through Teleconference or telepresence	Attendance Level	Average Attendance Level
Jeffrey Kairupan	2	2	-	100%	
Endang Kussulanjari S.	2	2	-	100%	
Serena K. Ferdinandus	2	2	-	100%	90%
Achiran Pandu Djajanto*	1	1	-	100%	
Yulizar D. Sanrego	1	1	-	50%	

*) IGC member with effective date as of 7 August 2019

Meeting Agenda discussed by the IGC throughout 2019, as follows:

Permanent IGC Meeting Agenda:

- Confirmation on minutes of previous IGC meetings.
- Report on the results of follow-up or discussion of issues that have not been completed from the previous IGC meeting.

Other IGC Meeting Agenda besides the Permanent Agenda:

- IGC Meeting on 2 February 2019:
 - CIFC Integrated Risk Profile Report as of December 2018
 - Integrated Minimum Capital Adequacy Report as of December 2018
 - Report on the Implementation of Integrated Governance of CIFC in Semester 2 of 2018
 - Report of Integrated Compliance in semester 2 2018
- IGC Meeting on 7 August 2019:
 - CIFC Integrated Risk Profile Report as of June 2019
 - Integrated Minimum Capital Adequacy Report as of June 2019
 - Integrated Internal Audit Report as of June 2019 and Sharia Audit Update.
 - Integrated Governance Implementation Report of CIFC, including Integrated Compliance of CIFC for the period June 2019; Integrated Corporate Governance Report as of June 2019 (Self-Assessment).

INTEGRATED GOVERNANCE COMMITTEE REPORT OF DUTIES IMPLEMENTATION IN 2019

During 2019, the IGC carried out activities that focused on evaluating and/or reviewing the following reports and/or items:

- Integrated Risk Profile Report as part of the Integrated Risk Management Report
- Integrated Minimum Capital Adequacy Report as of December 2018 and as of June 2019
- Report on the Implementation of IG in Semester 2 of 2018 and Semester 1 of 2019, including the Integrated Compliance Report
- Integrated Internal Audit Report for the period June 2019 and Sharia Audit
- Periodic Self-Assessment Report on the Implementation of Integrated Governance for June and December 2019
- Membership Structure of the IGC, by re-appointing IGC members who have ended their terms of service and appointing new members as representatives of CIMB Niaga Sekuritas who have effectively received OJK approval for fit & proper tests as Independent Commissioners at the FSI.

INTEGRATED GOVERNANCE COMMITTEE ASSESSMENT ON THE IMPLEMENTATION OF INTEGRATED GOVERNANCE OF CIMB INDONESIA FINANCIAL CONGLOMERATE

During 2019, the IGC assessed the implementation of Integrated Governance in the CIMB Indonesia Financial Conglomerate, including in terms of the adequacy of internal control and the implementation of the integrated compliance function, the result was in general Good and in line with applicable regulations regarding the application of IG for the Financial Conglomerate in Indonesia, as well as in accordance with the size and complexity of the CIMB Indonesia Financial Conglomerate. This means that CIFIC has implemented integrated corporate governance as a whole and the application of IG principles has been adequate, but weaknesses are still found. These weaknesses are generally insignificant and can be managed with/corrected by normal actions from ME and/or FSI members of CIFIC.

WORK PLAN FOR 2020

The IGC has set a work plan for 2020 by providing strategic priorities, including the following:

1. Review the Integrated Risk Management Report.
2. Review the Minimum Integrated Core 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 Integrated Corporate Governance Implementation Report:
7. Regular Self-Assessment Report on the Implementation of Integrated Governance for June and December 2020 positions.
8. Integrated Compliance Report.
9. Provide input to the Board of Commissioners of EU for the preparation of the Governance Policy as well as refining the IG Guidelines.

ENDANG KUSSULANJARI S
INTEGRATED GOVERNANCE COMMITTEE MEMBER

ACHIRAN PANDU DJAJANTO*
INTEGRATED GOVERNANCE COMMITTEE MEMBER

JEFFREY KAIRUPAN
INTEGRATED GOVERNANCE COMMITTEE CHAIRMAN

SERENA K. FERDINANDUS
INTEGRATED GOVERNANCE COMMITTEE MEMBER

YULIZAR D. SANREGO
INTEGRATED GOVERNANCE COMMITTEE MEMBER

*) IGC member with effective date as of 7 August 2019

COMMITTEES UNDER THE BOARD OF DIRECTORS

To assist and support the Board of Directors' duties and responsibilities, CIMB Niaga established Committees responsible to the Board of Directors, namely Executive Committee. In accordance with prevailing regulations, the Bank is mandatory to have 3 (three) Executive Committees namely the Risk Management Committee, the Asset & Liability Committee and the IT Steering Committee. However, the Board of Directors also has the authority to establish other Executive Committees based on the Bank's business needs.

In line with current Bank's business complexity developments and the improvement of GCG implementation, thus the Board of Directors established several other committees. At the end of 2019, CIMB Niaga has 4 (four) Executive Committee (EXCO), namely:

1. Risk Management Committee (RMC)
2. Asset & Liability Committee (ALCO)
3. Information Technology Steering Committee (ITSC)
4. Credit Policy Committee (CPC)

POSITION OF THE COMMITTEE IN THE BANK'S ORGANIZATION STRUCTURE

Those 4 Executive Committees are directly responsible to the Board of Directors, as described in the committees governance structure in Risk Management section of this Annual Report.

1. RISK MANAGEMENT COMMITTEE (RMC)

MAIN FUNCTIONS AND AUTHORITIES

RMC was established with the main functions and authorities to provide recommendations to the President Director in formulating and refining policies, evaluating the progress and conditions of the risk profile, and providing recommendations and remedial measures.

STRUCTURE AND MEMBERSHIP

In line with the Bank's Board of Directors' Charter dated 27 September 2019, members of the RMC constitute at least 2/3 (two-thirds) of the total Board of Directors members, plus Executive Officers one level below the appointed Directors.

Through the RMC Terms of Reference (ToR), approved at the RMC meeting on 23 October 2018, the RMC membership structure was established, and at the same time the following Committee members were assigned.

RMC MEMBERSHIP STRUCTURE:

Chairman	: President Director
Deputy Chairman 1	: Risk Management Director
Deputy Chairman 2	: Credit Director

Members

1. Finance & SPAPM Director
2. Business Banking Director
3. Operations & Information Technology Director
4. Treasury & Capital Market Director
5. Consumer Banking Director
6. Compliance, Corporate Affairs & Legal Director
7. Sharia Banking Director
8. Human Resources Director
9. Chief of Corporate Banking & Financial Institutions; and Chief of Transaction Banking
10. Chief of Micro, Small & Medium Enterprise
11. Chief Audit Executive
12. Chief of Transformation Officer

Secretary

Market Risk Management Head

Profile of RMC members are disclosed in the Board of Directors and Senior Executive Profile in Company Profile section of this Annual Report.

DUTIES AND RESPONSIBILITIES

1. Establishing and recommending Risk Management policies and frameworks, including the Bank's Risk Strategy and Risk Appetite Statement (RAS).
2. Reviewing risk exposures and the Bank and its subsidiaries' Risk Management implementation both periodically and incidentally due to rapid changes in the Bank's external and internal conditions.
3. Approving the risk profile report, stress testing report and scenario including its mitigation plan.
4. Approving the specific risk management policies that are not covered by other Executive Committees.
5. Reviewing and analysing the Bank and its subsidiaries' capital adequacy.
6. Approving the Bank's portfolio limits/Management Action Triggers (MAT); e.g. sector limits, house limits, VaR limits, etc.
7. Evaluating and approving treasury trading limits, excess trading limit, changes in market risk measurement and credit risk factors for treasury products.
8. Receiving notifications from other risk management committees, such as ALCO (Asset & Liabilities Committee), ORC (Operational Risk Committee) and CPC (Credit Policy Committee).

9. Receiving notifications from the Business Development Committee (BDC) of approved new products and activities.
10. Overseeing Management response to asset quality issues:
 - a. To review that the business units, have clearly defined the Asset Quality Review and Early Warning process for identifying, classifying, reporting and monitoring any non-performing loan(s) in line with regulatory authorities/credit policies and procedures.
 - b. To review the asset quality so it is in line with the Bank's overall risk appetite.
 - c. To review and deliberate portfolios and asset quality trends to identify any emerging risks.
11. Approving the risk related models for capital, and other business uses.

MEETINGS, QUORUM, AND RESOLUTIONS

1. Meetings are held at least 10 (ten) times a year.
2. Quorum attendance must be 5 (five) persons including 4 (four) Directors, one of them being the Chairman or Vice Chairman.
3. If the Chairman is not present, the Deputy Chairman will chair the meeting.
4. If the Chairman and Deputy Chairman are absent, any one of the Members must be appointed to chair the meeting and the Chairman chosen must be a Director.
5. Quorum decisions require more than 50% (fifty percent) of attending members with voting rights; including 2 (two) Directors, one of them being the Chairman or Deputy Chairman.

REPORT ON THE 2019 WORK PROGRAM IMPLEMENTATION

1. Provided recommendations and approvals on the policy and risk management frameworks including the risk management and ICAAP policies.
2. Approved market risk limits, operating limits for consumer products such as Personal Loans, mortgages, credit cards and auto, and changes to house limits.
3. Approved the parameters review results and reports of Risk Profile, Risk Assessments and Risk Based Bank Ratings (RBBR), capital, Integrated Risk Management, Sector Appetite and ICAAP.
4. Evaluated the the Bank's portfolio condition and development, including the corporate financing portfolios, consumer asset portfolio quality, securities portfolios, and watch list accounts.

5. Approved and validated the score card risk model, exposure at default, loss given default for consumer and corporate products.
6. Approved bankwide stress testing scenarios and results.
7. Discussed other matters arising from the previous RMC meetings (if any).

WORK PLAN FOR 2020

1. Approve and evaluate policies related to Risk Management.
2. Approve and evaluate risk limits and risk appetite.
3. Improve the committee's role in reviewing the best Risk Management strategy implementation.
4. Improve the effectiveness of meetings by focusing on key risk issues.
5. Comply with BI and OJK Regulations in the area of Risk Management.

CERTIFICATION

All RMC members are certified with Risk Management certification, in accordance with prevailing regulations.

2. ASSET & LIABILITY COMMITTEE (ALCO)

MAIN FUNCTIONS AND AUTHORITIES

The ALCO was established to support the Board Directors in analyzing and evaluating assets and liabilities management, as well as for making decisions related to formulation of policies, strategies and targets for managing the Bank's assets and liabilities, integratedly. In addition, ALCO also has the authority over the Syariah Pricing Committee ("Syariah PC"), who has the autonomy to make decisions mainly related to determining the level of gross yield distribution, which will be reported regularly at the ALCO meetings.

STRUCTURE AND MEMBERSHIP

In line with the Bank's Board of Directors' Charter dated 27 September 2019, members of ALCO constitute at least 2/3 (two-thirds) of the total members of the total Board of Directors members, and appointed Senior Executive one level below the Board of Directors.

Through ALCO Term of Reference (ToR) approved at the Board of Directors meeting on 21 May 2019, the ALCO membership structure was established (including the Syariah PC membership structure), and at the same time the following Committee members were assigned.

ALCO MEMBERSHIP STRUCTURE

Chairman : President Director

Deputy Chairman 1 : Finance & SPAPM Director

Deputy Chairman 2 : Treasury & Capital Market Director

Members

1. Risk Management Director
2. Consumer Banking Director
3. Business Banking Director
4. Sharia Banking Director
5. Credit Director
6. Operations & Information Technology Director
7. Human Resources Director
8. Compliance, Corporate Affairs & Legal Director

Secretary

Asset & Liability Management Head

SHARIA MEMBERSHIP STRUCTURE

Chairman : Sharia Banking Director

Deputy Chairman 1 : Finance & SPAPM Director

Deputy Chairman 2 : Treasury & Capital Market Director

Members:

1. Head of Syariah Business Banking
2. Head of Syariah Consumer, Product & Business Analytics
3. Head of Retail Product
4. Advisory & Legal Head

Profile of ALCO members are disclosed at Board of Directors Profile and Senior Executive Profile in the Company Profile section of this Annual Report.

DUTIES AND RESPONSIBILITIES

1. Balance Sheet and Net Interest Income (NII)
 - a. Reviewing and analysing the Bank's balance sheet based on business, assets and liabilities composition, currencies, growth, revenue and margins.
 - b. Reviewing any discrepancies arising from the planning and actualization of the balance sheet and how it affects funding and lending, balance sheet ratios, and whether the Bank remains within the Risk Appetite limit.
 - c. Reviewing the Net Interest Income (NII) and Net Interest Margin (NIM) trends, and the differences between actual conditions and projection results.
- d. Assessing the impact on NII under the Base Case conditions and under Stressed Economic Scenarios.
- e. Reviewing and ensuring the Fund Transfer Pricing (FTP) framework is appropriate and serves as a link among business lines and prioritizes consistency in the Bank's performance.
- f. Reviewing and approving Pricing that requires regulator approval and Pricing of new and old products to be in line with the Bank's strategic and business objectives.
2. Contingency Funding Plans
 - a. Reviewing the Contingency Funding Plan ("CFP") as an operational business plan and measuring the business plan's capacity to ensure that management actions to be taken are realistic; and
 - b. Ensuring the Early Warning Indicators are relevant to current conditions.
3. Asset Liability Management
 - a. Reviewing the Asset & Liability Management framework and policies to ensure that the framework and policies are in line with the current and future size and complexity of CIMB Niaga's operations;
 - b. Upholding the consistent implementation of practices and policies in the Bank;
 - c. Approving the Management Action Trigger ("MAT")/liquidity risk limits and interest rates in the Banking Book;
 - d. Establishing, supervising and reviewing the hedging strategies of entities under CIMB Niaga, as well as reviewing and ensuring the Bank's risk profile is still within the limits set in the MAT/liquidity risk limit and interest rate risk in the Banking Book;
 - e. Reviewing and approving the ALM risk parameters and validation model; and
 - f. Identifying and reviewing funding and liquidity demands, and taking appropriate actions for certain liquidity and funding conditions.
4. Sharia PC
 - a. Determining the Gross Yield for the current month and ensuring the Gross Yield is in accordance with Sharia Compliance.
 - b. Establishing or changing the ratio levels, if needed.
 - c. Determining the ratios (if any) to be given.
 - d. Carrying out any activities delegated by ALCO

MEETINGS, QUORUM AND RESOLUTIONS

ALCO

1. Meetings are held at least 12 (twelve) times a year.
2. Quorum attendances must be more than 2/3 (two thirds) of the total number of Board of Directors members.
3. Quorum decisions require approval from more than 2/3 (two thirds) of the attending Board of Directors members.
4. The quorum for meetings and the decision-making quorum is delegated to at least 2 (two) out of 3 (three) members of the Board of Directors as follows:
 - Chairman : President Director
 - Deputy Chairman 1 : Finance & SPAPM Director
 - Deputy Chairman 2 : Treasury & Capital Market Director

SHARIA PC

1. Quorum attendances must be more than 1/2 (one half), or a minimum 6 (six) Sharia PC members, including the Chairman or Deputy Chairman
2. In the event of the absence of a Sharia PC member, he/she may be replaced by a substitute appointed by the respective members of the Sharia PC.
3. Meeting decisions can be taken when the meeting quorum is fulfilled.

REPORT ON THE 2019 WORK PROGRAM IMPLEMENTATION

1. Implemented the Interest Rate Risk in Banking Book (IRRBB) in accordance with regulatory provisions.
2. Ensured the Bank's liquidity level always at remained at the optimum level
3. Monitored and revised the funding pricing strategies actively by considering the level of funding requirements, conditions and competition in the market and the maximum level of funding pricing set by the regulator.
4. Actively maintained the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) to be above the regulatory requirements.
5. Implemented an FTP Redesign to provide accurate and transparent pricing signals for lending and funding business units, based on the different run-off deposit rates between segments.
6. Issued Shelf Registration Sukuk Mudharabah I Phase II, Shelf Registration Bonds III, and Subordinated Bonds Phase I in 2019 as alternative and diversified funding sources.

WORK PLAN FOR 2020

1. Ensure the Bank's liquidity level is always at its optimum level.
2. Actively maintain the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) above the regulatory requirements.
3. Issue Bonds and Sukuk as an alternative and diversified funding source.
4. Actively monitor and revise funding pricing strategies by considering the level of funding needs, conditions and competition in the market and the maximum level of funding pricing set by the regulator.
5. Maintain the stability of funding sources and funding alternatives at the most optimum level.

CERTIFICATION

All ALCO members have no certain certification mandatory.

3. INFORMATION TECHNOLOGY STEERING COMMITTEE (ITSC)

MAIN FUNCTIONS AND AUTHORITIES

ITSC is a committee tasked with the duties to providing views and recommendations on the policies of CIMB Niaga's technology and information system management and development.

STRUCTURE AND MEMBERSHIP

In line with the Bank's Board of Directors' Charter dated 27 September 2019, members of the ITSC constitute at least 2/3 (two-thirds) of the total Board of Directors members, and appointed Senior Executive one level below the Board of Directors.

Through the ITSC Terms of Reference (ToR), approved at the ITSC meeting on 21 May 2019, the ITSC membership structure was established, and at the same time the following Committee members were assigned.

ITSC Membership Structure was adjusted in accordance with POJK No. 38/POJK.03/2016 and SEOJK No.21/SEOJK/03/2017 concerning the Implementation of Risk Management in the Use of Information Technology by Commercial Banks.

ITSC MEMBERSHIP STRUCTURE

- Chairman : President Director
 Deputy Chairman 1 : Operations & Information Technology Director
 Deputy Chairman 2 : Finance & SPAPM Director

Members

1. Risk Management Director
2. Consumer Banking Director
3. Treasury & Capital Market Director
4. Credit Director
5. Sharia Banking Director
6. Business Banking Director
7. Human Resources Director
8. Compliance, Corporate Affairs & Legal Director
9. Chief Audit Executive
10. Head of IT (Member concurrently Secretary)

Profile of ITSC members are disclosed in the Board of Director Profile and Senior Executive Profile at Company Profile section of this Annual Report.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of ITSC are to provide recommendations related to:

1. The Information Technology (IT) Strategic Plan alignment with the Bank's Business Strategic Plan. Matters that must be taken into consideration include:
 - a. IT Road map to support the Bank's business strategy;
 - b. Resources required;
 - c. Benefits gained when the IT Strategic Plan is implemented; and
 - d. Challenges that might arise during the implementation of IT Strategic Plan.
2. Formulation of major IT policies, standards and procedures, such as IT security policy and IT Risk Management policies in the Bank.
3. Alignment between approved IT projects and IT Strategic Plans. The IT Steering Committee also sets the priority status for critical IT projects that will have a significant impact on the Bank's Operations activities.
4. Alignment between IT project implementation and the agreed project plan (Project Charter). ITSC also makes recommendations based on the analysis results of the main IT projects. This agenda is also part of the CIC (Capital Investment Committee) agenda.
5. Alignment between IT and management information systems and the Bank's business activities requirements.
6. Reviewing the effectiveness of steps taken to minimize risks in the Bank's IT investments to ensure they contribute to the Bank's business goals. This agenda is also part of the CIC (Capital Investment Committee) agenda.
7. Monitoring of IT performance and efforts to improve IT performance.
8. Efforts to resolve various IT related issues that cannot be resolved by the business unit users and IT proficers in an effective, efficient and timely manner.
9. Adequacy and allocation of resources owned by the Bank.
10. Cybersecurity Strategic Plan, in line with the Bank's risk appetite, followed by a comprehensive technology operations and risk management work plan.

MEETINGS, QUORUM AND RESOLUTIONS

1. Meetings are held at least 4 (four) times a year.
2. Quorum attendances must be more than 2/3 (two thirds) of the total number of Board of Directors members.
3. Quorum decisions require approval from more than 2/3 (two thirds) of the attending Board of Directors members.

REPORT ON THE 2019 WORK PROGRAM IMPLEMENTATION

1. Established the Cybersecurity Strategic Plan as part of ITSC duties and responsibilities.
2. Established the 2020 – 2022 IT Strategic Plan.
3. Established IT Security Roadmap as part of the 2020-2022 IT Strategic Plan.
4. Performed routine monitoring regarding the development status of IT projects for the 2019 budget year.
5. Monitored and provided directions on monitoring and mitigating cyber-attack against the CIMB Niaga systems.
6. Monitored and provided directions on IT issues.
7. Established IT projects for the 2019 fiscal year approved in the Capital Investment Committee (CIC), which is incorporated in ITSC.
8. Monitored and provided directions on IT capital budgeting and spending.
9. Monitored the development of the New Data Center and Technology Refreshment conducted by the IT Sub-Directorate.
10. Analyzed the suitability of OJK and Bank Indonesia regulations with the policies and regulations of the Bank.

WORK PLAN FOR 2020

1. 2021-2023 IT Strategic Plan Recommendations.
2. Recommendations for formulating key IT policies, standards and procedures.
3. Recommendations for budget of 2020 IT projects and project priorities, to be inline with IT strategic plans.
4. Recommendations for IT projects implementation.

5. Recommendations regarding the alignment of IT and Management Information Systems with the Bank's business activities.
6. Assessment or monitoring of IT budget and capital expenditure realization.
7. Monitoring IT services efficiencies.
8. Monitoring IT issues.
9. Recommendations on Bank's IT resources analysis.
10. Recommendations on Cybersecurity Strategic Plan and monitor monitoring cyber-attacks on the Bank's systems.

CERTIFICATION

All ITSC members have no certain certification mandatory.

4. CREDIT POLICY COMMITTEE (CPC)

MAIN FUNCTIONS AND AUTHORITIES

CIMB Niaga's CPC was established to support the Board of Directors in preparing credit policies, as well as to provide suggestions for credit policy improvements. CPC also functions to ensure the fulfilment of Corporate Governance principles in the area of credit policy for the interest of the Bank and stakeholders.

STRUCTURE AND MEMBERSHIP

In line with the Bank's Board of Directors' Charter dated 27 September 2019, members of the CPC constitute at least 2/3 (two-thirds) of the total Board of Directors members, and appointed Senior Executive one level below the Board of Directors.

Through the CPC Charter, approved at the CPC meeting in May 2019, the CPC membership structure was established, and at the same time the following Committee members were assigned.

The CPC Membership Structure is inline with POJK No. 42/POJK.03/2017 concerning Obligations for the Compilation and Implementation of Credit Policy or Bank Financing for Commercial Banks.

CPC MEMBERSHIP STRUCTURE

Chairman	: President Director
Deputy Chairman 1	: Credit Director
Deputy Chairman 2	: Risk Management Director

Members

1. Business Banking Director
2. Treasury & Capital Market Director
3. Consumer Banking Director
4. Operations & Information Technology Director

5. Compliance, Corporate Affairs & Legal Director
6. Finance & SPAPM Director
7. Human Resources Director
8. Sharia Banking Director
9. Chief of Micro, Small & Medium Enterprise
10. Chief of Corporate Banking & Financial Institution; and Chief of Transaction Banking
11. Chief of Transformation Officer

Secretary

Head of Credit Assurance Testing & Wholesale and Commercial Credit Policy

Profile of CPC members are disclosed in the Board of Director Profile and Senior Executive Profile at Company Profile section of this Annual Report.

DUTIES AND RESPONSIBILITIES

1. Determining the direction of credit policies (including Risk Acceptance Criteria, credit process and approval) are in line with the Bank's risk appetite to encourage good quality credit growth while continuing to consider prudential banking practices.
2. Establishing and ensuring consistency of:
 - a. Bank compliance with credit management policies and applicable regulations, particularly those that regulate significant risk exposures;
 - b. Approving the Bank's credit management policies and strategies; and
 - c. Supervising the implementation of credit policies.
3. Approving the criteria for selecting senior Bank employees as members of the Credit Committee

MEETINGS, QUORUM AND RESOLUTIONS

1. Meetings are held at least 10 (ten) times a year.
2. Quorum attendances must be more than 2/3 (two thirds) of the total number of Board of Directors members.
3. Quorum decisions require approval from more than 2/3 (two thirds) of the presence Board of Directors members.

REPORT ON THE 2019 WORK PROGRAM IMPLEMENTATION

Credit Policy Improvements:

1. **Commercial (Conventional & Sharia)**
Adjusted Bank internal policies related to external regulations (including OJK, Government Regulations) and management of the Bank's risk appetite (RAC), including:
 - a. Confirmed the definition of Secured Loans for Loans guaranteed by land or land & buildings.

- b. Enforced the High Risk Credit Provisions for Debtors, Owners / Majority Shareholders, including the ultimate beneficially owner (UBO) & the parties behind the nominee.
 - c. Established the provision on periodic review (identification and analysis) of Trade Receivable Valuation.
 - d. Confirmed the closure of collateral insurance coverage in the event of underinsured conditions at the time of re-appraisal.
 - e. Established adjustment authorities to internal credit rating (ICR) on worsening debtor ratings.
 - f. Changed the CPC membership composition based on changes in organizational structure and the addition of mandatory reviewers from the Compliance Management work unit.
 - g. Changed the provisions for the Champion Challenger Agreement.
 - h. Updated the Authority for Commercial Credit Approval on the Approval of the Credit Approver Officer.
 - i. Established a Commercial Credit Policy related to the Credit Category for Exceptional Credit.
 - j. Changed the Musyarakah Risk Acceptance Criteria (RAC) for Lending Model Distributor Financing for new and / or existing customers.
 - k. Changed the Credit Concentration Provisions related to the Legal Lending Limit in accordance with POJK.
 - l. Updated the Terms related to Credit Documents (Credit Agreements and Standard Clauses).
 - m. Updated the Policy on the Appointment of Third Parties for Private Auction Hall (BLS) and Partner Legal Advocates (Advocates).
 - n. Adjusted the House Limit Policy for Unrelated Parties, House Limit Annual Review and Increased House Limit.
 - o. Added Provisions for Syndicate Credit, including Special Treatment for receiving Documents.
 - p. Changed the Trade Finance Products; including: provisions for Trade Finance Limit Holders for Special Conditions at Transaction Level, Conditions for Converting Conventional Trade Finance Facilities to Sharia Trade Finance (iB).
 - q. Changed the MSME Micro Linkage; including: Akad Mudharabah for Sharia Bank Perkreditan Rakyat (BPR) related to Target Market. Adjusted the foreign currency requirements in Indonesian Regions, added working capital facilities, adjusted Credit Authority Limits.
 - r. Financial Institution and Treasury & Capital Market, including: Adjusted Counterparty policy for General Customer Criteria when Providing Facilities / Limits.
 - s. Delegated (DA) Holder Authority & Policy Management; including: Adjusted the Terms of Reference (ToR) Authority for Credit Approval.
 - t. Legal Policy & Procedure: Adjusted the Credit General Conditions (Conventional) and General Financing Conditions (Conventional).
2. **Consumer**
During 2019 several retail product policies were adjusted to comply with external policies issued by regulators, government regulations, and with the Bank's business strategies based on determined risk levels.

WORK PLAN FOR 2020

1. Approve and evaluate credit strategies and policies.
2. Oversee the implementation of credit policies to ensure the Bank's compliance with the management of credit policies and prevailing regulations.
3. Identify significant problems in adopting credit policies and identify the impact on existing Bank policies and strategies.
4. Identify new regulations issued by regulators and the impact on the Bank's internal policies.

CERTIFICATION

All CPC members have no certain certification mandatory.

MECHANISM FOR APPOINTMENT AND DISMISSAL OF THE EXECUTIVE COMMITTEES (EXCO) CHAIRMAN

All CIMB Niaga Exco are chaired by the Bank's President Director whose appointment and dismissal and term of office is determined through the GMS as explained in the Board of Directors section, part of GCG Report of this Annual Report. The membership structure of each committee, including the Committee Chairman, is as stipulated in each Exco ToR.

FREQUENCY AND ATTENDANCE OF BOARD OF DIRECTORS IN THE EXECUTIVE COMMITTEE (EXCO) MEETINGS IN 2019

No.	Name	Frequency and Attendance Rate			
		ITSC	CPC	RMC	ALCO**
1.	Tigor M. Siahaan	5	10	13	13
2.	Rita Mas'Oen	5	9	13	0
3.	Megawati Sutanto	5	10	11	0
4.	Vera Handajani	5	9	13	14
5.	John Simon	5	8	11	13
6.	Lani Darmawan	4	9	13	7
7.	Pandji P. D jajanegara	4	10	13	10
8.	Hedy Lapian	5	10	12	12
9.	Fransiska Oei	5	10	13	0
10.	Rahardja Alimhamzah	3	10	12	14
11.	Lee Kai Kwong*	4	6	8	13

*) Appointed in EGM dated 19 December 2018 and effective as a Director based on OJK approval dated 24 April 2019

**) The attendance and meeting decision quorum are delegated to at least 2 (two) of the following 3 (three) Board of Directors members:

- i. Chairman: President Director
- ii. Deputy Chairman 1: Finance & SPAPM Director
- iii. Deputy Chairman 2: Treasury & Capital Market Director

In addition to Exco, CIMB Niaga also established Special Committees (called "Speco") formed by respective Director in charge. This establishment is optional and based on the needs of the Bank, include the Operational Risk Committee (ORC), Executive Credit Committee (ECC), Non-Performing Loans Credit Committee (NPLCC), Asset Quality Committee (AQC) and Customer Experience Committee (CXC).

Speco members comprise of 1 (one) Director in charge and other relevant Directors (if needed), as well as Bank's Executive Officer who are appointed at Speco meetings.

The division of duties and responsibilities for each Speco is regulated in each Committee's Terms of Reference (ToR).

CORPORATE SECRETARY

CIMB Niaga is obliged to appoint a Corporate Secretary who responsible for maintaining the Bank's image and protecting Bank's interests by establishing good communications and relationships with stakeholders, whilst simultaneously serving as a liaison between the Bank and shareholders and other stakeholders. The Corporate Secretary must also ensure the Company's compliance with regulations and laws, particularly those related to the capital market.

LEGAL BASIS

Corporate Secretary was appointed based on OJK Regulation (POJK) No. 35/POJK.04/2014 concerning the Corporate Secretary for Issuers or Public Companies, and is appointed and dismissed by the Board of Directors and is responsible to the Board of Directors.

The appointment of Fransiska Oei as CIMB Niaga's Corporate Secretary was based on the CIMB Niaga's Board of Directors' Circular Decree No. 001/SIR/DIR/IX/2016 dated 21 September 2016 as fulfillment of POJK No. 35/POJK.04/2014 dated 8 December 2014 and Indonesian Stock Exchange Regulation No. I-A dated 20 January 2014 and amendments. The appointment was also reported to OJK (both OJK Bank Supervisor and OJK IKNB) on 23 September 2016 and was announced to the public through the IDXNet website (e-reporting) on the same day. She has served as Corporate Secretary effective from 26 September 2016 up to the present.

CORPORATE SECRETARY PROFILE



Fransiska Oei
Corporate Secretary

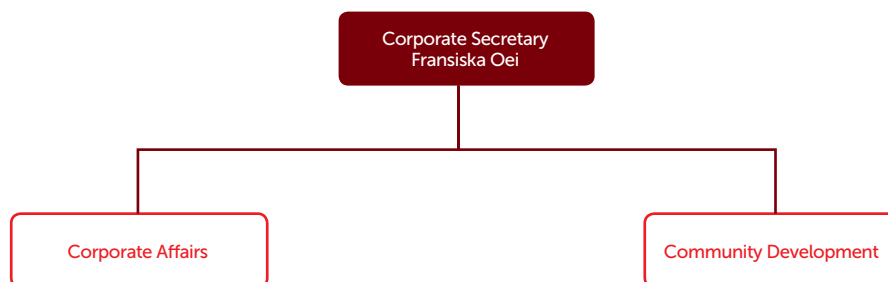
Fransiska Oei's profile is disclosed in the Board of Directors' Profiles in this Annual Report.

DUTIES AND RESPONSIBILITIES

CIMB Niaga's Corporate Secretary Duties and responsibilities include:

- Following the development of the prevailing rules and regulations in the Capital Market.
- Providing input to the Board of Directors and the Board of Commissioners to comply with the Capital Markets regulations issued by OJK, BEI and other Capital Market Regulators.
- Organizing and documenting the General Meeting of Shareholders and Public Expose held by the Bank.
- Organizing and attending Board of Commissioners' meetings, Board of Commissioners' meetings with the Board of Directors, and Committees under the Board of Commissioners' meetings, and preparing and administering the meeting minutes.
- Organizing and attending Board of Directors' meetings, Board of Directors' meetings with the Board of Commissioners, and Committees under the Board of Directors' meetings, and preparing and administering the meeting minutes.
- Submitting reports related to Capital Market regulations, either regular or ad-hoc reports to OJK and IDX in a timely manner.
- Disclosing information to the public in accordance with prevailing rules and regulations.
- Improving and aligning all Corporate Governance implementation practices of the Bank in line with with the OJK principles and the ASEAN Corporate Governance Scorecard.
- Preparing documents and assisting in the Fit & Proper Test process for candidates for the Board of Commissioners and / or Board of Directors.
- Organizing orientation programs for new Directors and / or Commissioners to provide knowledge and understanding about the Bank.
- Administering all original Bank documents including licenses, deeds, certificates, meeting minutes, and internal policies.
- Administering and distributing all incoming letters addressed to the Bank for follow-up.
- Acting as liaison officer between the Bank and shareholders, investors, authorities and other stakeholders.

CORPORATE SECRETARY ORGANIZATIONAL STRUCTURE



IMPLEMENTATION OF CORPORATE SECRETARY'S DUTIES IN 2019

In 2019, the Corporate Secretary performed the following duties and responsibilities in accordance with its mandated functions

1. Organized the Annual GMS on 15 April 2019 through an electronic voting mechanism (e-voting) and individually by each shareholder. The e-voting mechanism ensured the voting process was implemented well, in terms of confidentiality, speed, accuracy, and protection of the rights of the shareholders. E-Voting was conducted through the following media:
 - a. smartphones or mobile device (tablet, ipad, and etc); and
 - b. touch screen monitors.

The Bank became the first Public Company in Indonesia to hold electronic voting (e-Voting) which is implemented since 2018.
2. Updated the information contained in the About Us menu bar on the Bank's website, particularly for GCG and Investor Relations disclosure, to further improve the quality and ease of access to the Bank's information disclosure by all stakeholders.
3. Kept abreast of developments in the Capital Market, particularly the prevailing rules and regulations, ensured compliance with new regulations issued by OJK, IDX, and other Regulators related to the Capital Market and conveyed this information and provided input to the Board of Directors and Board of Commissioners, including:
 - a. OJK Regulation No. 01/POJK.03/2019 regarding implementation of the Commercial Bank Internal Audit Function.
 - b. OJK Regulation No. 37/POJK.03/2019 regarding transparency and Publication of Bank Reports.
 - c. OJK Regulation No. 41/POJK.03/2019 regarding Merger, Consolidation, Acquisition, integration and Conversion of Commercial Banks.
 - d. OJK Regulation No. 30/POJK.04/2019 regarding Issue of Debt Securities and/or Sukuk Without Public Offering.
 - e. SEOJK No. 9/SEOJK.03/2019 regarding Revaluation of the Bank's Main Parties.
4. Collaborated with the Investor Relations Team to organize Annual Public Expose 2019, and also for the purpose of Public Offering of CIMB Niaga Self-Registered Bonds III Phase I Year 2019 and CIMB Niaga Self-Registered Subordinated Bonds I Phase I Year 2019 on 18 November 2019. In addition, and regularly communicated each quarter with investors and analysts through Analyst Presentations, which were both in person and through conference calls.
5. Organized and attended the Board of Commissioners meetings 8 (eight) times, Board of Commissioners meetings together with or attended by the Board of Directors 4 (four) times, and Committees under the Board of Commissioners meetings, consists of: Audit Committee Meetings 15 (fifteen) times; Risk Monitoring Committee Meetings 12 (twelve) times; Meeting of the Nomination and Remuneration Committee 6 (six) times; and Integrated Governance Committee Meeting 2 (two) times; as well as preparing and administering minutes of meetings and attendance lists.
6. Organized and attended the Board of Directors meetings 38 (thirty-eight) times and the Board of Directors meetings together with or attended by the Board of Commissioners 4 (four) times, prepared minutes of meetings and attendance lists as well as hold and attend meetings of the Executive Committee (Exco) of Directors .
7. Submitted regular and incidental reports to the regulators based on prevailing rules and regulations.
8. Provided information disclosure to public in accordance with prevailing regulations.
9. Administered, distributed and prepared follow-ups regarding incoming mail received by the Bank and

addressed to the Board of Directors and Board of Commissioners. In 2019, the Bank received 15,489 (fifteen thousand four hundred eighty nine) letters addressed to the Board of Directors and/ or Board of Commissioners, from the OJK, Bank Indonesia, the Indonesia Stock Exchange (BEI), 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.

10. Prepared documentation and assisted in the Fit and Proper Test process for 1 (one) Board of Directors candidate member, 2 (two) Board of Commissioners candidate member, namely 1 (one) Commissioner candidate and 1 (one) Independent Commissioner candidate.
11. Held induction program for the Board of Commissioners and Board of Directors candidates.
12. Updated/adjusted the Corporate Policy Manual, Board of Commissioners Charter, Board of Directors Charter, Audit Committee Charter and Bank Corporate Governance

Policy and Integrated Governance for CIMB Indonesia's Financial Conglomerate, in accordance with the prevailing laws and regulations as well as Good Corporate Governance practices

COMPETENCY DEVELOPMENT

During 2019, the Bank's Corporate Secretary participated in Training/Seminars/Workshops/Knowledge Sharing in the context of developing competencies to support their duties. The competency development programs followed by the Bank's Corporate Secretary in 2019 is disclosed in the Company Profile section in this Annual Report.

INFORMATION DISCLOSURE IN 2019

The Corporate Secretary has delivered information to the public during 2019, through mass media, the IDX website and the CIMB Niaga website using Indonesian and English, and submitted periodic or incidental reports to IDX and OJK as follows:

Regular Reports

No	Type of Report	Purpose	Reporting Period	Number
1	Monthly Report of Securities Holder Register of BNGA	OJK & IDX	Monthly	12
2	Consolidated Financial Statements of the Bank and its Subsidiaries	OJK & IDX	Quarterly	4
3	Annual Report	OJK & IDX	Yearly	1
4	Annual Rating Report	OJK & IDX	Yearly	2
5	Report of Foreign Currency Debt	OJK	Monthly	12
6	Financial Statements of Ultimate Shareholders	OJK	Half-Yearly	2
7	Annual Report of Ultimate Shareholders	OJK	Yearly	1
8	Related Parties Report	OJK	Half-Yearly	2

Incidental Reports

No	Date	Subject
1	2 January 19	Changes to the Audit Committee
2	2 January 19	Information on Management Changes in PT Bank CIMB Niaga Tbk
3	8 January 19	Disclosure of Information: Confirmation regarding Funds for the 5th Interest Payment of Shelf-Registered Bonds II of Bank CIMB Niaga Phase III, 2017 Series B and Series C
4	8 January 19	Disclosure of Information: Confirmation regarding Funds for the 9th Interest Payment of Shelf-Registered Bonds II of Bank CIMB Niaga Phase I, 2016
5	11 January 19	Disclosure of Information: Report on the Use of Proceeds from Public Offering
6	24 January 19	Disclosure of Information: Confirmation regarding Funds for the 1st Interest Payment of Subordinated Bonds III of Bank CIMB Niaga 2018
7	29 January 19	Disclosure of Information: Confirmation regarding Funds Payment for the 6th Interest Payment of Shelf-Registered Bonds II of Bank CIMB Niaga Phase II, 2017 Series B and Series C
8	6 February 19	Disclosure of Information: Confirmation regarding Funds for the 1st Profit Sharing Payment of Shelf-Registered Sukuk Mudharabah I of Bank CIMB Niaga Phase I, 2018

No	Date	Subject
9	8 February 19	Submission of Evidence of Publication of Confirmation regarding Funds for the 1st Profit Sharing Payment of Shelf-Registered Sukuk Mudharabah I of Bank CIMB Niaga Phase I, 2018, Period 15 November 2018 to 15 February 2019
10	8 February 19	Disclosure of Information: Confirmation regarding Funds for the 1st Profit Sharing Payment of Shelf-Registered Sukuk Mudharabah I of Bank CIMB Niaga Phase I, 2018, Period 15 November 2018 to 15 February 2019
11	20 February 19	Submission of Annual Financial Statements
12	20 February 19	Submission of Evidence of Publication of Annual Financial Statements
13	21 February 19	Annual General Meeting of Shareholders Notice
14	22 February 2019	Disclosure of Information: Confirmation regarding Funds for the 2nd Interest Payment of Shelf-Registered II of Bank CIMB Niaga IV, 2018
15	25 February 2019	Disclosure of Information: Confirmation regarding Funds for the 33rd Interest Payment of Subordinated Bonds II of Bank CIMB Niaga 2010, with a fixed interest rate
16	28 February 2019	Submission of Evidence of Publication of Advertisement of GMS Notice
17	12 March 2019	Disclosure of Information: Information Disclosure on Ranking Results
18	15 March 2019	Submission of Annual Report
19	15 March 2019	Submission of Evidence of Publication of Advertisement for GMS Invitation
20	15 March 2019	Annual General Meeting of Shareholders Summons
21	20 March 2019	Disclosure of Information: Effective President Commissioner of PT Bank CIMB Niaga Tbk
22	21 March 2019	Submission of Evidence of Publication of Advertising Proof for GMS Agenda
23	16 April 2019	Submission of Evidence of Publication of Advertising Proof for GMS Results
24	16 April 2019	Annual General Meeting of Shareholders Results
25	16 April 2019	Annual General Meeting of Shareholders Results (Correction)
26	16 April 2019	Cash Dividend Schedule
27	25 April 2019	Submission of Evidence of Publication of Unaudited Interim Financial Statements
28	25 April 2019	Submission of Evidence of Publication of Interim Financial Statements
29	8 May 2019	Disclosure of Information: Confirmation regarding Funds for the 2nd Profit Sharing of Sukuk Mudharabah I of Bank CIMB Niaga Phase I, 2018, Period 15 February 2019 to 15 May 2019
30	20 June 2019	Disclosure of Information: Confirmation regarding Funds for the Payment of Shelf-Registered Bonds II of Bank CIMB Niaga Phase IV, 2018, Series A
31	2 July 2019	Disclosure of Information: Report on the Results of the Shares Buy Back by PT Bank CIMB Niaga Tbk
32	15 July 2019	Disclosure of Information: Implementation of PT Bank CIMB Niaga Tbk Receivables Sales
33	17 July 2019	Explanation on Request from the Stock Exchange
34	19 July 2019	Missing shares
35	29 July 2019	Disclosure of Information: Information regarding Submission of PT Bank CIMB Niaga Tbk Financial Statements for June 2019
36	30 July 2019	Disclosure of Information: Information Disclosure Report Regarding the 2019 Mutual Separation Scheme - PT Bank CIMB Niaga Tbk 2019
37	2 August 2019	Disclosure of Information: Additional Information regarding Shelf-Registered Sukuk Mudharabah I, Bank CIMB Niaga Phase II, 2019
38	8 August 2019	Submission of Evidence of Publication of the 3rd Profit Sharing Notification of Sukuk Mudharabah I, Bank CIMB Niaga Phase I, 2018 Period 15 May - 15 August 2019
39	8 August 2019	Submission of Evidence of Publication of the 3rd Profit Sharing Notification of Sukuk Mudharabah I, Bank CIMB Niaga Phase I, 2018 Period 15 May - 15 August 2019

No	Date	Subject
40	15 August 2019	Submission of Evidence of Publication of Submitting Information on Interim Financial Statements
41	21 August 2019	Recording Bank Shelf-Registered Sukuk Mudharabah I, CIMB Niaga's Phase I, 2019
42	23 August 2019	Disclosure of Information: Information and Material Facts regarding Shelf-Registered Sukuk Mudharabah I, Bank CIMB Niaga Phase II, 2019
43	2 September 2019	Submission of Interim Audited Financial Statements
44	13 September 2019	Information or other material facts regarding Submission of Ranking Results
45	19 September 2019	Information or other material facts regarding Resignation of Vice President Commissioner of PT Bank CIMB Niaga Tbk
46	26 September 2019	Announcement of the Initial Listing of Bonds and Sukuk
47	1 October 2019	Information or other material facts regarding Information Disclosure on Repayment of Shelf-Registered Bonds II Phase IV, 2018 Series A
48	7 October 2019	Planned Public Expose - Annual
49	16 October 2019	Submission of Public Expose Material - Annual
50	18 October 2019	Planned Implementation of Public Expose - Annual (CORRECTION)
51	31 October 2019	Submission of Unaudited Interim Financial Statements
52	31 October 2019	Submission of Evidence of Publication of Information on Interim Financial Statements
53	1 November 2019	Submission of Public Expose Material - Annual (CORRECTION)
54	4 November 2019	Submission of Evidence of Publication of Funds for the 1st Profit Sharing of Sukuk Mudharabah I of Bank CIMB Niaga Phase II, 2019, Period 21 August 2019 to 21 November 2019
55	4 November 2019	Maturity of Shelf-Registered Bonds II of Bank CIMB Niaga Phase I, 2016 Series B
56	4 November 2019	Planned Implementation of Public Expose - Annual (CORRECTION)
57	8 November 2019	Submission of Evidence of Publication of the 4th Profit Sharing of Sukuk Mudharabah I of Bank CIMB Niaga Phase I 2019
58	13 November 2019	Submission of Public Expose Material - Annual (CORRECTION)
59	14 November 2019	Submission of Evidence of Publication of the 1st Profit Sharing of Sukuk Mudharabah I of Bank CIMB Niaga Phase I 2019, 21 August 2019 to 21 November 2019
60	14 November 2019	Submission of Evidence of Publication of the 1st Profit Sharing of Sukuk Mudharabah I of Bank CIMB Niaga Phase I 2019, 21 August 2019 to 21 November 2019
61	19 November 2019	Public Expose Results Report - Annual
62	19 November 2019	Submission of Evidence of Publication of Prospectus Summary
63	19 November 2019	Information or other material facts regarding Prospectus for Shelf-Registered Bonds III Phase I, 2019 and Shelf-Registered Subordinated Bonds I Phase I, 2019
64	25 November 2019	Maturity Sukuk Mudharabah I Shelf-Registered of Bank Niaga Phase I, 2018 Series A
65	27 November 2019	Information or other material facts regarding Buy-Back or payment of Debt Securities and / or Sukuk
66	13 December 2019	Additional Information and / or Adjustments to the Brief Prospectus for Bank CIMB Niaga III Phase I 2019 Shelf-Registered Bonds, and Bank CIMB Niaga I Phase I Shelf-Registered Subordinated Bonds 2019 ", in the context of the Public Offering of Bank CIMB Niaga III Phase I 2019 Shelf-Registered Bonds (" Bonds "), and Shelf-Registered Subordinated I Bonds Bank CIMB Niaga Phase I 2019 ("Subordinated Bonds")
67	13 December 2019	Submission of Evidence of Publication of Additional Information and / or Improvements to PT CIMB Niaga Tbk
68	16 December 2019	Additional Information and / or Adjustments to the Brief Prospectus for Senior Bonds and Subordinated Bonds of Bank CIMB Niaga in 2019
69	19 December 2019	Listing of Bonds and Subordinated Bonds
70	20 December 2019	Information or Material Fact Report on Information Disclosure of Bond & Subordinated Bonds Issuance in 2019

INTERNAL AUDIT (IA)

Internal Audit function at CIMB Niaga is performed by the Internal Audit (IA). As the third line of defence, IA's main duties are to ensure that the Bank's management and operations are in compliance with all prevailing rules and regulations and support the Bank's interests and objectives. IA is also responsible for ensuring the adequacy and proper implementation of the internal control process.

IA's role is to provide independent and objective assurances and consulting services that will add value and improve the Bank's operations. IA assists the Bank in achieving its objectives by evaluating and improving the effectiveness of Risk Management, Internal Control, and Governance Processes.

INTERNAL AUDIT CHARTER

CIMB Niaga's Internal Audit Charter was last updated on 28 May 2019 and was approved by the President Director and the Board of Commissioners. The IA Charter serves as a guideline for IA, and contains the IA's professional practice principles, vision and mission, goals, authority, responsibilities, functions and scope of work, independency, objectivity, professionalism, impartiality, rights & obligations of the IA Unit Head (Chief Audit Executive) as well as the IA code of ethics.

The Internal Audit Charter was established in compliance with POJK No. 56/POJK.04/2015 regarding the Establishment and Guidelines for the Internal Audit Unit Charter, POJK No. 18/POJK.03/2014 dated 18 November 2014 regarding the Implementation of Integrated Governance for Financial Conglomerations, and POJK No. 1/POJK.03/2019 dated 28 January 2019 regarding Implementation of the Internal Audit Function in Commercial Banks, as well as best practices that refer to the IPPF (International Professional Practice Framework) standards from the IIA (The Institute for Internal Auditors).

The Internal Audit Charter regulates the audits implementation and contains guidelines to ensure:

1. Risks have been identified and managed appropriately.
2. Interactions with various governance groups have been well managed.
3. Key financial, managerial and operational information is accurate, reliable and timely.
4. Employee actions are in accordance with all prevailing policies, rules and regulations.
5. Resources are economically acquired and used efficiently and are adequately protected.
6. Programs, plans and goals are properly achieved.
7. The concept of quality and continuous improvement has been embedded in CIMB Niaga's control processes.
8. Regulations with a significant impact on CIMB Niaga, are properly acknowledged and addressed.
9. Opportunities to improve CIMB Niaga's management, profitability and reputation are identified and disclosed during the audits.

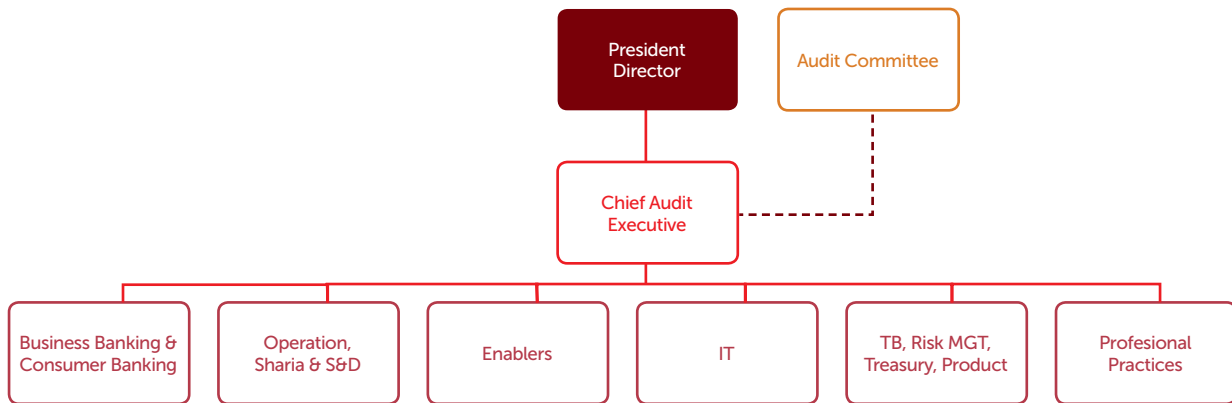
PARTIES WHO APPOINT AND DISMISS THE HEAD OF THE IA (CHIEF AUDIT EXECUTIVE)

The Chief Audit Executive is appointed and dismissed by the President Director with the approval from the Board of Commissioners based on the Audit Committee recommendation. The Chief Audit Executive appointment is also reported to BI and OJK.

In 2019, the Chief Audit Executive of CIMB Niaga was Antonius Pramana Gunadi, who has effectively served since 3 January 2017 based on Decree No. 024/HROB/HRS/XII/2016. The appointment was reported to BI and OJK, based on letter No. 008/DIR/XII/2016 dated 19 December 2016.

THE POSITION OF IA IN THE ORGANIZATION

In accordance with POJK No. 1/POJK.03/2019 dated 28 January 2019 regarding the Implementation of the Internal Audit Function in Commercial Banks (PPFAIB) and POJK No. 56/POJK.04/2015 regarding the Establishment and Guidelines for the Internal Audit Unit Charter, as an independent control unit, IA reports directly to the President Director and in a matrix to the Board of Commissioners through the Audit Committee, with the following structure:



PROFILE & TRAININGS OF HEAD OF INTERNAL AUDIT (CHIEF AUDIT EXECUTIVE)



Antonius Pramana Gunadi
Chief Audit Executive

Age	45
Nationality	Indonesian
Domicile	Jakarta
Legal Basis for Appointment	SK No. 024/HROB/HRS/XII/2016 dated 19 December 2016
Education	Bachelor's degree in Accounting from University of Tarumanagara (1996)
Work Experience	<ul style="list-style-type: none"> Audit Director of Citibank (2013-2016) Chief Audit Executive of Bank Internasional Indonesia (2010-2013) Chief of SKAI of Barclays Indonesia (2009-2010) Head of SKAI of ABN Amro Bank Indonesia (2005-2009) Auditor at Ernst & Young (2003-2005) Auditor at KPMG (1998 – 2002) Auditor at Coopers & Lybrand Public Accounting Firm (1996 – 1998)
Organizational Membership	Bank Internal Auditor Association (IAIB) – Head of Membership and Organization for 2017-2020

CHIEF AUDIT EXECUTIVE TRAINING (INCLUDING BEING A SPEAKER) IN 2019

Chief Audit Executive Training is available in the Company Profile section of this Annual Report.

INTERNAL AUDIT ROLES AND RESPONSIBILITIES

In accordance with the Internal Audit Charter, the duties and responsibilities of CIMB Niaga's IA are as follows:

1. Assist the task of the President Director and the Board of Commissioners in conducting supervision by outlining operational aspects of planning, implementation, or monitoring of audit results.
2. Making analysis and valuation in finance, accounting, operations, and other activities through auditing
3. Identify all possibilities to improve and increase the efficient use of resources and funds
4. Provide recommendations for improvements and information on 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 Board of Directors, the Board of Commissioners through the Audit Committee.
6. Conduct audit activities and provide an assessment of the efficiency and effectiveness of finance, accounting, operations, human resources, marketing, information technology area and other activities.
7. Periodically report to the Board of Directors and the Board of Commissioners through the Audit Committee regarding the objectives, authorities, and responsibilities, as well as the performance of SKAI activities compared to the planning. Reporting also includes significant risk exposures and control issues.
8. Preparing semester report regarding mplementation of the key points of audit results to the Financial Services Authority, no later than 1 month after the end of the period
9. Following up on audit findings and recommendations. All significant audit findings will remain "unfinished" until the findings are resolved
10. Informing the status of corrective actions regarding audit findings and recommendations from the audit results to the Board of Directors and the Board of Commissioners through the Audit Committee
11. Informing the Anti-Fraud Management unit of any fraud indications identified by Internal Audit
12. Preparing criteria for the assessment of IA performance and target achievement
13. Creating and maintaining appropriate working papers in accordance with the prevailing regulations
14. Implementing Quality Assurance and Improvement Programs (QAIP) covering all aspects of Internal Audit activities. The QAIP includes an evaluation of Internal Audit compliance regarding the definition of Internal Audit and Standards, as well as an evaluation of whether the auditors have followed the code of conduct. The QAIP also assesses the efficiency and effectiveness of Internal Audit activities and identifies opportunities for improvement.
15. Reporting specifically to OJK any IA findings that could significantly disrupt the business sustainability of CIMB Niaga. Commerce Reports must be submitted at the latest 3 days after being found.
16. Reporting to OJK any external audit results that disclosed an opinion on IA's performance and compliance with SPFAIB and any room for improvements.
17. In terms of Integrated Governance implementation, and the role of CIMB Niaga as the Primary Entity with an already established Internal Audit Unit.
 18. In terms of Integrated Governance implementation, and the role of CIMB Niaga as the Main Entity that has an Internal Audit Unit, the implementation of the Integrated IA duties are carried by the existing IA with the following responsibilities:
 - a. Performing audits of financial service institutions on an individual entity basis, on a collective basis, or based on reports from the financial services institution IA.
 - b. Monitoring and evaluating the implementation of Integrated IA in each member of CIMB Indonesia Financial Conglomerate; coordinating with the IAs of the CIMB Indonesia Financial Conglomerate members based on functions; and compiling the results of the Integrated IA from each member of the CIMB Indonesia Financial Conglomerate.
 - c. Preparing and submitting a performance report covering the roles and responsibilities of the Integrated IA to the assigned Director perform supervisory functions on the Financial Services Institution in a financial conglomerate, the Compliance Director of the Main Entity and the Board of Commissioners of the Main Entity.

AUDITOR'S CODE OF CONDUCT

In performing its duties, the Chief Audit Executive and all IA employees must adhere to the Bank's Code of Ethics and Conduct, and Bank's Auditor's Code of Conduct. Bank Auditors' Code of Conduct is prepared in accordance with and refers to the SPFAIB and IPPF Code of Conduct:

1. **Integrity**
Internal Audit Integrity develops a sense of trust and thus provides a basis for confidence in the assessments that it provides
2. **Objectivity**
Internal Audit must demonstrate high professional objectivity when collecting, evaluating, and communicating information regarding the activities or processes being audited. Internal Auditors conduct balanced assessments regarding all existing facts without being influenced by their own or others interests.

3. Confidentiality

Internal Audit maintains the confidentiality of information received and is not authorized to disclose it without clear authority, except in accordance with the Bank's policy related to providing information / data / documents to outside parties.

4. Competency

Internal Audit applies the knowledge, skills and experience needed in providing IA services.

HUMAN RESOURCES AND PROFESSIONAL CERTIFICATION

As of December 2019, there were 120 of IA employees, including the Chief Audit Executive. IA continuously improves the auditors' expertise and competence by enrolling them in various training programs, seminars, and workshops both domestically and overseas.

In 2019, IA participated in 60 training programs with a total of 12,823 hours, including:

Training/Workshop/Conference/Seminar	Organizer	Date and Place
CIMB Orientation Program	CIMB Group	16 – 17 January 2019 Malaysia
DICY for Security Summit	Nimat Media	27 – 28 February 2019 Singapura
2019 Asia Risk Congress	Asia Risk Congress	10 – 11 September 2019 Singapura
ACAMS 5th Annual Jakarta Symposium on "Enhanced AML and Financial Crime Tools & Techniques"	ACAMS	25 April 2019 Jakarta, Indonesia
Personal Branding & Impactful Communication	CIMB Niaga	27 – 28 March 2019 Jakarta, Indonesia
Sustainability Finance Training Program	CIMB Niaga	6 – 7 August 2019 Jakarta, Indonesia
RISK Management of Islamic Banks & Sukuk Instrument	REDmoney	26 – 27 August 2019 Jakarta, Indonesia

1. Training & Workshop

Enhancing the auditors' competencies in terms of audit skills and knowledge is also carried out by providing easy access for auditors to attend international-level online training. IA has continued its membership in the Corporate Executive Board (CEB / Gartner), as a member of CEB, IA can gain online access to the CEB website 24 hours a day, to see the latest IA, risk management and benchmarking trends and IA best practices using tools provided by CEB, with online training and webinars that are free of charge.

Over the last 2 years the staff have significantly increased their use and access to the Gartner website, with many staff downloading Gartner material. These downloads have increased by 136% compared to the previous year, and visits to the Gartner website to obtain information, guidelines, benchmarking, and the latest articles regarding IA have increased by 105%.

Access	2018	YTD Sep 2019	(Increase / Decrease)	%
Total Searches	485	643	158	33%
Total Download	1,063	2,507	1,444	136%
Unique Web User	66	120	54	82%
Total Visits	1,006	2,066	1,060	105%

2. Joint Audit

IA also sends auditors to conduct joint audit with the CIMB Bank Malaysia IA Group, to gain benchmarking and sharing knowledge of the best audit practices in each country. In 2019, CIMB Niaga IA sent 11 auditors to conduct Joint Audits. CIMB Bank Malaysia also conducted Joint Audits at CIMB Niaga. The following shows the Joint Audits conducted:

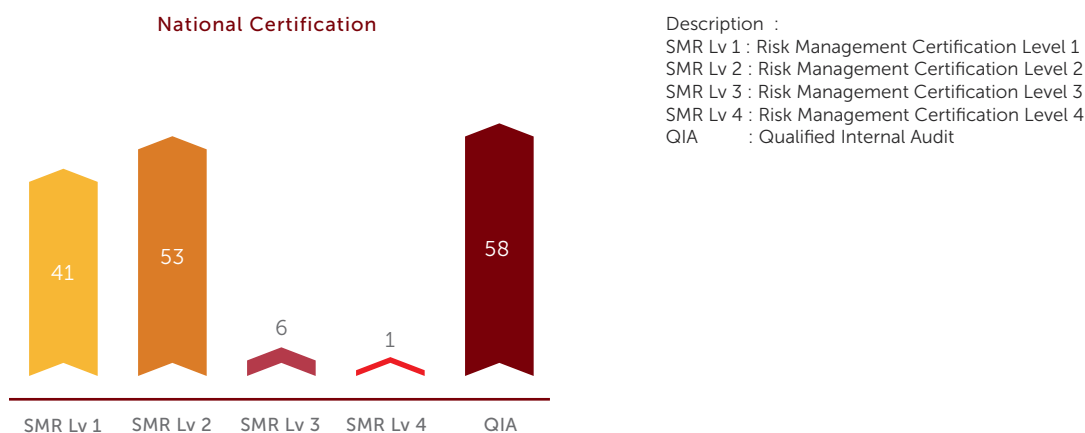
The following shows the Joint Audits conducted:

No	Audit Assignment	Date
Joint Audit to CIMB Group		
1	Retail Enterprise Distribution	11 – 22 March 2019
2	Business Finance Advisory and Financial Standard	6 – 15 May 2019
3	Investment Banking	7 – 20 July 2019
4	Consumer Contact Centre	24 June - 5 July 2019
5	Consumer Underwriting	13 – 17 May 2019
Joint Audit to CIMB Niaga		
1	Secured Collection	27– 31 May 2019

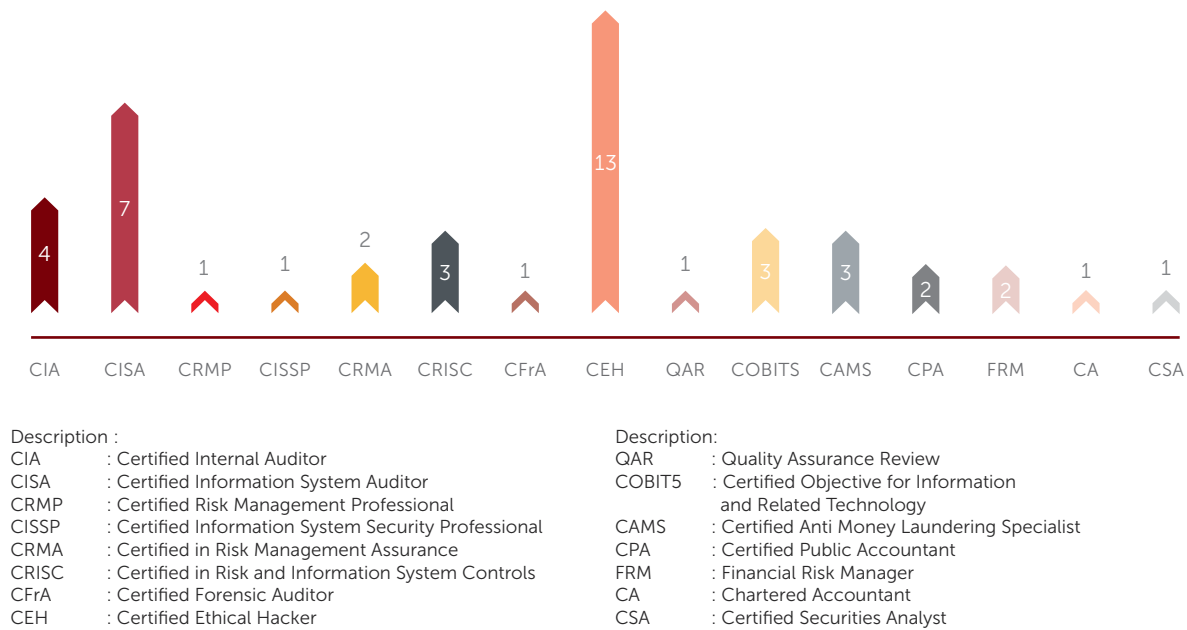
3. Certification

The IA Unit is required to obtain internal audit professional certification such as Qualified Internal Audit (QIA). During 2019, there was an increase in the number of auditors who received professional certification, including 18 auditors who received QIA certification, three auditors who received Certified Ethical Hackers certification, and one auditor who received Certified Anti Money Laundering Specialist (CAMS) certification. In addition, in the fourth quarter, IA has also sent two auditors to a Teller and Customer Service training program so they could better understand the business processes in the branched, and be able to provide more precise input/recommendations when conducting audits.

Other professional certification programs attended included Certified Internal Auditor (CIA), Certified Risk Management Assurance (CrMA), Certified Information Systems Auditor (CISA) and Certified Ethical Hacker (CEH), with the number of certifications held as follows:



International Certification



INTERNAL AUDIT PARTICIPATION IN PROFESSIONAL ASSOCIATIONS

To expand the insight and competencies of professional auditors, as well as sharing in the best practices, IA includes its auditors in a number of internal audit professional associations including Institute of Internal Auditors (IIA) - Indonesian Chapter, Information Systems Audit and Control Association (ISACA), Indonesian Accountants Association (IAI), Bank Internal Auditor Association (BIAA). In addition, CIMB Niaga’s IA welcomes visits from various institutions for benchmarking the audit practices at CIMB Niaga’s IA and has participated as speakers at various seminars.

CIMB Niaga IA Participation in external organizations

Name of Organization	Position	Period
Bank Internal Auditor Association (IAIB)	Head of Membership and Organization	2017 - 2020

Institutions conducting benchmarking at IA of CIMB Niaga

Institution	Focus of Discussion	Period
PT. Bank Panin Tbk	Audit Process & Methodology	8 November 2019

CIMB Niaga IAParticipation as Speaker in External Seminars

Event	Organizer	Period
Big Data Analytics Seminar	CPA Australia	4 December 2019

AUDIT MANAGEMENT INFORMATION SYSTEM

IA has used the CIMB Niaga Audit Management System (NAMS) since 2008. NAMS monitors every audit stage starting from audit planning, audit fieldwork, reporting and monitoring the completion progress of to audit recommendations and follow-up, and documenting audit work papers. Using NAMS improves the effectiveness and efficiency of IA’s operational activities. Until now, TeamMate is still used as an Audit Management Information System and it continues to be developed in order to meet the on-going demands and to support IA’s activities.

Following development in the organization and its needs, IA carried out feature developments in NAMS and implemented the CIMB Niaga Audit Management System (CNAMS) in 2009, which was later replaced with TeamMate in 2010. Until now, TeamMate is still used as an Audit Management Information System and it continues to be developed in order to meet the on-going demands and to support IA's activities.

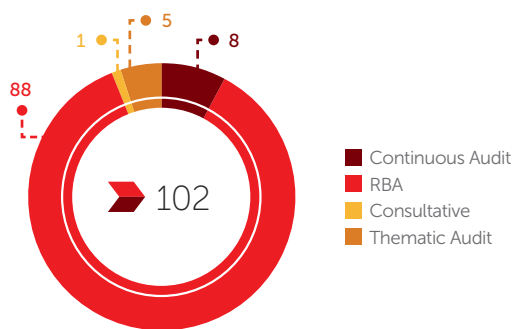
AUDIT METHOD

When conducting audit activities, CIMB Niaga's IA applies a risk-based audit methodology. Risk based audits are implemented by IA starting with the annual audit planning stage through to conducting the audits. IA carries out Risk Assessments by conducting comprehensive risk assessments at the work units in the head office, and the branches. With this comprehensive risk assessment method, IA can determine the risk ratings and audit frequency needed for each business / business support unit in the bank.

IA continues to improve its processes, methods, tools, as well as the quality and skills of its human resources, enabling it to become a strategic business partner that provides added value for Bank CIMB Niaga.

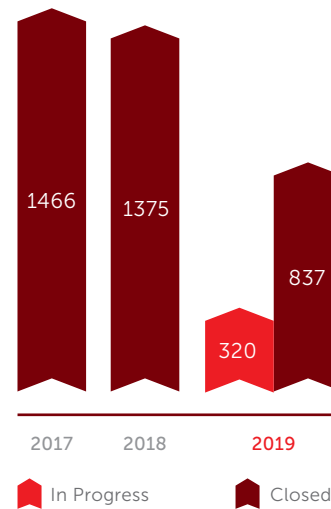
IA ACTIVITY REPORT IN 2019

During 2019, Bank CIMB Niaga's IA completed audit assignments in accordance with its audit plan. The 2019 audit activities is shown in the following diagram:



IA also continuously monitored the completion of management follow-up on audit recommendations. During 2019, IA provided 1,157 audit recommendations, of which 320 audit recommendations were in the process of being completed and all audit recommendations were followed up in a timely manner.

Audit Recommendation



In addition to the regular audit assignments, IA also carried out a number of activities as follows:

1. Reviewed the implementation of Anti Money Laundering (AML) and Counterfeit Transaction (CFT) practices in every business line and business support
2. Continued IA's role in providing consultative reviews to business units and business support
3. Conducted internal Quality Assurance & Improvement program (QAIP) reviews for the CIMB Niaga IA and the CIMB Niaga Auto Finance subsidiary IA, as a member of the CIMB Indonesia Financial Conglomerate
4. Continued to improve cooperation with every business unit and business support to improve the Bank's performance through Good Governance, Risk Management and Internal Control, through the role of IA as a trusted business partner.
5. Continued to review the IA policies and procedures to ensure they are updated and in accordance with the applicable standards.

KEY INITIATIVES IN 2019

To support IA's objective to become a World Class Internal Audit and a Trusted Business Partner, IA implemented several new initiatives as well as continued the existing initiatives.

1. Implemented Deepening Data Analytics

IA is continuously making improvements and developing Data Analytics (DA). These improvements and the development is in line with the 4.0 industrial revolution that is dominated by developing digital devices that can develop themselves to act as individuals "3D (Digital, Data, Disruption) Ready". Data Analytics continues to improve the auditors' skills and knowledge by sending its auditors to training programs covering SQL Server, ACL, Tableau, Python / R, and Data Science & Machine Learning training. Also, management is supporting the Data Analytics development through investments in Hardware & Software. This increased from Rp227 million with the purchase of a RAM Server, DAS Server

and Tablue creator to Rp 735 million for additional Storage, vCPU, SQL Server and Win Server.

The Data Analytics development also includes periodic reviews of existing alerts / scenarios so auditors become more effective in early detection of deviations, and any indications of deviations that may have occurred so they can be immediately corrected. The Data Analytics improvements and developments carried out were in line with IA's development, and the business and bank operations growth. The periodic studies' results showed that the number of parameters generated by Data Analytics had increased by 21% from 191 parameters in 2018 to 231 parameters in 2019 as follows:

No	Type of Alert	Parameter of 2018	Parameter of 2019
1	CIF	11	17
2	Deposit	89	81
3	Credit & Collateral	65	81
4	Credit Card	12	16
5	Forex	2	2
6	Fraud Detection	12	34
Total		191	231

During 2019, IA reported to management the operational errors that could impact the profit and loss, and also prevented losses through their early identification of errors.

2. Visualization

IA continues to develop its data analytics visualization results, with the objective of presenting clear, structured, and easily understood Data analytics results to the stakeholders. Data visualization can illustrate the relationships or patterns of existing variables/parameters. Visualization helps facilitate management in making effective decisions regarding issues that require immediate follow up..

3. Thematic Audit

IA continued implementation of audits using a thematic approach, which provided an audit focus on certain areas/ processes/products. By conducting Thematic Audits, auditors are able to identify the root causes and provide comprehensive and effective recommendations that can be implemented bankwide. During 2019, IA conducted 5 (five) Thematic Audits, including Thematic Cash audits, Security Items & Clean Desks (Q1, Q2, & Q4), Management of Archives and the Branch Selling Process.

4. Guest Auditor Program

IA continued the Guest Auditor program by inviting Business Units/Support Units (BU/SU) to be involved in audits as a guest auditor with the aim of facilitating sharing best practices, providing guest auditors with an understanding of the audit processes, and the control framework, which can later be used and implemented in their respective business/support units, and provided the guest auditors an understanding of the importance of the auditor's work in assisting the management to achieve the Bank's goals and strategies.

During 2019, 10 audit assignments were conducted involving 26 guest auditors from the Branch Operation Support Managers (BOSM), Sub Branch Managers (SBM) and Risk Control Units (RCU). IA also provided training for 35 guest auditors.

5. Business Monitoring

Business Monitoring is a non-audit activity implemented by IA to establish continuous communication with Management. This activity is carried out routinely, and is not part of the audit assignment.

Business Monitoring provides benefits to both parties, IA and management, and includes the following:

- Develop strong cooperative relationships with business / support units
- Promotes a deeper understanding regarding the business and operational activities of the business / support units
- Obtains the latest information related to changes in business strategies, processes, risks and controls
- Facilitates sharing key audit issues and changes in audit methods
- Facilitates networking between auditors and the business / support unit Heads

During 2019, IA conducted 184 meetings with management.

6. Joint Audit

IA continued its joint audits with the CIMB Group Malaysian IA, by sending auditors to conduct joint audits at CIMB Bank Malaysia, including audit assignments for Retail Enterprise Distribution, Business Finance Advisory and Financial Standards, Investment Banking and Consumer Contact Centers. CIMB Bank Malaysia auditors were also involved in the Secure Collection audit at CIMB Niaga.

Joint Audits are conducted to improve benchmarking and sharing knowledge of current and best audit practices (best practices) to broaden the auditors' insight. The joint audits were approved by the OJK.

7. Attachment Program

The Attachment Program is a new program implemented in semester II-2019, where auditors are assigned to roles (attachment / on the job) in the business / support / operation units, so they can increase their understanding of business processes including risks and controls carried out.

As a pilot project, two auditors were assigned to Teller and Customer Service where both received training for two weeks followed by on the job training (attachment) for two weeks at the branch.

Benefits of program attachment include:

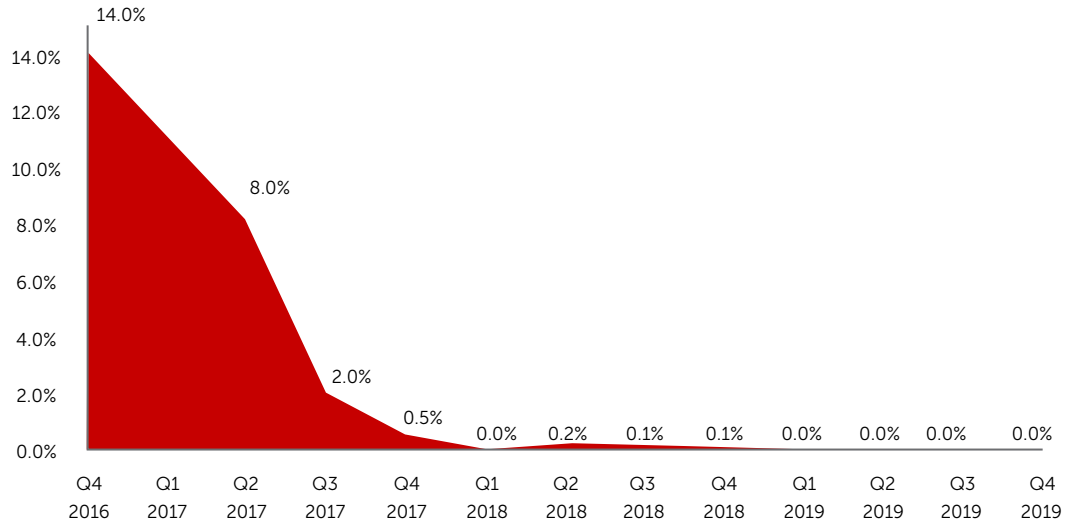
- Increasing the auditor's understanding of business processes, risks and controls in the related units.
- Increasing the auditor's understanding of the job including the challenges in carrying out the work
- Providing input to management for improving control, control and efficiencies, as well as work and business effectiveness.

8. Demerit Audit Rating

Since 2017, IA developed the Demerit framework from the audit results of management performance assessments. The process of Demerits aims to increase awareness in all parties at Bank CIMB Niaga to collectively improve Internal Control, enabling the Bank's objectives to be achieved. The Demerit Audit is measured using 2 parameters, including the Audit Rating, and the level of timely completion of audit recommendations (Late Remediation Rate).

Since the implementation of Demerit Audits, the Late Remediation Rate has improved, with a decrease from 15% (in 2016), 0.5% (in 2017), 0.1% (in 2018), and 0% in 2019. These ratio decreases indicate the significant improvements being made in the control environment and the timeliness of completing audit recommendations.

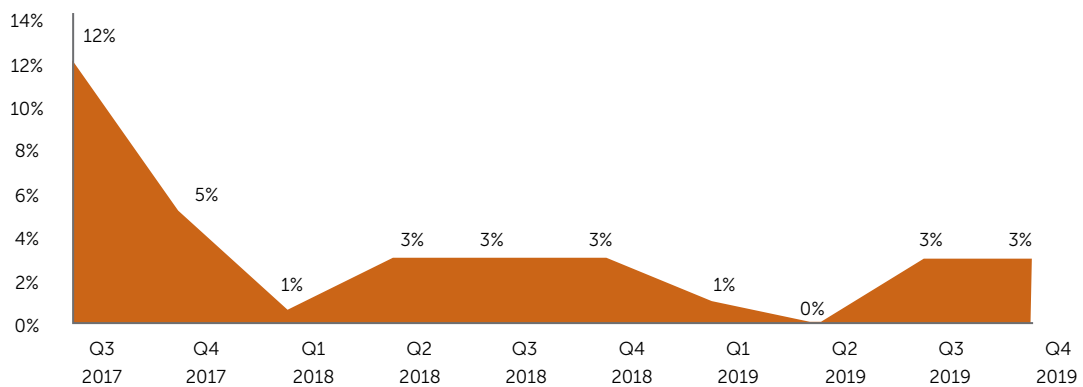
Late Remediation Rate



9. High Risk Validation

IA continued to validate high-risk validation findings, to ensure that all audit recommendations have been followed up in a timely and sustainable manner, and to ensure audit findings are not repeated in the future. If in event of repetition of findings in the validation process, the recommendations will be "re-opened" and management must follow up on the "re-opened" findings. From the validation results in 2019, the sustainability ratio of audit remediation showed a stable trend at 3% in 2018 and 2019.

Re-Open Rate



10. Competency Framework dan Learning Journey

As a form of commitment to improving the auditors' quality, IA carries out thorough studies of the competency models to test their suitability against the organization's development, and the profession, including alignment with the Bank's core competencies, and also plans learning journeys for the auditors. Through these competency models and learning journeys, IA can arrange structured and directed auditor development programs, to create qualified auditors capable of carrying out their duties and responsibilities properly.

IA PERFORMANCE ASSESSMENT

IA's performance assessment is conducted through questionnaires to the auditee following the audit and Audit Committee's evaluation. The questionnaire cover several assessment aspects, namely audit management, audit implementation and delivery of audit results. IA's performance assessment by the Audit Committee covers other aspects, namely quality of audit reports, presentation skills and IA's performance.

IA's performance assessment evaluation scores range from 1 (far below expectations) to 5 (far above expectations). In 2019, IA received a score of 4.26 (score 5 - far above expectations) from the auditees and a score of 4.09 (score 5 - far above expectations) from the Audit Committee.

IA will continue to improve its processes, methods, tools and also the staff's quality and skills in order to become a trusted business partner providing added value to Bank CIMB Niaga.

WORK PLAN FOR 2020

Moving forward, IA will continue to improve auditors' competencies, develop methodologies, and optimize audit tools and their use. Competency improvement is required to fulfil the established work plan.

In 2020, IA's work plan includes the following strategic priorities:

1. Optimizing the role of data analytics and visualization to support the entire audit and continuous auditing process.
2. Continuing to implement layered audits when auditing Bank CIMB Niaga branches, through portfolio audits conducted with data analytics, area audits, and thematic audits on several processes and products, both in credit and operational activities, and surprise audits, so that the coverage branch audits will increase.
3. Conducting a review on the implementation of AML (Anti Money Laundering) and CFT (Counterfeit Transaction) practices in each line of business and business support.
4. Performing pre and post implementation reviews of E-Banking Projects, for new projects and upgrading projects
5. Conducting a cyber security review
6. Conducting an attachment program, where auditors are assigned to roles (attachment / on the job) in the business / support / operation units, so the auditors can gain a better understanding of business processes including the associated risks and controls.
7. Continuing the guest auditor program initiative by inviting staff from business and business support units as guest auditors on audit assignments so they can gain the sharing knowledge and experience in business development and implementing controls.
8. Continuing to carry out business monitoring so that IA always keeps abreast of developments and changes in business, processes and issues faced by management, and be able to align the audit focus with any changes and developments.
9. Continuing IA's role in providing consultative reviews to business and business support units.
10. Implementing Quality Assurance Reviewa by independent external parties
11. Continuing to improve cooperation with all business and business support units to improve the Bank's performance through good governance, risk management and internal control, carried out by IA's role as a Business Partner.
12. Continuing to review the policies and procedures applied in IA so that they remain up to date and in accordance with applicable professional standards.
13. Continuing to improve auditors' competencies to be able to deliver added value to business and business support units.

COMPLIANCE UNIT

The CIMB Niaga Compliance Unit carries out a compliance function as one of the key factors to improve the implementation of Corporate Governance. The Bank has a Director who oversees the compliance function and forms a compliance work unit that is independent and free from the influence of other work units as well as having direct access to the Compliance Director.

The role and function of the Compliance Unit in the Company is one of the Bank's preventive measures in reducing potential compliance risks in the Bank's business activities by ensuring that policies, regulations, systems and procedures, as well as business activities carried out by the Bank are in accordance with the provisions of the Otoritas Jasa Keuangan and the provisions of the legislation.

LEGAL BASIS

POJK and SEOJK related to the GCG Implementation for Commercial Bank, Integrated Governance, Soundness Rating Assessment, and Implementation of Compliance Function for Commercial Bank.

MECHANISM OF APPOINTMENT AND DISMISSAL OF HEAD OF COMPLIANCE MANAGEMENT

The Head of Compliance Management is appointed and dismissed based on the Directors' decision and has been reported to the OJK.

PROFILE OF HEAD OF COMPLIANCE MANAGEMENT



Liston Siahaan
Head of Compliance Management

Age	51
Nationality	Indonesian
Domicile	Jakarta
Legal Basis for Appointment	SK No.253/HRPA/HRS/XI/2013 dated 1 November 2013

Education	<ul style="list-style-type: none"> Bachelor's degree from Institut Teknologi Bandung (1992) Master of Management from Prasetya Mulya Business School (1996)
Work Experiences	<ul style="list-style-type: none"> Head of Risk Management Group Division at Bank Niaga The Indonesian Bank Restructuring Agency (BPPN) PT Pelindo

Training of Head of Compliance in 2019

No.	Training/Workshop/Conference/Seminar	Organizer	Date and Place
1.	Discussion on Commercial Bank Asset Quality Assessment Arrangements and Discussion on the Establishment of Non-Performing Loan Market in Indonesia dated 16 January 2019	OJK	16 January 2019 Jakarta, Indonesia
2.	Business Learning Session/Tools Virtualiasi Table	CIMB Niaga	21 January 2019 Jakarta, Indonesia
3.	Discussion on Monetary Operation Evaluation 2018, Monetary Operations Strategy 2019 and Bank Indonesia Current Policy	Bank Indonesia	23 January 2019 Jakarta, Indonesia
4.	Risk Management Certification Refreshment Program	CIMB Niaga	8 March 2019 Jakarta, Indonesia
5.	Robotics Process Automation (RPA) Awareness Session	CIMB Niaga	26 March 2019 Jakarta, Indonesia
6.	Treasury & Capital Market Code of Conduct	CIMB Niaga	09 April 09 2019 Jakarta, Indonesia

No.	Training/Workshop/Conference/Seminar	Organizer	Date and Place
7.	Sustainability Finance Training Program	LPPI	02 May 2019 Jakarta, Indonesia
8.	Professional Ethics Workshop	OJK	03 May 2019 Jakarta, Indonesia
9.	IT Project 2020 Prioritization Workshop	CIMB Niaga	24 June 2019 Jakarta, Indonesia
10.	IFRS 9 Implementation – CIMB Group Malaysia Experience	OJK	28 June 2019 Jakarta, Indonesia
11.	Become a guest speaker in the socialization of the Export Mechanism and the latest regulations related to Foreign Exchange Exports of Natural Resources with customers	CIMB Niaga	24 July 2019 Jakarta, Indonesia
12.	As Speaker at SESPIBANK Batch 71, Material: Compliance & Management Control	LPPI	21 Augusts 2019 Jakarta, Indonesia
13.	Refreshment on Islamic Banking Compliance	CIMB Niaga	23 August 2019 Jakarta, Indonesia
14.	Transformation Leadership Journey - Innovators Transformation Lab Cohort	CIMB Niaga	15 – 16 October 2019 Jakarta, Indonesia
15.	BLS: Project OBOX & Expired SOP Credit & Update on Digital Banking & Block Leave 2019 & Data Governance Handling Management in MSME & Common Audit Finding & Gartner Website & POJK 23-2019	CIMB Niaga	21 October 2019 Jakarta, Indonesia
16.	Evaluation of Bank Indonesia Policy Communications in Macprudential Sector	Bank Indonesia	30 October 2019 Jakarta, Indonesia
17.	Agile Training for IC Leader	CIMB Niaga	6 December 6 2019 Jakarta, Indonesia
18.	Master Class - Innovators Transformation Lab Cohort #2	CIMB Niaga	10 December 2019 J akarta, Indonesia

COMPLIANCE PRINCIPLE

OJK Regulations No.46/POJK.03/2017 dated 12 July 2017 concerning Implementation of Compliance Function for Commercial Banks, explained the need for the implementation of the compliance function for the Bank, given the increasingly complex business activities of banks in line with the development of information technology, globalization and the integration of financial markets today.

The Compliance Function serves as one of the key factors in the implementation of Governance and CIMB Niaga is committed to complying with the laws and regulations, through its compliance risk management based on the following compliance principles:

1. Compliance starts at the top;
2. Compliance is the responsibility of all parties;
3. Compliance is conducted to comply with laws and regulations;
4. Compliance is implemented with competence and integrity in accordance with its responsibility;
5. Oriented to stakeholders;
6. Dedicated to the Bank; and
7. Oriented to problem solving.

COMPLIANCE FUNCTION IN THE BANK

As stipulated in the Otoritas Jasa Keuangan Regulation No. 46/POJK.03/2017 dated 12 July 2017, Section II Article 3 also briefly stated about compliance function in the Bank which includes actions for:

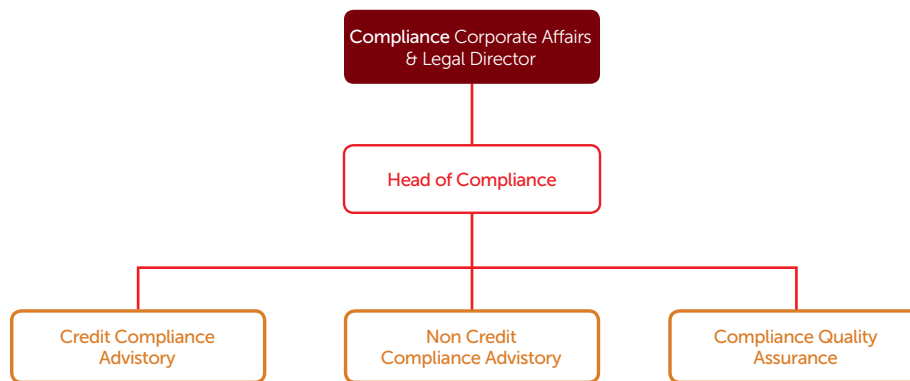
1. Realizing the implementation of compliance culture at all levels of the Bank's organization and business activities;
2. Managing compliance risks faced by the Bank;
3. Ensuring that the policies, provisions, systems and procedures as well as activities carried out by the Bank are in accordance with the provisions of the Otoritas Jasa Keuangan and laws and legislation, including Sharia Principles for Sharia Banks and Sharia Business Units; and
4. Ensuring the Bank's compliance with commitments made by the Bank to the Otoritas Jasa Keuangan and/or other authorized supervisory authorities..

DUTIES AND RESPONSIBILITIES OF COMPLIANCE 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 Compliance Risk in accordance with the requirements for Risk Management implementation in Commercial Bank and Sharia Business Unit (UUS).
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 Unit also reviews compliance aspects in the other working 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 UUS.
6. Acting as the Bank 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 the 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.

ORGANIZATIONAL STRUCTURE OF COMPLIANCE UNIT



HUMAN RESOURCES AND PROFESSIONAL CERTIFICATION

As of December 2019, there were 29 Compliance Unit employees including the Head of Compliance Management.

In 2019, the number of Bank employees who had obtained Compliance certification was 28 people, of which 25 people were employees of the Compliance Unit and 3 people from RCU.

COMPLIANCE UNIT WORK PLAN FOR 2019

1. **Programs and Activities in the Socialization Provisions**
 - Update the database of banking regulations and other related guidelines.
 - Socialize and hold training related to external regulations. The socialization and training activities to be conducted through face to face and other electronic communication media.
2. **Programs and Activities in Compliance Test Program**
 - Compliance Testing for new products/activity plans and new or changed policies/procedures.

- Advisory, including recommendations/opinions from the Compliance Unit in response to requests for advice from the other business/ working units related to compliance aspects.

3. Programs and Activities in Implementation Compliance Monitoring

- Improvements to the RCU framework and RCU competency through discussion and training.
- The RCU to submit self-assessment results concerning compliance implementation using RCSA/CM tool to Compliance Unit.
- Compliance Unit to review the RCSA/CM self-assessment report results
- Check the compliance implementation in the business/ working units.
- Monitor the follow-up of the Bank's commitment to the authorities.
- Monitoring compliance status at the bank.
- Implementation of compliance monitoring is also supported by the monitoring application (ReCoM) Regulatory Commitment Monitoring.

4. **Programs and Activities in the Compliance Status Report**
 - Measurement of compliance risk and compliance risk management analysis in the Bank Soundness Report.
 - Periodically reports the compliance to the Board of Directors, Board of Commissioners and authorized authorities.
5. **Integrated Compliance Activities**
 - Reporting Integrated Compliance over the implementation of compliance in the CIMB Indonesia financial conglomerate periodically to the Directors and Board of Commissioners of the Bank as the main entity.
 - Perform alignment framework for compliance with the Compliance Unit LJK member financial conglomerates CIMB Indonesia, to support the creation of a culture of compliance and minimize compliance risk exposure in each LJK.
6. **KPI related to Compliance in each Unit**
Prepare KPI results from the Directorate related to Compliance, prepare demerit results that occurred during 2019 and KPI RCU Head.

COMPLIANCE INDICATORS 2019

1. Minimum Capital Adequacy Ratio/CAR (for Credit Risk, Market Risk and Operational Risk) was 20.88%, meeting the regulatory minimum limit.
2. There was no breach/violation for Legal Lending Limit (LLL) requirements.
3. Net Non-Performing Loan (NPL) was 1.32%, meeting the regulatory maximum limit of 5%.
4. Minimum Rupiah Statutory Reserve for Daily and Daily + Average positions was 4.92% and 6.10%, respectively, meeting the regulatory minimum limit of 3% and 6%.
5. Minimum Foreign Exchange Statutory Reserve for Daily + Average was 8.12% and 8.08% meeting the regulatory minimum limit of 6% and 8%.
6. Liquidity Coverage Ratio (LCR) was 168.67%, meeting the regulatory minimum limit of 100%.
7. Net Stable Funding Ratio (NSFR) was 107.99%, meeting the regulatory minimum limit of 100%.
8. Net Open Position (on and off-balance sheet) was 3.64%, meeting the regulatory maximum limit of 20%.
9. The commitment to follow-up the regulator's audit results was completed .

(ratios are based on unaudited internal figures)

COMPLIANCE UNIT DUTIES IMPLEMENTATION IN 2019

1. **Training and Regulation Socialization (Compliance Awareness Program)**
Compliance Unit conducted regulations socialization through Compliance News, and also administered and updated the banking regulation database in the Bank's internal web-based system, and e-manual. Socialization was conducted using in-class training and electronic-based communication media. In addition to socializing the new regulations, Compliance Unit also conducted several other initiatives to enhance compliance awareness, including:
 - Held 10 RCU Leadership Forums & Training for RCU with the theme "Power Character and Emotional Quotient (EQ)"
 - Bi-Weekly Meeting Compliance Management
 - Basics of Compliance and Compliance Aspects in face-to-face training.
 - Prepare compliance learning modules that can be accessed through the LoG application
 - Included RCU Head in the Certification program.
2. **Compliance Testing and Advisory (Compliance Advisory)**
Compliance Unit conducted compliance testing on the internal policies and new products and/or activities in order to comply with the regulatory requirements. Compliance Unit provided opinions/advice to business units regarding the prudential principles and compliance with external regulations. Compliance Unit also conducted RCSA workshops that served as a self-assessment tool for business units in monitoring the effectiveness of Internal Controls in each business/working unit. In addition, Compliance Unit also conducted a Compliance Management Services Survey for internal and external parties.
3. **Developed the ReCoM System**
ReCoM stands for Regulatory Commitment Monitoring, a system application designed to record and monitor compliance commitments and the follow-up actions for reporting to regulators in all bank units (bank-wide). The ReCOM application consists of 4 modules, which are:
 - Regulatory Audit Follow Up Module to monitor compliance with regulatory audit commitments.
 - Regulatory Data Request Module to monitor compliance with requests from regulators.
 - New Regulation Follow Up Module to monitor follow-up compliance concerning new regulations.
 - Periodic Off-Line Report Module to monitor the completion of off-line periodic reports.

4. Compliance Monitoring

Compliance Unit monitored the implementation of compliance in business units through its own RCSA (Risk Control Self-Assessment) performed by each RCU/ DCORO (Risk Control Unit/Designated Compliance & Operational Risk Officer) as well as the results from other independent units (including the Internal Audit unit, and Risk Management unit) and the examination results from the regulator.

5. Compliance Reviews

Compliance Unit also conducted reviews of the compliance implementation (unit reviews, periodic reviews and thematic reviews) in business units. The reviews were conducted to verify whether the business units conducted the RCSA assessments, and whether there were any compliance issues in the business units. In addition, Compliance Unit conducted compliance reviews on the RCSA's own assessments in the business units, Compliance Unit reviewed the compliance in 36 business units throughout 2019.

In addition, Compliance Unit also conducted a joint review with Group Compliance at CIMB Bank Malaysia with the aim of compliance best practice benchmarking carried out on:

Joint Review to CIMB Group		
No	Review Assignment	Implementation date
1	Commercial and SME Recovery	18-22 November 2019
2	Treasury Operations	21-25 October 2019

6. Supervision by Regulators

The Compliance Unit is in charge of coordinating the regulator's audit activities at CIMB Niaga. During 2019, Compliance Unit has coordinated the audit activities of OJK Conventional Supervisors, OJK Sharia Supervisors, OJK Capital Market and Bank Indonesia. Based on the Bank's monitoring, the Bank's commitment to the results of the regulator's audit which is due has been followed up by the Bank in accordance with the target time of fulfillment, and there is no commitment to follow up the audit with an "overdue" status to the regulator.

7. Compliance Report

Compliance Unit submits compliance reports and compliance activities to internal parties and authorities in accordance with the regulations.

Compliance Activity	2019
Socialization of Regulations by Compliance Unit	90 (ninety) new regulations disseminated
(In-Class) Training by Compliance Unit	1.104 training participant (Induction dan Non-Induction)
LoG (e-Learning) Compliance Modules	2.237 participants
Compliance Testing by Compliance Unit	325 new policies/procedures, new products/activities (including PIR and activity changes) have been tested.

ANTI MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING (AML & CFT)

The implementation of the Anti Money Laundering and Counter-Terrorist Financing program or also known as the AML & CFT program is a program that is carried out continuously in order to fulfill obligations based on the provisions of:

1. The Law of Republic of Indonesia Concerning Prevention and Eradication of Criminal Acts of Money Laundering and Counter-Terrorist Financing.
2. POJK and SEOJK related to the Implementation of the APU-PPT Program and the Immediate Blocking Guidelines on the Customer Funds in the Financial Services Sector whose identity is listed in the List of Suspected Terrorists and Terrorist Organizations as well as the Register of Proliferation of Weapons of Mass Destruction.

MECHANISM OF APPOINTMENT AND DISMISSAL OF HEAD OF AML-CFT (HEAD OF ANTI MONEY LAUNDERING (AML))

The Head of AML is appointed and dismissed based on the Director's decree and has been reported to the OJK.

PROFILE & TRAINING OF HEAD OF AML



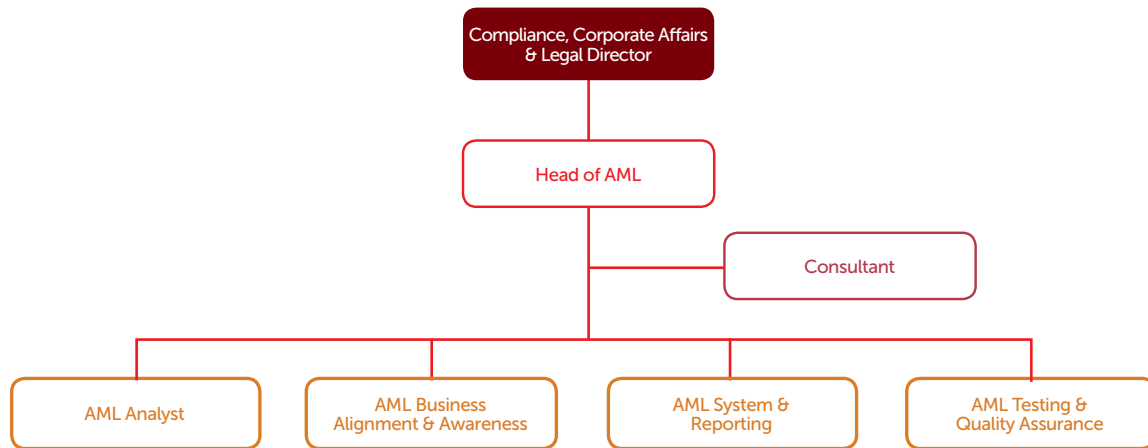
Entin Rostini
Head of Anti Money Laundering (AML)

Age	56
Nationality	Indonesian
Domicile	Jakarta
Legal Basis for Appointment	SK No. 00083/HROB/HR/III/2017
Education	<ul style="list-style-type: none"> • Bachelor of Economics degree majoring in Accounting from Universitas Padjadjaran, Bandung (1988) • Master's degree in Finance from Universitas Gadjah Mada, Yogyakarta (2005)
Work Experiences	<ul style="list-style-type: none"> • Senior Vice President – AML Head at Bank Danamon Indonesia (2009 – 2016) • Vice President – Head of Compliance at Chinatrust Bank Indonesia (2009 – 2009) • Assistant Vice President, Head of International Banking & Operation Compliance at BII (2007 – 2009) • Assistant Vice President, Head of BII Pension Fund at BII (2005 – 2009) • Assistant Vice President, Head Domestic Payment Center Central Processing Center at BII (2003 – 2006) • Senior Manager, Head of Treasury and Capital Market at BII (1998 – 2003) • Internal Audit at BII (1989 – 1998)
Organizational Membership	Compliance Director Communication Forum and Indonesian Banks Association (Perbanas) since 2009

Training of Head of AML in 2019

No.	Training/Workshop/Conference/Seminar	Organizer	Date and Place
1.	Agile Training for IC Leader	CIMB Niaga	6 December 2019, Jakarta, Indonesia
2.	Countering Proliferation of Weapons of Mass Destruction Workshop	United Nations Office on Drugs and Crime (UNODC)	4 – 8 November 2019, Semarang, Indonesia
3.	Transformation Leadership Journey - Innovators Transformation Lab Cohort #2	CIMB Niaga	16 October 2019, Jakarta, Indonesia
4.	Credit Forum - Introduce To FinTech : Risks and Opportunities	CIMB Niaga	3 October 2019, Jakarta, Indonesia
5.	Mandatory Training : IFRS 9/ PSAK 71 : Challenges for 2020 and Beyond	CIMB Niaga	11 September 2019, Jakarta, Indonesia
6.	FKDKP Seminar - The Role of Compliance Director in Addressing the Challenges of Digital Economy and Banking Readiness in Facing Mutual Evaluation Review (MER)	FKDKP	27 June 2019, Jakarta, Indonesia
7.	FKDKP Training "The Role of Banks in Maintaining Stability through Prevention of TPPU - TPPT & Fraud in the Banking Sector"	FKDKP	28 February 2019, Jakarta, Indonesia

ORGANIZATIONAL STRUCTURE OF AML UNIT



ROLES AND RESPONSIBILITIES OF AML UNIT

The AML Work Unit is a Special Work Unit that reports directly to the Compliance Director to implement the AML & CFT program at CIMB Niaga which has the following roles and responsibilities

1. Planning, developing the AML & CFT program implementation strategies to identify AML & CFT risks, measuring and managing the risks so that they can be properly mitigated.
2. Arrange the AML & CFT Bank Policies and Procedures in accordance with the prevailing laws and regulations as well as best practices that will guide employees in conducting business, banking operations
3. Prepare an information system that supports the AML & CFT program implementation in identifying customers, classifying customers according to the type of risk, monitoring transactions and ensuring the results of screening of the AML watchlist
4. Evaluate and maintain that all CIMB Niaga products, services and e-channel policies and procedures are not used as a medium for money laundering and for financing terrorism or proliferation.
5. Increase AML awareness in the first line of defense as the vanguard of the Bank's defense for AML and CFT implementation
6. Ensuring that the Bank responds and fulfills data and information from authorized institutions as regulated in the applicable laws and regulations relating to money laundering, terrorism financing and proliferation
7. Providing information services in the form of advice or recommendations to Business Units or Branch Offices related to AML & CFT
8. Reporting LTKM, LTKT, IFTI, SIPESAT and other report in accordance with applicable laws and regulations to regulators accurately and in a timely manner.
9. Monitoring the AML & CFT implementation at the Business Unit and Branch Office level through the Testing and Quality Assurance method for the Risk Control Self Assessment (RCSA) implementation as well as rating the Business Units and Branch Offices for future improvement.
10. Updating the information system that is used so that it is always in line with the latest technological developments, transactions, products, services and activities.

IMPLEMENTATION OF AML & CFT PROGRAMS IN 2019

The implementation of AML & CFT programs serves as a commitment of the Board of Directors and Board of Commissioners of CIMB Niaga to develop an adequate Risk Culture at all levels of the organization, and to prevent its products, services and e-channels from being used for money laundering and terrorism financing crimes. The AML and CFT programs refer to all prevailing laws and regulations, including the Money Laundering Criminal Act No. 8 2010, Law concerning the Prevention and Eradication of Terrorism Financing Law No. 9 of 2013, POJK No. 12 / POJK.01 / 2017 regarding Anti-Money Laundering & Counter Financing Terrorism which has been changed to POJK No.23.POJK.01/2019 and SEOJK No. 32/SEOJK.03/2017 regarding AML-CFT in Financial Services Sector and SEOJK No. 47 / SEOJK.04 / 2017 concerning the Implementation of Anti-Money Laundering and Prevention of Terrorism Funding Programs in the Capital Market Sector and based on international best practice.

In order to implement the AML & CFT Program requirements, the Bank has implemented 3 (three) lines of defence as follows:

1. **First Line of Defence**

First Line of Defence is implemented through Business Units/ Control Units/Bank Operation Units that conduct daily Bank activities at the front-line of the organization.

2. **Second Line of Defence**

Second Line of Defence is a monitoring function to ensure that the first line of defence has performed its function properly.

This function also prepares strategies and steps to be taken by, the system that will be used to strengthen the implementation of the AML-CFT program in the first defense line

3. **Third Line of Defence**

Third Line of Defence is a supervisory function of the implementation of the AML and CFT programs performed by the first and second lines of defence. This function is performed by internal auditors, external auditors and Board of Commissioners to ensure that first-line and second-line of defence are functioning effectively.

The implementation of the AML and CFT programs has been determined and monitored actively by CIMB Niaga's Board of Directors and Board of Commissioners as follows:

1. **Established a special organization with a AntiMoney Laundering (AML) Sub-Directorate to implement the AML & CFT programs**

In performing its functions, the AML Sub Directorate reports to the Compliance Director. Staff in AML Sub Directorate should have adequate banking knowledge and experience regarding risk assessment and mitigation related to the implementation of the AML and CFT programs. All staff followed compliance training and certification. The number of staff in the AML Sub-Directorate has increased 5 staff in 2019 from 23 staff to 28 staff. In addition, considering the large scale of the Bank, D'CORO and local AML teams are located at each Branch Office and business unit to ensure the implementation of AML and CFT in their respective area and they are responsible for accessing and monitoring customer transactions and the total number of AML local team members amounts to 5,334 employees.

2. **Risk-based AML and CFT policies and procedures in accordance with the Bank's business complexity including the following relevant provisions:**

a. Customer Due Diligence (CDD) in the context of Customer Identification and Customer Data Updates, including the method of classifying customer risk against potential money laundering and terrorism financing, identifying Beneficial Owners and screening

customer data against the Anti Money Laundering Watchlist (AML Screening) database. Realization of data updating in 2019 was 76,121 CIF (89.55%) out of 85,000 CIF.

- b. Risk Measurement for AML and CFT, which is performed by using Risk Based Approach (RBA) indicators/parameters, including Customer Risk Rating and Bank AML Risk Rating.
- c. AML and CFT Risk Control and Management conducted through the implementation of Customer Due Diligence (CDD) or Enhanced Due Diligence (EDD) processes to identify Customer profiles and analysis of the conformity of transactions with Customer/WIC profiles and dissemination of policies and procedures, training for all Bank employees, assessments of the AML and CFT implementation in Branch Offices through a 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 and CFT.
- e. Identification and assessment of money laundering and terrorism funding risk related to Bank products and services and the opening of e-channels.
- f. Identification and Reporting of Suspicious Financial Transactions (LTKM), Cash Financial Transactions (LTKT), Foreign Financial Transactions (LTKL) and Integrated Service User Systems (SIPESAT) to PPAK.
- g. Procedures for screening new employees and monitoring employee transactions as part of implementing the Know Your Employee (KYE) principles.
- h. Administration of CDD documents and other documents related to AML and CFT.
- i. Follow-up of results and reporting of AML and CFT risk exposures to senior management, committees, and regulators.
- j. Internal Control, including:
 - 1). Preparing processes and controls to serve as guidelines for business units to ensure compliance and understanding of the AML and CFT programs. Controls are disclosed in the AML and CFT policies and procedures (SOPs).
 - 2). Testing and QA processing to ensure that Branch Offices and Business Units have implemented AML and CFT in accordance with prevailing Policies and Procedures.

- 3). Assessing risk indicators based on risk considerations and appropriate methodology and documentation

3. Management Information System in the framework of implementing AML and CFT

For the purposes of monitoring Customer profiles and transactions, CIMB Niaga has an application system that can identify and determine the level of customer risk, analyse, monitor and provide reports concerning the characteristics of transactions made by customers, including identification of suspicious financial transactions. The application is capable of conducting comprehensive monitoring of all customer transactions at the Bank, including credit card, wealth management and custody products. The application is equipped with parameters and thresholds, which are continually evaluated in accordance with the development of the mode of money laundering and financing of terrorism. The application also has a function to perform a screening process for the watchlist and reporting of SFT, CFT and FFT. The Bank continuously makes improvements to the application by adding features to improve the system's effectiveness and efficiency.

4. Screening of watchlist

The Bank performs screenings on every customer account opening and new business relationship using the watchlist issued by the relevant authorities, and also the watchlists commonly adopted in international best practices (including the Office of Foreign Assets Control (OFAC) List, United Nations (UN) List, List of Suspected Terrorists and Terrorist Organizations (DTTOT), and Proliferation Lists, Politically Exposed Persons (PEP) List and adverse news. The Bank subscribes to the watchlist database from Thomson Reuters-World Check. The Bank also performs re-screening for all existing customers whenever there are renewals/ additions to the watchlist.

5. AML and CFT Risk Assessment

The Bank has developed a risk-based approach to assessing AML and CFT risk at the customer level (customer risk rating) and at the Bank-Wide level (Bank AML risk rating):

- a. **assessment of AML and CFT risk inherent in each customer and using indicators which includes the identity/profile of the customer, geographical/country and business factors, products/services/channels used by the customer and the type of business entity classified into Low, Medium and High-risk categories.**

CIMB Niaga's risk profile is as follows:

No	Customer Risk	Total	%
1	Low Risk	50	0.00%
2	Medium Risk	5,491,205	93.07%
3	High Risk	209,903	3.68%

- b. **Bank AML Risk Rating (BARR)**, yaitu pengukuran is the Bank-Wide AML and CFT risk assessment that is determined based on inherent risk indicators and the AML and CFT risk control levels of the bank. Based on our assessments, the Bank's overall AML and CFT Compliance Risk Profile at the end of 2nd half of 2019 was "Low-Moderate".

During 2019 an assessment was carried out on 95 branches and 10 business units by providing input to branches and business units for future improvement.

6. Internal Controls to evaluate the AML and CFT program adequacy and effectiveness

To ensure that the AML and CFT programs are implemented in accordance with the established policies, the Bank conducts Self-Assessments at the branch offices, through the Risk Self-Assessment method.

7. Compliance test and opinions given related to AML and CFT

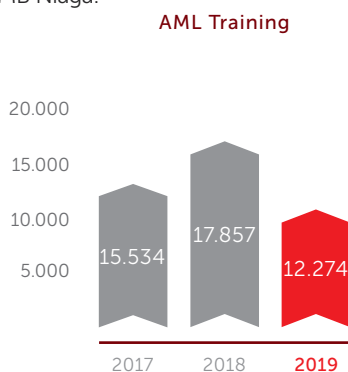
During 2019 the AML Sub-Directorate reviewed 279 policies, procedures, products/activities/channels to ensure compliance with all prevailing AML and CFT rules and regulations. In addition, the AML Sub-Directorate gave 2,245 (two thousand two hundred forty-five) opinions to business units and other units related to various questions and problems pertaining to the AML and CFT implementation.

8. AML and CFT training for employees

All employees on a regular basis must attend AML and CFT training. The training is conducted in the classroom or via e-learning.

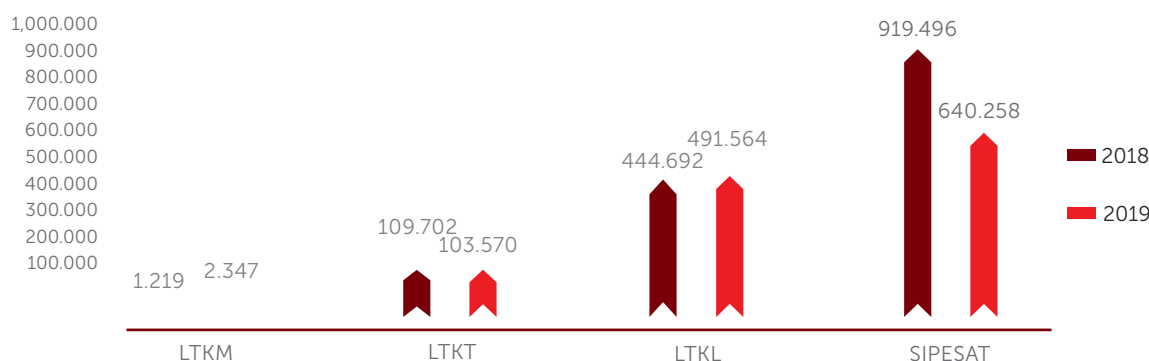
The number of employees participating in the AML and CFT training in 2019 totalled 12,274 employees, including online training through the Learning on the Go (LoG) application. In 2018, in collaboration with HR, LoG was launched using an application is accessible to employees.

AML and CFT training participants at CIMB Niaga:



9. Reporting and data submission to regulators/ legal authorities

Reporting to PPATK in the context of the AML and CFT implementation by the AML Sub-Directorate at the head office is as follows:



Agency	Total Data Request
PPATK/BNN/KPK	474
Investigation	24

10. Improvements Initiatives in 2019

To improve the AML and CFT implementation, projects and initiatives carried out in 2019 included:

- a. Improvements to the AML system currently being used to provide added value to the Bank's AML and CFT programs implementation
- b. Discussions on AML and CFT policies and SOPs to ensure alignment with all prevailing regulations at all times
- c. Alignment of AML and CFT policies and implementation with the CIMB Group
- d. Assessment process for the AML and CFT implementation at Business Units/Branch Offices and Subsidiaries with a higher risk.
- e. Establishment of methods for assessing AML & CFT risk and the corresponding risk mitigation evaluation process
- f. Updating customer data based on the risk type of the respective customer
- g. Learning on the Go update as a tool used by the Bank for providing training to all employees including training related to AML and CFT

PUBLIC ACCOUNTANT

The External Audit function, as an independent oversight of financial aspects, is conducted by CIMB Niaga through the execution of Financial Statement Audits by Public Accountants (PA) and Public Accounting Firms (PAF), to ensure that the financial information referred to is prepared and presented in a quality manner, form and expresses an opinion on the fairness of the Financial Statements.

Pursuant to POJK No. 13/POJK.03/2017 dated March 27, 2017 concerning Procedures for the Use of Public Accountant Services and Public Accountant Offices in Financial Services Activities, the auditors for the Bank's financial statements for the 2019 fiscal year were determined through the AGMS based on recommendations from the Board of Commissioners and the Audit Committee. The selection process followed the established procurement of goods and services mechanism to guarantee the independence and quality of the designated PA and PAF examination results.

APPOINTMENT OF PUBLIC ACCOUNTANT POLICY

Based on POJK No. 6/POJK.03/2015 concerning Transparency and Publication of Bank Reports, the CIMB Niaga Financial Statements for financial year 2019 were audited by an independent, competent, professional and objective Public Accountant in accordance with the Professional Standards of Public Accountants, work agreements and pre-determined audit scope also registered in the OJK.

The AGM on 15 April 2019 approved the reappointment of Angelique Dewi Daryanto, SE., CPA, and Tanudiredja, Wibisana, Rintis & Partners Public Accounting Firm (a member of PricewaterhouseCoopers Global in Indonesia) respectively as PA and PAF registered in OJK.

PERIOD OF SERVICE FOR PUBLIC ACCOUNTANT AND PUBLIC ACCOUNTING FIRM

Pursuant to POJK No.13/POJK.03/2017 dated 11 July 2017 concerning Procedures for the Use of Public Accountant Services and Public Accountant Offices in Financial Services Activities, the use of audit services on historical financial information from the same PA must be no longer than 3 (three) consecutive financial reporting years.

In 2019, Angelique Dewi Daryanto, SE., CPA dan KAP Tanudiredja, Wibisana, Rintis & Rekan (a member firm of

PricewaterhouseCoopers Global Network), were the PA and PAF who conducted audit of the Bank for the third and fifth period.

The appointment of Tanudiredja Public Accounting Firm, Wibisana, Rintis & Partners was approved by OJK through Letter No. S-124/PB.332/2016 dated 9 August 2016.

PUBLIC ACCOUNTANT'S AUDIT EFFECTIVENESS

Providing quality financial information forms part of the GCG principles application, as well as prevailing regulations and legislation, therefore audits of the Bank's Financial Statements conducted by independent parties, namely the PA and PAF, must be submitted to OJK.

To ensure the audit effectiveness, the Audit Committee evaluates the audits conducted by the appointed PA and / or the PAF, with the evaluation results being submitted to OJK..

SUPERVISION AND COMMUNICATION BETWEEN THE PUBLIC ACCOUNTANTS AND THE BANK

Throughout the audit process, the Bank is in continual communication with the PA to ensure the audit process is in accordance with the Professional Accountant Standards, the pre-determined audit scope, and is completed on time. To achieve this regular meetings are held to discuss any significant issues.

The selected PA must communicate the Bank's financial statements audit to the Audit Committee, and submit the audit plan together with the audit methodology and audit samples to be used in the Internal Audit.

The Audit Committee and Internal Audit will supervise to ensure the external audit process runs smoothly, complies with the applicable provisions, and also evaluates the audit process quality. The PA and/or PAF performance monitoring will be discussed with the Board of Directors through Audit Committee meetings, which are attended by Internal Audit and related Directors. The meetings will also discuss the PA and/or PAF audit findings follow-up, so that there is coordination in attaining comprehensive and optimal audit results.

NAMES, PERIODS AND FEES FOR PUBLIC ACCOUNTING FIRMS AND PUBLIC ACCOUNTANTS CONDUCTING ANNUAL FINANCIAL STATEMENTS AUDIT OF THE BANK FOR THE LAST 5 (FIVE) YEARS

Year	Public Accounting Firm	Accountant Name (Partner-in-charge)	PAF Period	PA Period	Fee (Rp)	PAF License
2019	KAP Tanudiredja, Wibisana, Rintis & Rekan	Angelique Dewi Daryanto, S.E., CPA			Rp13,938,500,000	
2018	KAP Tanudiredja, Wibisana, Rintis & Rekan	Angelique Dewi Daryanto, S.E., CPA		3	Rp15,037,000,000	
2017	KAP Tanudiredja, Wibisana, Rintis & Rekan	Angelique Dewi Daryanto, S.E., CPA	5		Rp8,299,494,000	KEP-241/KM.1/2015
2016	KAP Tanudiredja, Wibisana, Rintis & Rekan	Drs. Muhammad Jusuf Wibisana, M.Ec., CPA		2	Rp12,680,700,000	
2015	KAP Tanudiredja, Wibisana, Rintis & Rekan	Drs. Muhammad Jusuf Wibisana, M.Ec., CPA			USD 590,453	

The above audit fee for 2019 included the annual audit fee of Rp7,500,000,000, the CIMB Group IFRS9 reporting audit of Rp1,500,500,000, the issuance of Shelf-Registration Bonds and Shelf-Registration Subordinated Bonds audit of Rp4,238,000,000, and subsidiary company (CNAF) audit of Rp700,000,000.

OTHER NON-AUDIT SERVICES PROVIDED BY THE PUBLIC ACCOUNTING FIRM AND PUBLIC ACCOUNTANT OTHER THAN THE LAST FINANCIAL YEAR (2019) ANNUAL FINANCIAL STATEMENTS AUDIT SERVICES

In 2019, no fees were paid to the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan for non-audit services.

RISK MANAGEMENT

A sound, safe and good organisation is the result of the implementation of effective risk management system. Risk management system will guide the activities for the Bank's strategies and objectives, resulting in optimal returns, healthy and sustainable business growth, and maximize added value for shareholders.

Risk management system will support management in monitoring regulations and applicable laws, policies, plans, provisions and internal procedures. The risk management system can also reduce systemic risk that can both materially and immaterially harm the Bank.

IMPLEMENTATION OF RISK MANAGEMENT SYSTEM IN CIMB NIAGA

CIMB Niaga ensures has conducted well and strong risk management process and internal supervision to actualize health and sustainable business growth, as well as maximize added value for shareholders.

In performing the risk management processes, CIMB Niaga has adopted a proactive and forward-looking Enterprise Wide Risk Management (EWRM) framework to achieve optimal return. Within the EWRM framework, risks are managed in an integrated manner by aligning risk appetite with business strategies.

One of the key components of the EWRM framework is strong Bank management governance that serves to improve the four eyes principle mechanism and transparency in all risk management processes. In addition, the Bank has made risk management an integral part of the Bank's culture, operational activities and decision-making processes. At the operational level of daily risk management, the Bank has implemented three lines of defence concept that involves all levels within the organization including Board of Directors, senior management and all employees.

RISK MANAGEMENT UNIT

RISK MANAGEMENT ORGANIZATIONAL STRUCTURE

The Risk Management function in the Bank is conducted by the Risk Management Unit (RMU), which is led by the Risk Management Director.

The Bank's Risk Management Unit structure is further explained in the Risk Management Section in this Annual Report.

To ensure Bank has obtain an optimal risk adjusted return level, discussions regarding risk becomes important and fundamental in the business planning process, including the determination of risk appetite, risk posture and new products / activities, to ensure conformity between strategies, growth, operational plans, capital and risk. In this regard, the Bank optimizes the risk management function to support and influence business decisions related to pricing, resource allocation, and other business decisions. As such, Bank is expected to be able to maintain the trust of customers, shareholders and other stakeholders.

CIMB Niaga's EWRM risk management process includes risk identification processes considered significant in the Bank's business activities as well as the capital requirement level. Risk assessments and risk aggregation are performed using an established methodology, while the risk management and control is conducted continuously to evaluate and manage the risks, as well as to ensure that risk exposure is in line with the Bank's risk appetite.

EWRM implementation is an ongoing initiative and is supported by an adequate risk management infrastructure. This includes the risk management policies and procedures preparation and reviews that are appropriate to maintaining the risk level within established limits, as well as adequate human resources and technological. The implementation of EWRM is also supported by a Risk Management Unit that acts as an independent party from the risk-taking unit.

The process of risk identification and assessment as well as types of risk faced by the Bank are further explained in the Risk Management Section in this Annual Report

PROFILE OF RISK MANAGEMENT UNIT HEAD

Legal basis and mechanism of appointment and dismissal of the Head of Risk Management Unit held by Risk Management Director follows the appointment and dismissal as well as term of office of the Board of Directors as disclosed in the Board of Directors' report which is part of the Corporate Governance Report in this Annual Report.



Vera Handajani
Risk Management Director

A complete profile is available in the Board of Directors' Profiles



Koei Hwei Lien
Head of Retail Credit Risk Management

A complete profile is available in the Senior Executive's Profiles



Julyus Wiantara Tjhioe
Head of Operational Risk Management (ORM)

A complete profile can be seen in the Executive Officers' Profiles



Diva Mahdi
Market Risk Management & Model Validation Head

Indonesian citizen, 37 years old

Has served as Market Risk Management & Model Validation Head at CIMB Niaga since 2019. Previously, he served as Market Risk Management Head at CIMB Niaga (2013 – 2019), Market Risk Head at Bank OCBC NISP (2010 – 2013), and Trading Risk Head at Bank Danamon (2008 – 2010)



Yulius Setiawan
Head of Risk Analytics & Infrastructure

A complete profile is available in the Senior Executive's Profiles

He holds a Bachelor of Civil Engineering from Hogeschool 's-Hertogenbosch - The Netherlands (2003)



Wahdinie Musmar
Head of Credit Assurance Testing, Wholesale & Commercial Credit Policy

A complete profile is available in the Senior Executive's Profiles



Sandi Maruto
ALM Risk Management Head

Indonesian citizen, 40 years old

Has served as ALM Risk Management Risk Head at CIMB Niaga since 2015. Previously, he served as Country Head of Market & Liquidity Risk at Standard Chartered Bank Indonesia (2011 – 2015), and Wholesale Risk Analytics Head at Bank Danamon Indonesia (2008 – 2011)

He holds a Bachelor of Civil Engineering from Institut Teknologi Bandung (2003), and Master of Management from PPM School of Management (2016)

RISK MANAGEMENT UNIT DUTIES AND RESPONSIBILITIES

1. Monitor risk management strategy implementation recommended by the Risk Management Committee and approved by the Board of Directors.
2. Provide input to Board of Directors, among others, on developing Risk Management policies.
3. Monitor position or overall risk exposure (composite), for each risk type and each functional activity type.
4. Conduct stress testing to determine the impact of significant changes in external performance, liquidity and capital conditions.
5. Conduct periodic reviews of the Risk Management process.

6. Review proposed new activities and/or products proposed or developed by particular units. The assessments focuses primarily on the Bank's ability to conduct the new activities and/or products, including the systems and procedures used and their impact on overall risk exposure.
7. Provide recommendations related to the amount, or maximum risk exposure that the company can have to the RTU and to the Risk Management Committee, in accordance with their authority.
8. Evaluate model accuracy and validity of the data used to measure risk where the company uses the model for internal purposes.
9. Prepare and submit risk profile reports to the Board of Directors, Risk Management Committee and Sharia Supervisory Board (for SBU Risk Profiles) periodically or at least quarterly.
10. Monitor of risk management policies implementation including developing procedures for identifying, measuring, monitoring and controlling risk methods.
11. Review propos new strategic business lines and may have a significant effect on the Financial Conglomerate risk exposure.
12. Conduct duties as an Integrated Risk Management Unit in order to implement the Integrated Risk Management.
13. Provide input to the Integrated Risk Management Committee, in the framework of developing and refining the Integrated Risk Management Policy.
14. Prepare and submit Integrated Risk Profile reports periodically to the Integrated Risk Management Committee.
15. Provide information to Integrated Risk Management Committee on matters that need to be followed up related to the Integrated Risk Management evaluation results

COMPETENCY DEVELOPMENT PROGRAM AND PROFESSIONAL CERTIFICATION FOR THE RISK MANAGEMENT UNIT MEMBERS

In 2019, the Risk Management Unit (RMU) comprised 137 employees.

To support the RMU competency development, during 2019, the RMU head and staff participated in training programs including:

No	Training/Workshop/Conference/Seminar	Organizer	Location	Date
1	Future Data Scientist Programme : Level 1	CAD'S	Bogor, Indonesia	14 January 2019
2	Risk Management Certification Program Level 1	RDS	Jakarta, Indonesia	24 January 2019
3	Risk Management Certification Refreshment Program	Banker Association For Risk Management (BARA)	Jakarta, Indonesia	January, March and April, July and December 2019
4	Financial Statement Analysis	MARKSHARE TRAINING	Jakarta, Indonesia	5 February 2019
5	Center of Data Science [CADs] Level 2	CAD'S	Kuala Lumpur, Malaysia	25 March 2019
6	PSAK71 Impairment Deep Dive in Risk Management perspective	BARA	Jakarta & Bali, Indonesia	28 March & 27 June 2019
7	Business Intelligence	CIMB GROUP	Jakarta, Indonesia	8 April 2019
8	Sustainability Finance Training Program	Indonesia's Banking Development Institute (LPPi)	Tangerang, Indonesia	10 April & 2 May 2019
9	Audit Command Language (ACL System)	BINA ANALITIK RADHIKA	Tangerang, Indonesia	13 May 2019
10	Sertifikasi Basic Syariah Banking	KARIM CONSULTING INDONESIA	Jakarta, Indonesia	15 May 2019
11	Center of Data Science [CADs] Level 2	CAD'S	Kuala Lumpur	27 May 2019
12	Business Learning Session : Tableau Discovery Workshop	CIMB Niaga	Jakarta, Indonesia	26 June 2019
13	Digital Leadership Series	Bayu Adi Persada & Hiro Wardhana	Jakarta, Indonesia	11 July & 10 October 2019
14	Sustainability Finance Training Program	FABA	Jakarta, Indonesia	6 August 2019

No	Training/Workshop/Conference/Seminar	Organizer	Location	Date
15	Project Transformation Leadership	Deloitte	Jakarta, Indonesia	18 September 2019
16	Center of Data Science [CADs] Level 3	CAD'S	Bogor, Indonesia	30 September 2019
17	Lunch n Learn : Interest Rate Risk in Banking Book	FIS ADVISORY	Jakarta, Indonesia	23 Oktober 2019
18	Certified Financial Planner	YSPKI	Jakarta, Indonesia	3 November 2019
19	Risk Management Certification Program Level 2	RDS	Jakarta, Indonesia	28 November 2019
20	3D Series (201, 301, Online) : 3D - Internet of Things	David Hermawan	Jakarta, Indonesia	9 November 2019
21	Risk Control Unit (RCU) /Designated Compliance and Operational Risk Officer (DCORO) Forum 2019, with topics as follows: <ul style="list-style-type: none"> Operational Risk Management Tools Update on ORM Framework SCAP P & P Data Classification & Labeling AML Risk Rating 	CIMB Niaga	Jakarta, Indonesia	Monthly

RISK MANAGEMENT CERTIFICATION

Total number of Bank employees who have obtained risk management certification is presented in the table below:

Level	Employees Mandatory RMC*	Certified	%	Total Employees RMC Certified **	%
1	1,377	1,331	97%	3,223	234%
2	452	443	98%	778	172%
3	241	238	99%	289	120%
4	64	61	95%	64	100%
5	10	10	100%	10	100%
Total	2,144	2,083	97%	4,364	204%

*) Number of employees mandatory have certification

**) Total number of mandatory or non-mandatory employees who have received certification

BOARD OF DIRECTORS' PERFORMANCE ASSESSMENT OF THE RISK MANAGEMENT UNIT

CIMB Niaga continuously reviews the effectiveness of the RMU performance. The RMU performance assessment can be viewed through others indicators such as asset quality and losses on operational risks. Although the Bank still experienced challenges in 2019, overall asset quality indicators improved. The Bank's losses from Operational Risk in 2019 were still within the Bank's established risk appetite. In addition, the bank successfully completed risk infrastructures to support the bank's future healthier business growth.

RISK MANAGEMENT

For risk management, CIMB Niaga applies a Proactive and forward-looking Enterprise Wide Risk Management (EWRM) framework. This EWRM framework refers to and is in line with the scope of risk management determined by the Regulator and includes: (i) Active Supervision of the Board of Commissioners and Board of Directors; (ii) Adequacy of Policies, Procedures and Limits; (iii) Adequacy of Risk Identification, Measurement, Monitoring and Control Processes and the Risk Management Information System; and (iv) comprehensive Internal Control System. Risk management begins with the risk identification stage to determine the material risks for products and activities so that the Bank can determine the risk levels faced. Then, the Bank determines which risks will be taken, avoided, transferred or managed by considering the risk impact and the cost and benefits of the Bank's products or activities.

Part of CIMB Niaga's risk management ensures there is a reporting and review process of the Bank's risk management system effectiveness. In addition, the Bank always implements risk management processes based on the prudential principle and risk culture, risk management infrastructure and good corporate governance.

More detailed discussions on the risk management efforts can be found in the Risk Management Report Section of this Annual Report.

RISK MANAGEMENT SYSTEM EFFECTIVENESS STUDY RESULT

The Bank's risk management process is evaluated by the Risk Management Committee (RMC), which is responsible for overall risk management framework implementation. This committee is chaired by the President Director and comprises the entire Board of Directors and several executive officers.

In the RMC meetings, in addition to a comprehensive discussion on the risk exposure report every month, they also discuss other specific matters such as the risk appetite monitoring dashboard, a traffic light system related to the Bank's risk taking activities, the application of the Internal Capital Adequacy Assessment Process (ICAAP) to assess the Bank's capital adequacy associated with the risk level, approval of policies and procedures, implementation of integrated risk management, approval of risk limits and approval of the models and methodologies used in the risk measurement process.

As well as the RMC, there are several other Executive Committee related to risk management who discuss certain risks in greater depth such as the Asset Liability Committee (ALCO), Operational Risk Committee (ORC), Credit Policy Committee (CPC) and IT Steering Committee (ITSC).

In 2019, CIMB Niaga's evaluation on risk management process has been effective. All decisions made by these committees were well documented. In addition, the Board of Commissioners, through the RCC, also evaluated the risk management strategies. There were many risk management matters sent to the Board of Commissioners for their approval, including: risk management policies, Risk Appetite Statement, and risk levels that could have been taken by the business units themselves.

INTERNAL CONTROL SYSTEM

Internal Control is a continuous supervisory mechanism on going basis by the Bank's management with the quality of design and implementation is influenced by the Board of Commissioners, the Board of Directors and all Bank officials and employees, designed to be able to provide adequate confidence in safeguarding and securing Bank assets, ensuring the availability of accurate reports, increasing compliance with applicable regulations, minimize the risk of losses, irregularities include fraud and violations of prudential aspects, as well as increasing organizational effectiveness and increasing cost efficiency.

LEGAL BASIS

CIMB Niaga's Internal Control System has been established based on OJK Circular No. 35/SEOJK.03/2017 regarding the Guidelines for Internal Control Standards in Commercial Banks. The main objectives of the Internal Control System, in addition to efforts to support the Bank's vision and mission achievement, are to increase value for the stakeholders, minimize the risk of losses, and to maintain compliance with the applicable laws and regulations. CIMB Niaga's Internal Control System is an important monitoring component in the management of the Bank and has become a reference for a sound and controlled Banking operations.

IMPLEMENTATION OF INTERNAL, FINANCIAL, AND OPERATIONAL CONTROL SYSTEM AND CONFORMITY WITH COSO – INTERNAL CONTROL FRAMEWORK

The implementation of the Bank's Internal Control System refers to COSO (Committee of the Sponsoring Organizations of the Treadway Commission) – the Internal Control Integrated Framework for developing an Internal Control Framework that

ensures the adequacy of operational and financial controls, financial reporting, operational effectiveness and efficiency, as well as compliance with the prevailing laws and regulations.

The Bank's Internal Control has been established based on two aspects, namely operational control and financial control. Internal Control over the Bank's operational and financial reporting is conducted with reference to the international COSO – Internal Control Integrated Framework guidelines. In COSO, it states that Internal Control is a system or process performed by the Board of Commissioners, Board of Directors, Management and employees within the company, to provide adequate assurance for the achievement of control objectives.

COSO – Internal Control Framework, consists of 5 (five) control components, which are:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

During 2019, CIMB Niaga implemented the following Internal Control System that refers to COSO:

Internal Control Component based on COSO	Implementation of Internal Control System in CIMB Niaga
<p>Control environment</p> <p>Control Environment is the basis of all components of internal control. Control environment factors include integrity, ethical values, and competence of people and entities, management philosophy and management style, the way management gives authority and responsibility and organizes and develops the people, attention and direction given by the Commissioners.</p>	<p>The Board of Commissioners, through the Committees that have been established periodically, conducts an assessment of the control environment and conducts an independent evaluation which communicated to the Board of Directors for further action.</p>
<p>Risk Assessment</p> <p>That is a mechanism designed to identify, analyze, and manage risks associated with the various activities in which the organization operates.</p>	<p>The Board of Directors has established procedures to anticipate, identify, and respond to events and constraints that may affect the achievement of the objectives. The Board of Commissioners, through the Risk Oversight Committee, ensures that the Board of Directors has performed sound Risk Management.</p>

Internal Control Component based on COSO	Implementation of Internal Control System in CIMB Niaga
<p>Control Activities</p> <p>The implementation of policies and procedures set by management to help ensure that objectives can be achieved</p>	<p>Policies and procedures for key business units and support units have been developed and approved by the Board of Directors, and are periodically reviewed and updated by the Risk Management Unit. The Compliance Unit is responsible for disseminating the prevailing banking regulations, conducting compliance tests on new internal policies and proposals regarding new products or activities, implementing Anti Money Laundering (AML) and Terrorism Financing Prevention (TFP) programs, as well as monitoring the compliance through designated officers at other business units that have been verified by an Independent Work Unit as the 2nd and 3rd Line of Defence. The Compliance Unit submits periodic compliance reports to the Board of Commissioners, Board of Directors, and regulators.</p> <p>Bank Officers regularly review the existence and effectiveness of the controls, perform adequate duties segregation, conduct routine data accuracy verification, as well as maintain and test emergency response plans</p>
<p>Information and Communication</p> <p>System that allows people or entities, obtain and share information needed to carry out, manage and control its operations.</p>	<p>The Bank has established procedures for data collection and Information Technology to generate reports on business activities, financial conditions, and risk management and compliance implementation to support the Board of Directors and Board of Commissioners duties.</p>
<p>Monitoring</p> <p>Monitoring the implementation of internal control system must be monitored to ensure the system is running well.</p>	<p>The Board of Directors, Bank's Officers and Internal Audit continuously monitor the effectiveness of the overall Internal Control implementation. Monitoring of major risks has been prioritized and serves as a part of daily activities, including regular evaluations. The Bank's Board of Directors and Officers are committed to and have performed follow-ups of the monitoring results and the Internal Audit recommendations.</p>

Within the framework of the Internal Control System, CIMB Niaga uses the Three Lines of Defence concept, the most recent control strategy under the COSO - Internal Control Framework monitoring system, as disclosed in the Risk Management section of this Annual Report.

STATEMENT OF INTERNAL CONTROL ADEQUACY

The Internal Control System is a process carried out by the Bank's Board of Directors and all Officers who provide direction, guidance, and supervision to the Executive Committees, Internal Audit, and all employees. The Board of Directors and the Board of Commissioners are committed to ensuring that Good Corporate Governance is well implemented as the basis for achieving the goal of maintaining and increasing the value of the Bank. One of the elements of Good Corporate Governance is to ensure that the Internal Control System has been implemented adequately. The Board of Directors is responsible for implementing a sound Internal Control System to achieve the Bank's objectives.

The Board of Commissioners, assisted by the Audit Committee, is responsible for oversight to ensure the overall implementation of Internal Controls, including the Board of Directors policies related to Internal Controls. The Internal Control System is designed to properly manage and control risks and not to eliminate the risks. This Internal Control statement describes the key elements adopted to achieve the Bank's Internal Control objectives, which include:

1. Effective and efficient operations;
2. Accurate and reliable financial statements;
3. Compliance with all applicable laws and regulations;
4. Security of Bank assets. .

INTERNAL CONTROL EFFECTIVENESS EVALUATION

During 2019, CIMB Niaga's Internal Control was implemented in accordance with the principles of control, and the overall quality of the Internal Control System ran properly. Issues related to the adequacy of Internal Control were reported to the Board of Directors and follow-up measures were taken to minimize risks. Reports were also submitted to the Board of Commissioners through the Committees at the Board of Commissioners level.

IMPORTANT CASES

During 2019, Bank faced a number of important cases in the form of civil cases and criminal cases, which have been settled (legally binding) and those that are still in settlement process. In the civil cases, Bank's role was as a Defendant, whereas in the criminal cases Bank's role was as a Reported Party (excluding Sharia cases to be disclosed in the Sharia Business Unit Governance Report):

Legal Issues	Total			
	Civil Cases		Criminal Cases	
	2019	2018	2019	2018
Total Cases	269	214	13	11
Settled Cases (Legally Binding)	77	60	8	3
Cases in Settlement Process (as of December)	192	154	5	8

IMPORTANT CASES FACED BY BANK

Some cases with lawsuit values more than Rp10 billion and quantitative risk information faced by the Bank during 2019 were as follows:

No.	Case	Subject	Case Status	Risk Encountered by the Bank	Bank's Management Efforts	Imposed Sanctions by the Authority	Case Value
1.	Lawsuit of Civil Court registered No. 255/PDT.G/2008/PN.Jkt.Pst between II (Plaintiff I) IIM (Plaintiff II) DPP (Plaintiff III) DPKS (Plaintiff IV) And Bank (Defendant XVII)	The plaintiffs motioned a lawsuit whereas Bank as the trustee agent in the issuance of the subordinated Bonds I BGI has committed an illegal act	Reconsideration, the Supreme Court Republic of Indonesia	Pay compensation for the value of the lawsuit together with other Defendants	Bank has performed maximum efforts, based on information on the official website of the Supreme Court Republic of Indonesia, the request for Reconsideration has been decided with a "kabal" verdict. Currently waiting for an official copy of the decision	N/A	Materiil: Rp10,637,083,332 Immateriil: Rp400,000,000,000
2.	Lawsuit of Tax Court registered No. 57057/PP/M. IIIA/15/2014 between DJP (Suppliant) and Bank (Respondent)	The DGT filed a Reconsideration to the Supreme Court Republic of Indonesia regarding to the Letter of Tax Underpayment Assessment (SKPKB) issued by the DGT for the Bank	Reconsideration to the Supreme Court Republic of Indonesia	Pay tax in accordance with the Letter of Tax Underpayment Assessment (SKPKB) issued by the DGT for the Bank	Bank has performed efforts were considered necessary in regards of tax obligation in compliance with the applicable regulations and license requirements	N/A	Materiil: Rp204,760,659,708 Immateriil : -
3.	Lawsuit of Civil Court registered No. 253/PDT.G/2016/PN.Jkt.Ut between JMS (Plaintiff I) RVS (Plaintiff II) AJS (Plaintiff III) and Bank (Defendant X)	Customer's internal shareholder conflict (inheritance dispute)	Appeal to the High Court DKI Jakarta	Loss of collateral	The bank has submitted a counter Appeal memory that supports Bank's position	N/A	Materiil: Rp291,500,000,000 Immateriil: Rp300,000,000,000

No.	Case	Subject	Case Status	Risk Encountered by the Bank	Bank's Management Efforts	Imposed Sanctions by the Authority	Case Value
4.	Lawsuit of Civil Court registered under No. 176/PDT.G/2017/PN.DPK between SA (Plaintiff I) SP (Plaintiff II) BUG (Plaintiff III) SBP (Plaintiff IV) SPP (Plaintiff V) and	Granting of rights to shareholders to buy back shares	Appeal to the Supreme Court Republic of Indonesia	Pay compensation for the value of the lawsuit together with other Defendants	Bank has performed maximum efforts, based on information on the official website of the Supreme Court RI, the request for Reconsideration has been decided with a Kabul verdict. Currently waiting for an official copy of the decision	N/A	Materiil: Rp2,100,000,000,000 Immateriil: Rp2,200,000,000,000
5.	Lawsuit of Civil Court registered under No. 572/PDT.G/2018/PN.JKT.SEL between BKPL (Plaintiff) And Bank (Defendant)	Cancellation of Credit Agreement Addendum	Appeal to the High Court DKI Jakarta	Pay compensation for the value of the lawsuit	Bank has performed maximum effort and Currently waiting for an official copy of the verdict	N/A	Materiil : Rp34,818,314,000 Immateriil : Rp50,000,000,000
6.	Lawsuit of Civil Court registered under No. 885/PDT.G/2018/PN.Jkt.Brt between JRDP (Plaintiff) and Bank (Defendant)	Claims from customers for business agreements between customers and the Bank	District Court Jakarta Barat	Pay compensation for the value of the lawsuit	Bank has performed maximum effort and Bank has been decided win by District Court Jakarta Barat	N/A	Materiil: Rp 1,276,922,810,000 Immateriil: RP 2,000,000,000,000
7.	Lawsuit of Civil Court registered under No. 109/PDT.G/2019/PN.Jkt.Tim between DD (Plaintiff) and Bank (Defendant)	Debtor defaults and submits a claim for cancellation of the execution auction	District Court Jakarta Timur	Pay compensation for the value of the lawsuit	Bank has performed maximum effort and Currently waiting for an official copy of the verdict from District Court Jakarta Timur	N/A	Materiil: Rp 11,400,000,000 Immateriil : RP -

No.	Case	Subject	Case Status	Risk Encountered by the Bank	Bank's Management Efforts	Imposed Sanctions by the Authority	Case Value
8.	Lawsuit of Civil Court registered under No. 359/Pdt.G/2019/PN.Jkt. Sel between IH (Plaintiff I) IRMAS (Plaintiff II) and Bank (Defendant I)	Debtor defaults and submits a claim for cancellation of the execution auction	District Court Jakarta Selatan	Pay compensation for the value of the lawsuit	Bank has addressed the conclusions in a trial and Currently waiting for an official copy of the verdict from District Court Jakarta Selatan	N/A	Materiil: Rp 110,000,000,000 Immateriil: RP 100,000,000,000
9.	Lawsuit of Civil Court registered under No. 134/PDT.G/2019/PN.Dpk between HM (Plaintiff) and Bank (Defendant I)	Claims from customers related to deposits withdrawal	High Court Bandung	Pay compensation for the value of the lawsuit together with other Defendants	Bank has performed maximum effort and currently Bank filed appeal to the High Court Bandung	N/A	Materiil: Rp 114,769,504,954 Immateriil: RP 150,000,000,000
10.	Lawsuit of Civil Court registered under No. 762/PDT.G/2019/PN.Jkt.Sel between BKPL (Plaintiff) and Bank (Defendant I)	The lawsuit related to the cancellation of Cessie made by the Bank	District Court Jakarta Selatan	Pay compensation for the value of the lawsuit together with other Defendants	Currently the trial process is ongoing	N/A	Materiil: Rp 64,818,314,000 Immateriil: RP 25,000,000,000
11.	Lawsuit of Civil Court registered under No. 902/PDT.G/2019/PN.Jkt.Sel between IB (Plaintiff) and Bank (Defendant I)	lawsuit regarding to the cancellation of the debtor's collateral auction	District Court Jakarta Selatan	Pay compensation for the value of the lawsuit	Currently the trial process is ongoing	N/A	Materiil dan Immateriil dengan Total Rp 100,000,000,000

MATERIAL CASES INVOLVING INCUMBENT MEMBERS OF THE BOARDS OF DIRECTORS AND BOARDS OF COMMISSIONERS

During 2019, no members of the Bank's Board of Directors and/or Board of Commissioners were involved in cases and/or civil and/or criminal disputes.

MATERIAL CASES INVOLVING SUBSIDIARIES

In 2019, legal issues faced by Subsidiaries consisting of civil and criminal cases can be seen in the table below:

Subsidiaries	Legal Issues	Amount			
		Civil Cases		Criminal Cases	
		2019	2018	2019	2018
CIMB Niaga Auto Finance (CNAF)	Total Cases	30	9	107	76
	Settled Cases (Legally Binding)	22	4	44	23
	Cases in Settlement Process (as of December)	8	5	63	53
CIMB Niaga Sekuritas (CNS)	Total Cases	Nil	Nil	Nil	Nil
	Settled Cases (Legally Binding)	Nil	Nil	Nil	Nil
	Cases in Settlement Process (as of December)	Nil	Nil	Nil	Nil

MATERIAL CASES INVOLVING INCUMBENT MEMBERS OF CNAF'S BOARDS OF DIRECTORS AND BOARD OF COMMISSIONERS

During 2019, all members of the CNAF's Board of Directors and Board of Commissioners have never been involved in a case and/or civil and/or criminal dispute.

IMPACT OF LEGAL ISSUES FOR THE BANK AND ITS SUBSIDIARIES

Litigation involving the Bank in 2019 did not materially affect the status, position and/or business continuity of the Bank and its subsidiaries.

ADMINISTRATIVE SANCTION FROM RELEVANT AUTHORITIES

Throughout 2019, there were no material administrative sanctions that affected business sustainability and there were no administrative sanctions imposed on members of the Board of Directors and/or members of the Board of Commissioners from the Regulator.

ACCESS TO CORPORATE DATA AND INFORMATION

As a BUKU 4 Bank and the 2nd largest private bank in Indonesia, CIMB Niaga is committed to always apply transparency as one of the aspects of the good corporate governance principles. The Bank provides information of the Company that is accessible to all stakeholders regarding information about the financial and non-financial Bank's performance, through various communication channels such as press releases and public expose. The Bank also actively disseminates information through print and electronic media.

To access further information, Bank has various information channels which can be accessed, including:

- **Website:** www.cimbniaga.co.id
- **Call Center:** 14041; (021) 2997 8888
- **Customer Care:** 14041@cimbniaga.co.id
- For Investors may directly contact the Investor Relations of the Bank via email: investor.relations@cimbniaga.co.id

INVESTOR RELATIONS

CIMB Niaga has established an Investor Relations unit to foster good relations and to interact with the shareholders, potential investors, capital market community and rating agencies that includes:

1. Developing strategic communication, mainly with investors, potential investors, analysts, fund managers, securities firms, rating agencies and the general capital market community.
2. Preparing financial performance presentation material for analyst meetings and teleconferences while ensuring transparency.

INVESTOR RELATIONS ACTIVITIES

During 2019, Investor Relations activities and interactions with shareholders, potential investors, the capital market community and rating agencies included:

1. Organized 4 (four) Analyst Presentations in a year

Date	Topic	Description
20 February 2019	CIMB Niaga 4Q18 Results	Conference Call
25 April 2019	CIMB Niaga 1Q19 Results	Conference Call
15 August 2019	CIMB Niaga 2Q19 Results	Conference Call
31 October 2019	CIMB Niaga 3Q19 Results	Conference Call

2. Interactions and discussions with Analysts and fund managers through teleconferences and in-house meetings including:

Type of Meeting	Number of Meetings	Analyst/Fund Manager
Bilateral Meetings	8	18
Group Meetings	3	25
Teleconference	1	5
Total	12	48

3. Developing transparency of financial and non-financial information of the Bank, as well as the Bank's strategies.
4. Communicating the Bank's performance to external parties such as investors, fund managers and potential investors.
5. Maintaining good relationships and acting as mediator between the Bank and stakeholders by managing communication and correspondence with investors, fund managers, analysts, securities companies and rating agencies.
6. Maintaining the Bank or its customers' confidential information in a proper manner and avoiding making use of this confidential information for personal interest or for the benefit of any other parties.
7. Coordinating the preparation, publication, and distribution of Annual Reports to all stakeholders.
8. Providing data and information related to the Bank's performance through the website to provide easier and broader access, where the information provided includes:
 - a. Monthly and quarterly reports publication, LCR & NCFR information, quantitative risk exposure information, capital disclosure reports, and financial statements of the parent company in accordance with OJK requirements as a banking company in Indonesia.
 - b. Consolidated quarterly and year-end audited financial statements publications in accordance with OJK requirements as a public company.
 - c. Annual Reports, a comprehensive report to the public and stakeholders concerning the CIMB Niaga's performance achievement, business and other activities.

- 3. Organised the Annual Rating Review for national and international rating agencies including:

Date	Rating Agency
27 February 2019	Fitch Rating Indonesia
8 May 2019	Moody's
29 July 2019	RAM (conference call)
5 September 2019	Pefindo

- 4. Organised the 2019 Public Expose on 18 November 2019 at Graha Niaga Financial Hall, regarding the Company's financial performance and strategies to the public, media, analysts, investors and potential investors. The 2019 Public Expose also included the Public Offering for Shelf-Registration Bond III Bank CIMB Niaga Phase I Year 2019, and Shelf-Registration Subordinated Bond I Bank CIMB Niaga Phase I Year 2019.



SOCIAL MEDIA

CIMB Niaga maintains and manages 5 (five) social media accounts, namely:

1. Facebook : CIMB Niaga
2. Instagram : cimb_niaga
3. Twitter : CIMBNIaga
4. Youtube : CIMB Niaga
5. LinkedIn : PT Bank CIMB Niaga

These accounts serve as media for delivering information on Bank's activities including brands, product offers, tips, and other information. In addition, 3 (three) of the 5 (five) accounts respond to fans/followers inquiries, whether they are CIMB Niaga's customers or not. The Bank also uses social media as a communication channel to convey information related to Bank's activities. This is for the purpose of assisting customers in obtaining clear information and assistance when facing problems in conducting banking transactions.

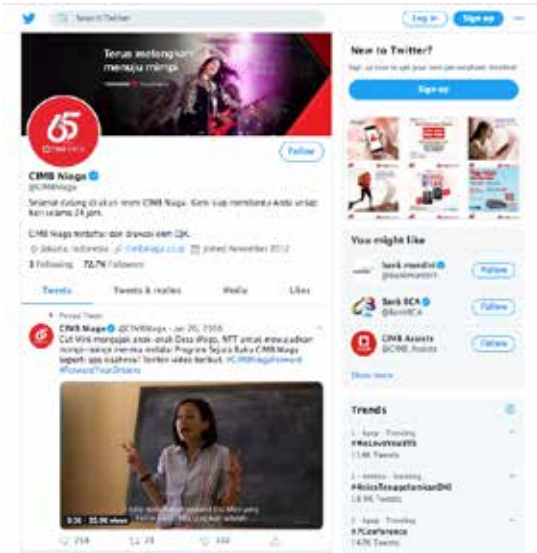
YOUTUBE



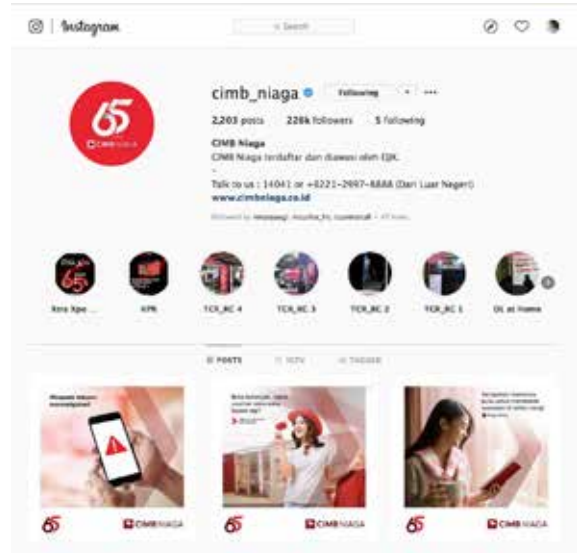
FACEBOOK



TWITTER

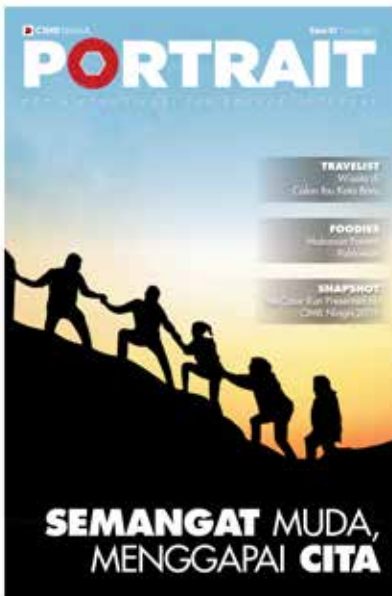


INSTAGRAM



BULLETINS

CIMB Niaga also uses internal communication media for employees, as one of the stakeholders, through various internal communication channels, including email blasts, e-Portrait digital magazines and interface displays on computer monitor screens or wallpapers. Employees can easily access existing information using various platforms such as work computers or smartphones. During 2019 around 9,000 employees accessed the e-Portrait digital magazines, through mobile devices and office computer.



PRESS CONFERENCES

Routinely and periodically held to foster good relations with media partners through various events. CIMB Niaga understands the important role media partners play in disseminating the success stories that has been achieved, as well as plans for future achievements.

No.	Subject	Date
1	CIMB Niaga holds Various Special Promotions at XTRA XPO	17 January 2019
2	CIMB Niaga Fosters Student Financial Literacy through AMDB	23 January 2019
3	CIMB Niaga, AccorHotels and Mastercard Launch Co-Brand Credit Cards	31 January 2019
4	Targeting Millennial Customers, CIMB Niaga Offers KPR XTRA Bisa Program	6 February 2019
5	Capturing 2019 Business Opportunities, CIMB Niaga Sharia Optimizes Excellence	11 February 2019
6	Targeting Students, CIMB Niaga Presents Digital Lounge @Campus in Yogyakarta	11 February 2019
7	CIMB Niaga XTRA XPO Officially Opened, Various Special Promotions Ready to Be Hunt	16 February 2019
8	CIMB Niaga Reports Consolidated Net Profit Growth of 16.9% to Rp3.5 Trillion in 2018	20 February 2019
9	CIMB Niaga and Garuda Indonesia Establish Sharia Financing Partnership	21 February 2019
10	CIMB Niaga Presents Digital Learning Innovation to Employees	28 February 2019
11	CIMB Niaga Spreads the Spirit of #KejarMimpi in Padang	2 March 2019
12	Launching AMDB 2019, CIMB Niaga Invites Young Generation to Be Entrepreneurs	14 March 2019
13	CIMB Niaga Shares Inspiration #KejarMimpi in Manado	16 March 2019
14	CIMB Niaga Syariah Records 45.4% Increase in Assets in 2018	27 March 2019
15	CIMB Niaga Extends Collaboration on Population Data Use with Dukcapil	30 March 2019
16	Introducing the World of Banking, CIMB Niaga Invites Students of SD Tour de Bank in Malang	31 March 2019
17	Enhancing CASA, CIMB Niaga Offers Savings with Prizes	11 April 2019
18	CIMB Niaga's AGM Approves the Distribution of Cash Dividends and Management Changes	15 April 2019
19	CIMB Niaga Reports Consolidated Net Income Growth of 7.6% to Rp944 Billion in the First Quarter of 2019	25 April 2019
20	CIMB Niaga Invites Young People in Solo #KejarMimpi	27 April 2019
21	CIMB Niaga Supports the Implementation of Sustainable Finance	7 May 2019
22	CIMB Niaga Syariah Achieves Positive Results in the First Quarter of 2019	21 May 2019
23	CIMB Niaga Syariah Helps the Community to Use Wakaf	26 May 2019
24	CIMB Niaga and Genesis Sign a Funding Cooperation Agreement for Start-up Companies	27 May 2019
25	CIMB Niaga Limited Operations in Lebaran 1440 H Holidays	31 May 2019
26	CIMB Niaga Wins The Credit Risk Technology Implementation of the Year Award from The Asian Banker	11 June 2019
27	CIMB Niaga Syariah Optimizes Digital Waqf Collections	19 June 2019
28	CIMB Niaga and Liquid Group Support BI QRIS Trial for Cross-Country Transactions	26 June 2019
29	CIMB Niaga Offers a Smart Rate Mortgage with Transparent Interest / Ujrah	3 July 2019
30	CIMB Niaga Encourages Indonesian Migrant Workers to Use Mobile Accounts for Non-Cash Remittances	9 July 2019
31	CIMB Niaga Presents NOAH and Sheila Majid Concert for the #KejarMimpi for Indonesia in Makassar	12 July 2019
32	CIMB Niaga Maximizes Wealth Management Business Potential	18 July 2019
33	CIMB Niaga Customer Inspiration through the #KejarMimpi Movement	22 July 2019
34	CIMB Niaga Is Optimistic of Indonesia's Economic Prospects in Semester II / 2019	25 July 2019

No.	Subject	Date
35	CIMB Niaga Wins Two Awards at the 2019 Asia Banking and Finance - Corporate & Investment Banking Award	31 July 2019
36	CIMB Niaga Supports Children with Special Needs through the Community Link Program	1 August 2019
37	The Color Run Presented by CIMB Niaga to Encourage People to Show Love through Positive Activities	7 August 2019
38	CIMB Niaga Reports Consolidated Net Income Growth of 11.8% to Rp1.98 Trillion in Semester I 2019	15 August 2019
39	Enlivening the 74th Indonesian Independence Day, CIMB Niaga Shares #KejarMimpi in Semarang	16 August 2019
40	CIMB Niaga Customers Enthusiastically Joins the 2019 Cathay Pacific Travel Fair	19 August 2019
41	CIMB Niaga Syariah Records 64% Increase in Profits in Semester I 2019	21 August 2019
42	#KejarMimpi Scholarship CIMB Niaga 2019 Reopens	30 August 2019
43	Go Mobile and CIMB Niaga Contact Center Wins Awards from The Asian Banker	2 September 2019
44	Commemorating Harpelnas, CIMB Niaga Grabs Inspiration from Customers	4 September 2019
45	CIMB Niaga Syariah Holds Tabligh Akbar in Banda Aceh	11 September 2019
46	CIMB Niaga Supports Customers Realizing Social Ideas through Community Link #JadiNata 2019	12 September 2019
47	CIMB Niaga Opens Digital Lounge @Campus in Bandung	16 September 2019
48	Dukung Hari Bersih Indonesia, CIMB Niaga Gelar Aksi Bersih Lingkungan di Bintaro	21 September 2019
49	CIMB Niaga Syariah Boosts MSME and Commercial Financing	23 September 2019
50	Celebrating its 64th Anniversary, CIMB Niaga Opens @Home Digital Lounge in Kemang	26 September 2019
51	The Color Run presented by CIMB Niaga is Ready to be Held	1 October 2019
52	Enhancing CASA, CIMB Niaga Indulges Customers with Bonus Points Xtra	9 October 2019
53	The Color Run presented by CIMB Niaga Spread the Spirit of Love in Color	13 October 2019
54	Supporting Halal Industry, CIMB Niaga Synergizes with BPJPH	14 October 2019
55	CIMB Niaga Shares Inspiration with Aceh's Young Generation	18 October 2019
56	Supporting Business Customers, CIMB Niaga Presents BizChannel @ CIMB Mobile	21 October 2019
57	CIMB Niaga Digital Lounge Comes to Palembang	23 October 2019
58	CIMB Niaga Invites Young Generation in Bali to Realize their Dreams	26 October 2019
59	Implementing Qanun Aceh LKS, CIMB Niaga Converts Conventional Branch Offices to Sharia	28 October 2019
60	CIMB Niaga Reports Consolidated Net Profit of Rp2.68 Trillion in the First Nine Months of 2019	31 October 2019
61	CIMB Niaga Mortgages Grows 12.6% Y-o-Y in the First Nine Months of 2019	6 November 2019
62	CIMB Niaga Increases Credit Card Transactions Towards the End of the Year	8 November 2019
63	CIMB Niaga Offers 2019 Bonds and Subordinated Bonds	18 November 2019
64	CIMB Niaga Syariah Business Potential for Halal Industry	22 November 2019
65	Commemorating Bamboo Day, CIMB Niaga and KEHATI Encourage People to Conserve Bamboo	30 November 2019
66	CIMB Niaga Launches #KejarMimpi Application for Indonesian Young People	7 December 2019
67	CIMB Niaga Presents #KejarMimpi Scholarship	12 December 2019
68	Aiming at the Community Segments, CIMB Niaga Syariah Synergies with Muhammadiyah	18 December 2019
69	CIMB Niaga Maximizes Services at 2019 Christmas and 2020 New Year Celebrations	23 December 2019

EMPLOYEES CODE OF ETHICS AND CONDUCT

The Bank upholds integrity, and to support this, the Bank possess and implement standard guidelines related to behavioural procedures, namely the Code of Ethics & Conduct that regulates the business standards and behaviour, as well as the ethical personal behaviour, as part of the Bank's culture in managing good corporate governance.

CIMB Niaga's Code of Ethics & Conduct is the basis for employees' attitudes and actions in order to work professionally and ethically following the basic principles that refer to the Bank's vision, mission, and core values as well as the internal and external regulations. The Code of Ethics and Conduct applies to all levels of the organization including the Board of Commissioners, Board of Directors and all employees in order to conduct business relationships with customers, partners and colleagues. The implementation of the Code of Ethics & Conduct is one of the Bank's commitments towards the corporate governance principles, and forms of effort to achieve the Bank's Vision and Mission.

CODE OF ETHICS AND CONDUCT PRINCIPLES/CONTENTS

CIMB Niaga Code of Ethics & Conduct sets out 6 (six) ethical principles comprising the following:

1. **Integrity**
Employees shall maintain integrity at any times by behaving honestly, respecting each other, and acting professionally.
2. **Confidentiality**
Each employee shall protect the confidentiality of the information provided to them, including customer data and shall use the information only for the purpose that has been set by the Bank. Information disclosure must only be made in accordance with the Bank's internal policies and all prevailing rules and regulations.
3. **Competence**
Each employee shall implement and develop the knowledge and skills required to maintain the level of professionalism including consistently improve and update their skills and qualifications as required.
4. **Conflict of Interest**
Each employee shall avoid situations and conditions that could trigger a conflict of interest. Should there be any issues that may affect the objectivity of an employee's job assessment, the employee shall report this matter to the Bank.

5. **Justice**

Employees shall behave in an accountable manner and shall uphold the culture of fairness and openness in every interaction with all stakeholders. Employees are also required to act fairly and in accordance with business ethics as well as prevailing regulations, both of which are set forth in the Bank's internal policies, and in regulations from the authorities. In addition, employees are prohibited from taking any actions that conflict with prevailing rules and regulations.

6. **Mutual Respect**

The Bank shall treat all employees with fairness, dignity and respect, and expects all employees to behave honestly, to uphold integrity and to respect each other to maintain good relationships.

All these ethical principles shall serve as the basis for every employee to interact professionally when carrying out their daily work.

In addition, the contents of CIMB Niaga's Code of Ethics & Conduct also govern the behaviour that shall serve as a guideline and reference for employees in behaving and interacting with stakeholders. The main contents of the Code of Ethics & Conduct include the following:

1. Anti bribery and corruption;
2. Prohibition to conduct insider trading;
3. Anti fraud;
4. Provisions in managing conflicts of interest;
5. Provisions on no gift policy;
6. Provisions on external employment and financial interest;
7. Provisions on Whistleblowing;
8. Provisions on confidentiality;
9. Provisions for the use of Bank assets;
10. Provisions for the use of social media;
11. Prohibition on personal dealings with customers;
12. Provisions on customer complaints handling;
13. Compliance and reporting to regulators;
14. Provision on anti-money laundering policy;
15. Provision on anti-competition policy;
16. Provision on Sustainability culture
17. Provision on Corporate Social Responsibility culture.

STATEMENT OF CODE OF ETHICS AND CONDUCT APPLIES TO ALL ORGANIZATIONAL LEVELS

CIMB Niaga's Code of Ethics & Conduct serves as a standards of behaviour that must be applied by all CIMB Niaga employees when carrying out business activities, including interacting with stakeholders. Therefore, the Bank has imposed an obligation that all employees including the Board of Directors and Board of Commissioners comply with the Code of Ethics & Conduct. Employees are required to study and develop a deep understanding of this policy's contents, and attest to it every year. The Code of Ethics & Conduct's application is the responsibility of all employees at all organizational levels, as well as is one of the Bank's commitments towards the corporate governance principles, and forms of effort to achieve the Bank's Vision and Mission.

CODE OF ETHICS & CONDUCT DISSEMINATION/SOCIALIZATION

The Board of Commissioners, Committes under the Board of Commissioners, Board of Directors and all employees, whether permanent, non-permanent, trainees, or employees with work ties through third parties, are required to participate in the Code of Ethics & Conduct socialization.

The Bank periodically conducts socialization through various media. Annually, all employees are required to sign a declaration of commitment to the Code of Ethics & Conduct. To further enhance the employees' understanding of the Code of Ethics & Conduct, the Bank has prepared online guidelines and learning materials through the Learning on the Go (LoG) application together with an evaluation module. In addition, CIMB Niaga's Code of Ethics & Conduct has been uploaded to the Bank's internal website (e-Manual) so as to make it easily accessible by employees.

CODE OF ETHICS AND CONDUCT MONITORING

CIMB Niaga continuously monitors the implementation of the Code of Ethics & Conduct and strictly imposes sanctions for employees breaching the provisions. CIMB Niaga provides 2 (two) reporting channels including:

1. Communication channels managed internally by CIMB Niaga through the following media:
 - a. Email: ayo.lapor@cimbniaga.co.id
 - b. Phone & SMS: 087829652767 (0878 AYO LAPOR)
2. Communication channels managed by PT Deloitte Indonesia:
 - a. Website: <https://ayolapor.tipoffs.info>
 - b. Email: ayolapor@tipoffs.info
 - c. Phone: 14031
 - d. SMS & WA: +62 822 11356363
 - e. Facsimile: +62 21 2856 5231
 - f. Mail: PO BOX 3331 JKP 10033

DISCIPLINARY ENFORCEMENT POLICY AND SANCTIONS IMPOSED FOR VIOLATIONS

The Bank has a Disciplinary Enforcement and Sanctions for Breach Policy No. A.11.02 that governs the sanctions to be imposed for violations conducted by employees. This policy also regulates the roles and responsibilities of the immediate supervisor and the business unit head, the duties and responsibilities of the relevant unit in handling the violations, and the duties and responsibilities of the Disciplinary Committee in determining the corrective actions for employees who commit violations.

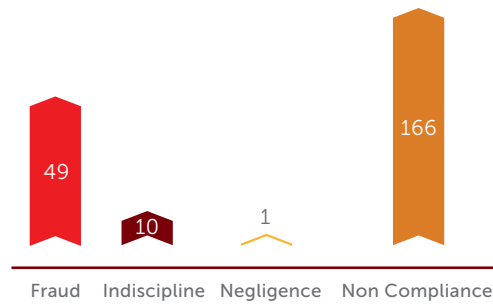
Coaching, or sanctions that being imposed on employees, are adjusted based on the severity of the violation, starting with a reprimand letter, written warning letter, to termination of employment. To maintain objectivity, the decision on sanctions to be imposed for each level of severity is decided by the Disciplinary Committee in accordance with prevailing regulations.

For violations of the Code of Ethics & Conduct, sanctions that can be imposed include:

1. Coaching
2. Reprimand Letter
3. Warning Letter 1 (SP 1)
4. Warning Letter 2 (SP 2)
5. Warning Letter 3 (SP 3)
6. Termination of Employment

TOTAL OF EMPLOYEE VIOLATIONS IN 2019

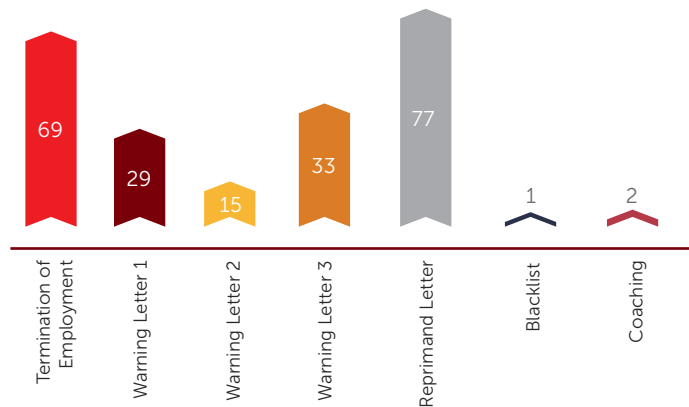
In 2019 there were 226 employees who received sanctions with the following details:



EMPLOYEE VIOLATION TREND

Employee Violation	Total Employees		Tren
	2018	2019	
Fraud	110	49	↓
Indiscipline	12	10	↓
Negligence	1	1	↔
Non-Compliance	186	166	↓
Total	309	226	↓

Total Types of Sanctions of Employee Violation In 2019



CORPORATE CULTURE

Corporate Culture plays an important role in the achievement and success of the Bank's plans and strategies. Accordingly, CIMB Niaga has emphasized the importance of internalizing the Bank's Core Values as a basic principle for interactions between fellow colleagues and customers, and it has become a foundation for behaviour in the workplace. In line with this, CIMB Niaga at all times upholds and adopts the Core Values in a consistent manner at each organization level. The Core Values of CIMB Niaga are known as "CHESI", and consist of:

1. **"Customer-Centric"**, we exist to serve our customers and we sell products and services that our customers understand and value,
2. **"High Performance"**, we work hard and we work strategically for our customers, staff and other stakeholders,
3. **"Enabling People"**, we encourage our people to think big and look wide and ensure that they are appropriately empowered to deliver value,
4. **"Strength in Diversity"**, we have respect for different cultures, we value varied perspectives and we recognise diversity as a source of strength,
5. **"Integrity"**, we are honest, respectful and professional in everything we do because integrity is the founding value of CIMB Niaga.

The Bank's five Core Values are manifested through 3 (three) Critical Behaviours to be performed on a consistent basis by all of the Bank's employees. The (three) Critical Behaviours are:

1. **"Go the extra-mile to delight customers"**.
2. **"Respect each other, engage openly and work together"**
3. **"Recognise each other's efforts and always back each other up"**.

CIMB Niaga believes that these 3 (three) Critical Behaviours have served as the main catalysts in supporting the Bank's accelerated progress towards a better direction, supporting excellent customer service, and improving the effectiveness of cooperation between employees to create synergy between individuals, units or functions.

During 2019, the process of implementing CIMB Niaga's core values was carried out through various activities, including:

- Activating Informal Leaders and Business Sponsors Network in various units to actively and continuously play the part of role models for other co-workers in CIMB Niaga in implementing the 3 Critical Behaviours in their daily work life.
- Cultural Campaigns, organizing activities with certain themes related to the implementation of the Bank's Culture such as "It's A Tuesday Thing" sharing sessions which created to strengthen engagement between employees with topics specifically focus on 3 Critical Behaviour, "ABC Torch of Recognition" relays from members of the Board of Directors to the best employees as a tangible manifestation of management's appreciation, an action to love the company workplace and environment called "Care with our Home" including activities involving employees in Corporate Social Responsibility (CSR) activities as well as other activities that support the cultural awareness of Bank's culture and core values.
- The internalization approach of the Bank's core values and culture through digitalization and gamification that can be accessed from each employee's mobile device through the Learning on the Go (LoG) application. With this approach, the process of internalizing Bank's culture and core values is no longer limited by the dimensions of time and space.

In addition, CIMB Niaga intensively and continuously runs initiatives to improve risk and compliance awareness through various programs including campaigns, intensive communication through various media, joint discussion programs to discuss matters related to risk and compliance, including discussions on case studies, as well as internal and external certification for all employees through learning media, either classroom learning, digital learning or other learning media.

GOODS AND SERVICES PROCUREMENT POLICY

As part of the GCG process, in particular the principle of transparency, CIMB Niaga has implemented a transparent and accountable process for goods and services procurement.

The Bank has a Goods and Services Procurement Policy that was last updated in 2017. The policy is also supported by Standard Operating Procedures (SOP) for Goods and Services Procurement that was approved in 2018. The goods and services procurement policy and SOP have become the main reference for all procurement activities for goods and/or services carried out by the working units in the Bank, either Conventional or Sharia Business Units.

GOODS AND SERVICES PROCUREMENT BASIC PRINCIPLES

1. Obtaining reliable and excellent supplier of goods and/or services of the Bank effectively and efficiently.
2. Creating a fair, solicitous and controlled competition climate by increasing transparency in the determination of the goods and/or services suppliers.
3. Selecting vendors based on GCG principles.
4. Complying with the applicable taxation provisions for all goods and/or services procured by the Bank with the goods and/or services vendors.

VENDOR'S CODE OF ETHICS

CIMB Niaga has established the requirements in a code of ethics that must be met by the Vendors. Vendors must comply with the Bank's particular provisions as stated in the cooperation agreement, including:

1. **Legal Compliance**
Must meet the prevailing laws and regulations.
2. **Corruption, Bribery or Illegal Payments**
Vendors may not be involved in any form of corruption or fraud or bribery, including payments or other forms of benefits provided to any government officials, civil servants or political parties for the purpose of improperly influencing decision making.
3. **Gifts and Entertainment**
Vendors are not allowed to offer or give gifts or entertainment to Bank employees.

4. **Conflicts of interest**
Vendors must provide information regarding any potential conflict of interest, for example family relationships, partnerships or relationships with Bank employees.
5. **Employment and Human Rights, Vendors must:**
 - a. ensure that they have complied with all applicable employment laws and regulations;
 - b. ensure equal opportunities and treatment of their employees;
 - c. respect the dignity and personal rights of their employees;
 - d. forbidden from employing or forcing anyone to work against their will.
6. **Confidentiality and Protection of Bank and Customer Data, Vendors must:**
 - a. maintain confidentiality of all data or information received from the Bank or known by the Vendors during and after the cooperation ends, as stated in the cooperation agreement. Vendors may not share such data and information with third parties unless there is an official written agreement from the Bank;
 - b. comply with all applicable laws, rules and regulations relating to confidentiality, banking confidentiality and protection of customers' personal data;
 - c. in conditions where confidential Bank data or information must be known by the Vendors or other external parties, the Vendors must sign a Confidentiality Agreement ("NDA") to protect the Bank's information and interests as well as the its customers' information and interests with reference to the Information Security and Data Classification Policy. In cases involving confidential or sensitive Information, Data and Documents (IDD) that will be delivered to outside parties, it is mandatory to obtain evaluations and recommendations from the Legal team and/or the BISO (BANK Information Security Officer).
7. **Employee health and safety**
 - a. Vendors must take all reasonable steps to ensure that they provide a comfortable and safe working environment for their employees;
 - b. Vendors must prepare precautions against accidents and diseases in the working environment.

8. **Environmental protection**
 - a. Vendors must comply with all applicable environmental laws and regulations;
 - b. Vendors must minimize environmental pollution and continually work to protect the environment from environmental pollution, and the destruction of carbon deposits, habitats and ecosystems.
 9. **Fair competition**
 - a. Vendors may not discuss prices, procedures for distribution, product development, and plans or activities carried out by the Vendor with other competing Vendors;
 - b. Vendors must comply with all applicable laws and regulations related to competition or anti-trust.
- iv. Statement letter on the PIC appointed to work with the Bank;
 - v. Statement letter regarding any involvement in litigation cases.
 - c. Requesting client information whether prospective Vendors are currently working with prospective Vendors
3. Periodic goods and/or services Vendor evaluations will be carried out by the Vendor Selection team who will document the results of the evaluations conducted by the team as well as evaluations by randomly selected working units, once a year.
 4. Vendor Evaluations for project work, can be followed up by Vendor performance assessment results for each project that has been completed.

Vendors found to be in violation of the Vendor's Code of Ethics will be placed on a Vendor Blacklist and termination of the ongoing cooperation.

VENDOR DUE DILIGENCE

1. Vendor evaluations involve carrying out a due diligence on any prospective Vendors for the first time they conduct business with the Bank.
2. The Vendor evaluation stages followed by the Vendor Selection team include:
 - a. Receiving a proposal form for a New Vendor in the form of a New Vendor Submission Form approved by the D2 Officer of the unit submitting the proposal.
 - b. Contacting the prospective Vendor to complete the relevant documents and provide other forms to be completed including:
 - i. Vendor Code of Ethics;
 - ii. Information List from Vendors/Prospective Vendors including a questionnaire, related to economic, social and environment sustainability, as well as a statement of whether there are any relationships with Bank employees;
 - iii. Declaration related to company establishment deed such as share ownership structure and company directors structure;

ELECTRONIC PROCUREMENT OF GOODS AND/OR SERVICES (EPROCUREMENT)

To increase transparency and GCG, the Bank has implemented an electronic or web/internet based goods and/or services procurement process using information and communication technology facilities.

This service can be accessed by goods and/or service vendors online for registration, tendering/bidding, billing of goods and/or services.

The electronic goods and/or services procurement objectives include:

1. Increased transparency and accountability;
2. Increased efficiency in the procurement process;
3. Support for monitoring and audit process;
4. Meets the need for real time information access, and equal information for all Vendors involved in the procurement process.

ANTI CORRUPTION POLICY

As form of the Bank's commitment to supporting anti-corruption practices, the Bank has established an Anti-Corruption Policy No. M.11 to complement other policies related to corruption prevention, including the Code of Ethics & Conduct and the Anti-Fraud Policy.

The Bank's Anti-Corruption Policy regulates:

1. Bank principles for supporting anti-corruption practices;
2. Commitment to anti-corruption in the Bank;
3. Responsible parties;
4. Corruption prevention programs include:
 - a. Implementation of awareness programs;
 - b. Know Your Customers (KYC) and Know Your Employee (KYE);
 - c. Anti-Gratification Letters delivered to the Bank's Business Partners at least twice a year, in the second week before Idul Fitri and in December.
5. Prohibition of giving and/or receiving gratifications and political donations;
6. Sanctions;
7. Documentation and Reporting

The Bank endeavours to increase awareness of all Bank levels in preventing and avoiding corruption practices, including by regularly socializing prohibitions on giving or receiving gratifications through email blasts, anti-fraud campaigns, and providing a CIMB Niaga Whistleblowing System channel as a reporting tool for internal employees and external parties. This is further explained in the Whistleblowing System Policy section in this Annual Report.

PROTECTION OF CREDITORS' RIGHTS

As a publicly listed company, CIMB Niaga is obliged to ensure creditor rights are protected, and they retain confidence in the Bank. To fulfil this obligation, the Bank has established Policy No. M.05 regarding Fulfilment of Creditors' Rights, as a guideline when receiving loans from creditors, and it has been uploaded on the Bank's website.

The policy stipulates that the Bank has implemented an honest and transparent information disclosure system and treats all creditors equally without discrimination. Through this information disclosure, all creditors and business partners can obtain relevant information according to their needs so that all parties can make objective decisions based on fair, reasonable and accurate considerations.

The Bank guarantees creditor rights are carried out properly, as outlined in the agreements agreed between both parties, and performs its agreed obligations in a timely manner and seeks to avoid delays or negligence that could potentially cause losses to both parties.

TRANSPARENCY OF THE BANK'S FINANCIAL AND NON-FINANCIAL CONDITIONS

CIMB Niaga meets the obligation governing transparency and publication of its financial and non-financial conditions in accordance with all prevailing rules and regulations, through the submission and publication of information in the printed media and on the Bank's website.

TRANSPARENCY OF THE BANK'S FINANCIAL CONDITIONS

1. Monthly Financial Reports submitted to the regulators are also published on the websites of OJK and CIMB Niaga. Monthly Financial Reports are also published on the Bank's website based on the prevailing OJK regulations.
2. Quarterly Financial Reports submitted to the regulators, are also published in the printed media and CIMB Niaga's website. The Bank has published the Quarterly Publication Reports in accordance with prevailing OJK Regulations to newspapers and the Bank's website
3. CIMB Niaga's Annual Report is prepared and presented with due observance to all rules and regulations and submitted to the regulators, rating agencies, banking development institutions, research institutions, financial magazines and published on CIMB Niaga's website.
 - a. Highlights of important financial data include a summary of shares, reports from the Board of Commissioners, reports from the Board of Directors, company profile, management analysis and discussion on business and financial performance, corporate governance and corporate social responsibility.
 - b. been audited by a Public Accountant and a Public Accountant Office registered with the OJK. The Annual Financial Report is prepared for 1 (one) Financial Year and is presented in a comparison of 1 (one) previous financial year, as well as the beginning of the previous comparative year.
 - c. Statement of responsibility of the Board of Commissioners and Board of Directors for the accuracy of the contents of the Annual Report. The statement was stated in a statement bearing the signature of all members of the Board of Commissioners and members of the Board of Directors.
 - d. In accordance with OJK Regulation No. 32/POJK.03/2016 dated 8 August 2016 concerning Amendment to OJK Regulation No. 6/POJK.03/2015 concerning Transparency and Publication of Bank Reports and OJK Regulation No. 29/POJK.04/2016 concerning Annual Reports of Issuers or Public Companies, the Bank has submitted Annual Reports to OJK and shareholders.

- e. Annual Reports (financial and non-financial) and Monthly Published Financial Reports, Quarterly Published Financial Reports, Annual Published Financial Reports and Consolidated Financial Reports have been published on the Bank's website (www.cimbniaga.co.id) and published in Indonesian language newspapers has wide circulation in Indonesia.

TRANSPARENCY OF THE BANK'S NON FINANCIAL CONDITIONS

CIMB Niaga Bank's Non-Financial Transparency forms include:

1. Corporate Governance Information, including the Annual Corporate Governance Report, the Corporate Vision, Mission and Values, the Composition and Profiles of the Board of Commissioners and the Board of Directors, as well as internal policies pertaining to Corporate Governance including the Articles of Association and Committee Charters are also published on CIMB Niaga's website.
2. Information of Products and Services of the Bank including the office network are published in the Annual Report, leaflet, brochure or other printed material in each branch office or in electronic information provided on CIMB Niaga's website or to Bank's hotline to facilitate easiness for customers, investors and the general public to access information regarding the Bank's products and services.
3. Information concerning Submission Complaint Procedures and publication report published on CIMB Niaga's website, in order to comply with the consumer protection regulations.
4. Information on transparency of ownership structure on the Annual Report and the CIMB Niaga website
5. Other information intended to support the information disclosure, financial education, and public service

CIMB NIAGA SHARES AND BONDS BUYBACK

In 2019, the Bank performed a share buyback of 3,724,900 shares (full amount) at an average price per share of Rp1,057.52 (full amount), at a total acquisition cost of Rp3,954 million (including commission fees and tax). The Bank will transfer the buyback shares to management and employees who meet the Material Risk Taker (MRT) criteria set by the Bank to fulfil POJK No. 45/POJK.03/2015 regarding Implementation of Governance in Providing Remuneration for Commercial Banks in March 2020, March 2021 and December 2021.

Throughout 2019, the Bank granted treasury shares to its employees totalling 231,586 (full amount) shares.

During 2019, the Bank did not buyback any bonds issued by the Bank.

DIVIDEND POLICY

Further information related to Dividend Policy is available in the Management Discussion and Analysis section of this Annual Report.

FUNDING FOR SOCIAL AND POLITICAL ACTIVITIES

CIMB Niaga has a high commitment to support the sustainability programs in Indonesia. Therefore, the Bank provides funds for social activities through its Corporate Social and Responsibility (CSR) programs and activities.

The aims of the CIMB Niaga's CSR programs and activities includes making a positive impact on a broad audience over the long term. In addition, CIMB Niaga encourages employees to play an active role in assisting and supporting social activities organized by the Bank as regulated in the Bank's Code of Ethics and Conduct No. A.07.10 dated 1 September 2019.

In 2019, CIMB Niaga allocated a portion of its operational costs for community and environmental development. A more detailed explanations of the Bank's CSR activities is presented in a special section on "Corporate Social Responsibility" and in the 2018 Sustainability Report, which forms as an integral part of this Annual Report.

Related to politics, in 2019, the Bank did not provide funding for political activities or to any political parties. The Bank continues to provide freedom for all employees to channel their aspirations in political activities. However, the Code of Ethics and Conduct regarding Employee Activities Outside the Company regulates certain restrictions regarding the involvement of the Bank and employees in political activities to avoid conflicts of interest, including but not limited to providing Bank funds for political purposes. This policy has been implemented to maintain the independence and professionalism of the Bank and its employees.

PROVISION OF FUNDS TO RELATED PARTIES

POLICY

Providing funds to the Bank's related parties (Commissioners, Directors, Executive Officers and related parties or other parties affiliated with the Bank) is conducted in normal requirements (arm's length) and in accordance with the provisions in the Commercial Credit Policy and Consumer Credit Policy as well as other internal policies of Bank related to related party.

PROCEDURE

Providing funds to Related Parties must comply with OJK Regulation (POJK) No. 32/POJK.03/2018 regarding the Legal Lending Limit and Provision of Large Funds for Commercial Banks, and also the Bank's internal policies. In addition, before providing the funds, approval must be obtained from the Board of Commissioners.

While for any material affiliated transactions, and transactions with the potential to cause a conflict of interest with the Bank, approval must also be obtained from the Board of Commissioners, after first receiving recommendations from the Audit Committee, as stipulated in the Audit Committee Charter.

During 2019, there were no violations or excess of the LLL when providing funds to the Bank's related parties.

DISCLOSURE

Detailed information related to the Provision of Funds to Related Parties, including related parties, nature of the relationship, nature of the transaction and value of the transaction have been disclosed in Note 49 of the Consolidated Financial Statements, which is part of this Annual Report.

CUSTOMER PROTECTION POLICY

CIMB Niaga continues to protect the customers' interests and provides the best service by fulfilling POJK No. 1/POJK.07/2013 regarding Consumer Protection in the Financial Services Sector, POJK No. 18/POJK.07/2018 regarding Consumer Complaint Services in the Financial Services Sector, and OJK Circular Letter No. 17/SEOJK.07/2018 regarding Guidelines for Implementing Consumer Complaints Services in the Financial Services Sector.

CIMB Niaga views its customers as a top priority that must be considered when establishing Bank's policies, and is committed to provide an excellent Customer Experience. To realize this goal, the Bank has increased the role of the Customer Resolution Unit (CRU) that is responsible for handling customer complaints regarding Bank's products and services. CRU consistently improves the quality and acceleration of customer complaint resolution, by conducting regular evaluations. The Bank also has a Customer Experience as a special unit managing customer experience.

In an effort to provide a special banking experience to customers, efforts have been made to improve the work

processes by adopting the Customer Journey Mapping method, complemented by the Lean Startup method to provide fast appropriate solutions. In 2019, the Bank implemented Artificial Intelligence and Machine Learning with a Big Data Platform, and launched Customer Relationship Management (CRM), as well as ran the "I Own CX" internal campaigns aimed at shaping a customer-centric culture for all CIMB Niaga employees. More explanations on this can be found in the Consumer Banking Section regarding Quality Service and Customer Complaints Management in this Annual Report.

CIMB Niaga actively participates in the Banking Mediation Working Group in collaboration with Bank Indonesia, OJK and other banks to organize customer education programs, in the form of banking seminars and other activities. These consistent efforts in 2019 have been reflected in the results of customer surveys conducted to measure the level of customer advocacy towards CIMB Niaga products and services known as the Net Promoter Score (NPS). The Bank's NPS results have been increasing every year since 2017, proving the increased customer satisfaction with the Bank's products and services.

These consistent efforts in 2019 have been reflected in the results of surveys conducted to measure the number of customer recommendations made for CIMB Niaga products and services, known as the Net Promoter Score (NPS). The Bank's NPS results have been increasing every year since 2017, proving the increased customer satisfaction with the Bank's products and services.

Net Promotor Score (NPS) Results

Year	NPS Score
2019	+18%
2018	+16%
2017	+5%

Total Complaints and Resolution Percentage

Year	Total Complaints	Complaints Resolved	Resolution Percentage
2019	64,615	64,050	99%
2018	61,628	60,470	98%
2017	95,092	90,431	95%

Type and Total Resolutions

Type of Complaint	2019		2018		2017	
	Total Complaints	Complaints Resolved	Total Complaints	Complaints Resolved	Total Complaints	Complaints Resolved
Financial	48,627	48,404	48,790	48,426	78,254	74,552
Non-Financial	15,988	15,646	12,838	12,044	16,838	15,879
• Service Quality	458	349	300	168	529	505
• Others	15,530	15,297	12,538	11,876	16,309	15,374
Total	64,615	64,050	61,628	60,470	95,092	90,431

COMPLAINTS HANDLING IN 2019

Pursuant to OJK Circular Letter (SEOJK) No. 17/SEOJK.07/2018 concerning Guidelines for the Implementation of Consumer Complaints Services in the Financial Services Sector, Banks are required to publish the complaints handled by the Bank at least once a year, as per the table below.

Type of Financial Transactions	Resolved		In Process		Unresolved		Total Complaints
	Total	%	Total	%	Total	%	
Bancassurance	95	98.96%	1	1.04%	-	0.00%	96
Deposits	24	85.71%	3	10.71%	1	3.57%	28
Direct Debit	-	0.00%	-	0.00%	-	0.00%	-
Electronic Banking	16,580	99.41%	91	0.55%	7	0.04%	16,678
ATM/Debit Cards/ATM Machines	35,397	99.65%	107	0.30%	18	0.05%	35,522
Credit Cards	1,408	99.65%	4	0.28%	1	0.07%	1,413
Clearing (Transfer)/Remittance	156	97.50%	4	2.50%	-	0.00%	160
Unsecured Credit	33	97.06%	1	2.94%	-	0.00%	34
Auto Credit/Financing	70	90.91%	7	9.09%	-	0.00%	77
Working Capital Credit/Financing	-	0.00%	-	0.00%	-	0.00%	-
Home/Apartment Ownership Credit/Financing	552	87.34%	62	9.81%	18	2.85%	632
Other Funds Collection	2,959	99.60%	10	0.34%	2	0.07%	2,971
Other Funds Distribution	12	100.00%	-	0.00%	-	0.00%	12
Savings	6,764	96.74%	207	2.96%	21	0.30%	6,992
Trade Finance/Letter of Credit	-	0.00%	-	0.00%	-	0.00%	-
Total	64,050	99.13%	497	0.77%	68	0.11%	64,615

CONFLICT MANAGEMENT POLICY (INCLUDING INSIDER TRADING)

Conflict Management Policy aims to establish rules, identify, reduce, and manage any potential conflicts of interest that may arise within the Bank due to the Bank's business unit activities that obtain information about the Bank, the Bank's customers, or the CIMB Group.

The Bank has the policy regulates the trading procedure for the securities of the Bank and CIMB Group and to reaffirms the prohibition of Insider Trading in private securities transaction by the employees and management (in this case is members of the Board of Directors and the Board of Commissioners). Specifically, for certain period, this Policy also regulated a Blackout period when all the employees and management are prohibited from conducting any transactions of the Bank's Securities. The other purpose of the Policy is to provide basic principles and guidelines for the employees and management of the Bank in conducting their securities personal investment activities.

This Blackout period must be announced to all Bank's employees by the Bank's Control Room (Corporate Affairs Group), including being informed to the Control Room of CIMB Group. Any employee or management who will conducts transactions on the Bank's or CIMB Group's Securities (outside the Blackout period) is required to obtain prior written approval from the Bank's Control Room (Corporate Affairs Unit) no later than 2 (two) business days prior to the planned transaction, and from the CIMB Group Control Room by completing the employee transaction request form.

Also, if an employee and/or management has conducted a transaction, a notification to the Bank's Control Room (Corporate Affairs unit) is required no later than 2 (two) days after the transaction occurred. This policy is expected to mitigate the use of insider information for the personal interest of employees and management (insiders).

INTERNAL FRAUD

CIMB Niaga's Anti-Fraud Policy is part of the Bank's risk management and internal control system for building a compliance culture, and for creating a greater level of risk awareness on the potential and consequences of fraud at all levels within the organization. The Anti-Fraud Policy has been covered in the Risk Management discussion, which is an integral part of this Annual Report.

CIMB Niaga's Anti-Fraud Policy regulates the framework, governance and implementation of the anti-fraud strategy, and represents the Bank's strategy for controlling fraud by taking into account the characteristics and scope of potential fraud and has been implemented in the fraud control system.

In an effort to improve the Fraud risk awareness culture level, the Bank organized several activities related to Anti-Fraud Awareness in 2019, including:



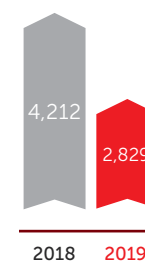
- **Tone from the Top** - in the form of active participation from the Board of Directors with attendance at the anti-fraud awareness program. Both in mandatory training, sharing sessions, and other anti-fraud campaigns.
- **New Anti Fraud Tagline** - launching tagline anti fraud "Anytime... Anywhere... Integrity First!" by the President Director and the Board of Directors replaces the previous tagline "Fraud? No way!"



- **Anti Fraud Socialization Week (PSAF)** - Anti fraud awareness campaign with CIMB Niaga and CNAF coverage launched by the President Director and Board of Directors and conducted intensively for 2 (two) weeks. The event was marked by various activities including AFM Booth which contained games containing anti-fraud messages, poster contests, visits and sharing sessions to 10 cities in Jakarta, West Java, Central Java and East Java,
- **Think, Talk & Do It Right (TTD)** - A refreshment program held for Branch front liners namely CS, Tellers and RM using the open discussion format. The event was made by not involving leaders from the area concerned, but instead involving leaders from other areas to become facilitators and share best practices.
- **Campaign on Speak Up Culture** - The socialization of Speak Up culture is an integral part of every training program or anti-fraud socialization.

In addition, the Bank also conducts mandatory Anti Fraud Awareness training for new and existing employees aimed at increasing employee knowledge about fraud prevention and consequences. In 2019, 2,829 employees participated in anti-fraud training both face-to-face.

Number of Employee participated in the Anti Fraud Awareness Mandatory Training



These activities resulted in a significant decrease in fraud cases in 2019, reflecting an increase in AntiFraud Awareness and the compliance culture at all levels of the Bank's organization. Through the Speak Up culture, several fraud cases in 2019 were the result of follow-up results of reports submitted through the Whistleblowing System media and and some employees have been subject to sanctions related to cases reported through the whistleblowing system.

The following table shows information related to fraud violation with a nominal value exceeding Rp100,000,000. committed by the Bank's management, permanent and non-permanent employees. The nominal value has not taken into account any recoveries obtained during efforts to save the Bank's assets.

DATA OF INTERNAL FRAUD EXCEEDING RP100 MILLION

Internal Fraud Case	Total Cases Committed by					
	Board of Commissioners dan Board of Directors		Permanent Employees		Non Permanent Employees	
	2019	2018	2019	2018	2019	2018
Resolved	-	-	4	4	-	-
In the process of internal resolution	-	-	-	-	-	-
Unresolved	-	-	-	-	-	-
Has been followed up in Legal Process	-	-	1	2	-	-
Total Fraud	-	-	5	6	-	-

WHISTLEBLOWING SYSTEM

Bank CIMB Niaga is committed to implementing GCG principles in the Bank's operations to support the achievement of the Bank's vision and mission. The practice of cheating, violating, especially fraud is something that is contrary to the principles of GCG. Therefore the Bank is determined to take steps to prevent fraud, violations or fraud in order to create a clean and responsible work culture.

This determination is not only carried out with a reactive approach in the sense of following up on cheating, violations or fraud found, but also takes a participatory approach by encouraging all employees to be brave and willing to report when they find indications of cheating, violations, or fraud through the application of Whistleblowing System (WBS).

With the Whistleblowing System, CIMB Niaga employees are required to report whenever they know, see or find indications of cheating, violations or fraud that could potentially harm the Bank both financially and non-financially. As such, the application of the whistleblowing system is one of the key elements for the Bank to maintain or enhance Bank transparency and combat practices that can damage the Bank's activities and reputation.

CIMB Niaga has implemented whistleblowing policy since 2011 refers to PBI No. 5/8/PBI/2003, which was amended by PBI No.11/23/PBI/2009 and SEBI No. 13/28/DPNP of 2011 regarding Anti-Fraud Policy. Since 4 December 2017 The Bank appointed PT Deloitte Indonesia Consultant as third parties to manage whistleblowing reports. The appointment of a third party in the CIMB Niaga Whistleblowing System is intended for reporting violations to be managed professionally and independently so as to make the prospective reporter feel comfortable and do not hesitate to submit a report.

After the Bank uses PT. Deloitte Konsultan Indonesia, the number of incoming reports has increased. On the other hand the Bank has also conducted investigations and sanctioned employees who reported through whistleblowing. Of course both of these are expected to be a reflection that employees in particular have confidence in the Whistleblowing System implemented by the Bank.

The Whistleblowing System mechanism and implementation in 2019 are shown below:

REPORTING METHOD & CHANNELS

Whistleblowing System of CIMB Niaga provides 2 (two) reporting channels both for internal employees and external parties:

1. CIMB Niaga's internally-managed communication channels:
 - a. E-mail : ayo.lapor@cimbniaga.co.id
 - b. Phone or SMS : 087829652767 (0878 AYO LAPOR)
2. Communication channels managed by PT Deloitte Konsultan Indonesia as the designated third-party to manage whistleblowing reports, through:
 - a. Website : <https://ayolapor.tipoffs.info>
 - b. Email : ayolapor@tipoffs.info
 - c. Phone : 14031
 - d. SMS & WA : +62 822 11356363
 - e. Facsimile : +62 21 2856 5231
 - f. Mail : Ayo Lapor PO BOX 3331 JKP 10033

To optimize the whistleblowing service function through PT Deloitte Konsultan Indonesia, starting in 2018 all reports submitted to our internal e-mail will be automatically forwarded to the e-mail managed by PT Deloitte Konsultan Indonesia. While reports via phone/SMS to the number 087829652767 (0878 AYO LAPOR) or direct complaints to Bank's Officers/Regulators will also be registered as e-mails managed by PT Deloitte Konsultan Indonesia. This was carried out to create a centralized administrative system while maintaining the principle of confidentiality of the whistleblower.

WHISTLEBLOWER PROTECTION

The Bank provides freedom for the whistle-blowers by not requiring them to disclose their identity or to provide evidence of the reported violation. However, if the whistleblower has evidence in the form of data, information, or an early indication about the violation, then it can be included in the report. Each whistle-blower must have a strong reason for reporting a violation or potential violation, and must act in a good faith.

The Bank guarantees protection to the whistleblowers by guarantees the confidentiality of the whistleblower's identity and protects the whistleblowers at the time of reporting, or when the report is being followed-up by an investigation unit, as stipulated in the Bank's internal policies. To ensure the confidentiality of the whistleblowers who include their name/identity/email/telephone number then Deloitte can disclose such information to the Bank only if there is permission from the whistleblower

WHISTLEBLOWING REPORT HANDLING

Information submitted by the whistleblowers will be treated as confidential information. The Whistleblowing Officer will analyse all received reports in accordance with the basic principles of whistleblowing management. For reports that show the identity of the whistleblower along with the contact number/email, can be contacted in the event additional information is required,

and the Whistleblowing Officer will contact the whistleblower in a discreet manner to request for the necessary additional information. However, in the event the whistleblower does not disclose the contact number/email, then if the Bank requires additional information, it will be submitted through PT Deloitte Konsultan Indonesia to be forwarded to the whistleblower.

The type or essence of the report covered by the scope of the policy related to whistleblowing is a report concerning fraud, human resources, and money laundering. If the initial information is considered sufficient, further examination will be conducted to conclude whether or not the report is valid. If a report given is not relevant (In the event the submitted report is not relevant (out of scope) with the scope of the Whistleblowing System, the Whistleblowing Officer will forward it to the relevant parties for further follow-up.

The whistleblower will receive information regarding the status of the report through PT Deloitte Konsultan Indonesia. The Whistleblowing Officer shall administer violation reports. For the purpose of supervision and the whistleblowing investigation process, the Whistleblowing Coordinator/Officer of CIMB Niaga must periodically report the whistleblowing results to the Director in charge of the Whistleblowing System, who is the Compliance, Corporate Affairs & Legal Director, with a copy to the Director in charge of Risk Management, and the Director in charge of Human Resources, Chief Audit Executive as well as all members of the Whistleblowing Coordinator Unit. Furthermore, for performing the Board of Commissioners oversight function, whistleblowing reports will be submitted periodically (on a quarterly basis) to a committee at Board of Commissioners level, namely the Audit Committee.

PARTIES MANAGING VIOLATIONS

Based on the Bank’s internal policy, the parties appointed to manage whistleblowing include:

1. The person in charge of CIMB Niaga’s Whistleblowing System is the Compliance, Corporate Affairs & Legal Director with the main duties and responsibilities of overseeing the process of whistleblowing reports handling to ensure the compliance with the relevant procedures and regulations.
2. Whistleblowing Coordinator of CIMB is the Anti-Fraud Management unit, in which D-1 officers in charge of Anti Fraud Management are also appointed as coordinator of CIMB Niaga’s whistleblowing handling.
3. Whistleblowing Coordinator Unit comprised of D-1 officers in charge of Anti Fraud Management, AML and Human Resources in accordance with the scope/type of reports managed by the Whistleblowing System. Whistleblowing Coordinator Unit has the authority to provide approvals or decisions on whether the reports can be followed up

with investigation process, are invalid, can be closed, or re-opened if further information related to the report is discovered.

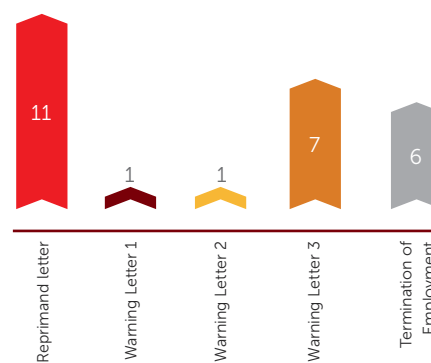
4. The Whistleblowing Officers are employees from the Anti Fraud Management, AML and Human Resources unit who are appointed to manage whistleblowing reports related to each category of report. The main duties and responsibilities of the Whistleblowing Officer are to carry out analysis related to the reports and submit them to the Whistleblowing Coordinator Unit for follow up actions that must be taken, and to ensure the updating of data concerning the status of the report. Particularly for the Whistleblowing Officer from the Anti-Fraud Management unit, and in accordance with the function of the Anti-Fraud Management unit as a coordinator, the Anti-Fraud Management Whistleblowing Officer also serves as a CIMB Niaga Whistleblowing Officer to assist the task of the Whistleblowing Coordinator of CIMB Niaga..
5. The Chief Audit Executive (CAE) performs an independent oversight function related to the governance of the Whistleblowing System handling process

WHISTLEBLOWING NUMBER AND FOLLOW-UPS

Whistleblowing (WB) Reports Status	Total
WB Reports not investigated (pre-CLOSED)	74
WB Reports investigated	55
a. WB Reports investigated and concluded (CLOSED)	45
b. WB Reports under ongoing investigation (OPEN)	10
WB Reports pending due to data completeness	2
Total Reports received	131
WB Reports with status proven based on investigation	21

Follow up in the form of sanctions imposed on employees who were proven guilty based on cases reported through the Whistleblowing System in 2019 were 26 employees compared to 2018 as many as 123 employees with the details as in the table below.

Number & Types of Sanctions of Whistleblowing System



ASEAN CORPORATE GOVERNANCE SCORECARDS APPLICATION

No.	Principles and Recommendations	Page
Principle A: Rights of Shareholders		
A.1	Basic Shareholder Rights	
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by annual general meeting (AGM) for final dividends?	482 & 267
A.2	Right to participate in decisions concerning fundamental corporate changes	
	Do shareholders have the right to participate in:	
A.2.1	Amendments to the company's constitution?	479
A.2.2	The authorization of additional shares?	479
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	479
A.3	Right to participate effectively in and vote in general shareholder meeting and should be informed of the rules, including voting procedures that govern general shareholder meetings	
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	479 & 484
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?	479, 493, 508
A.3.3	Does the company allows shareholders to elect directors/commissioners individually?	481-491
A.3.4	Does the company disclose the voting procedures used before the start of meeting?	481
A.3.5	Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	480
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?	479-491
A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	480
A.3.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended	480
A.3.9	the most recent AGM?	481
A.3.10	Does the company allow voting in absentia?	480-486
A.3.11	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	481
A.3.12	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?	481
A.3.13	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?	481
A.3.14	Does the company provide at least 21 days notice for all AGMs and EGMs?	481
A.3.15	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	479
A.4	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	
A.4.1	Markets for corporate control should be allowed to function in an efficient and transparent manner	274
A.5	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	
A.5.1	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated	479-491 & 613-617

No.	Principles and Recommendations	Page
Principle B: Equitable Treatment of Shareholders		
B.1	Shares and Voting Rights	
B.1.1	Does the company's ordinary or common shares have one vote for one share?	479
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website reports/the stock exchange/the regulator's website)?	479
B.2	Notice of AGM	
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	480-486
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local - language version? Does the notice of AGM/circulars have the following details:	480-481
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of appointment,	480-481
B.2.4	experience, and directorships in other listed companies) in seeking election/re-election included?	480-481 & 483
B.2.5	Are the auditors seeking appointment/re-appointment clearly identified?	479
B.3	Were the proxy documents made easily available?	
B.3.1	Insider trading and abusive self-dealing should be prohibited.	630
B.3.2	Does the company have policies and/or rules prohibiting directors/commissioners and employees to	630
B.4	benefit from knowledge which is not generally available to the market?	
B.4.1	Are the directors/commissioners required to report their dealings in company shares within 3 business days?	499, 513, 618 & 630
B.4.2	Related party transactions by directors and key executive	547 & 627
B.4.3	Does the company have a policy requiring directors/commissioners to disclose their interest in	499 & 513
B.4.4	transactions and any other conflicts of interest?	499, 513 & 627
B.5	Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?	
B.5.1	Does the company have a policy requiring board members (directors/commissioners) to abstain from	271 & 627
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	271 & 627
Principle C: Role of Stakeholders		
C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	
	Does the company disclose a policy and practices that address :	
C.1.1	The existence and scope of the company's efforts to address customers' welfare?	628-629, 680-683 & 694-696
C.1.2	Supplier/contractor selection procedures?	622-623
C.1.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	622-623, 684-689 & SR
C.1.4	The company's efforts to interact with the communities in which they operate?	697-701
C.1.5	The company's anti-corruption programmes and procedures?	624 & 676-678
C.1.6	How creditors' rights are safeguarded?	624
C.1.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?	Laporan Keberlanjutan 2019

No.	Principles and Recommendations	Page
C.2	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.	
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	613-617, 80, 145 & 670-700
C.3	Mechanisms for employee participation should be permitted to develop.	
C.3.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	442-453 & 690-693
C.3.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	442-453
C.3.3	Does the company have a reward/compensation policy that accounts for the performance of the	523-530
C.4	company beyond short-term financial measures?	
C.4.1	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this	80, 145 & 633-634
C.4.2	Does the company have a whistleblowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company's website or annual report	633-634
Principle D: Disclosure and Transparency		
D.1	Transparent Ownership Structure	
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	129-131 & 138
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	138
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	131-132
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	131-132 & situs web Bank
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/vehicles (SPEs)/(SPVs)?	138-140
D.2	Quality of Annual Report	
Does the company's annual report disclose the following items:		
D.2.1	Corporate Objectives	92 & 265-266
D.2.2	Financial Performance indicators	10-13, 16-23 & 217-253
D.2.3	Non-Financial Performance indicators	11, 30-45 & 174-216
D.2.4	Dividend Policy	267
D.2.5	Biographical details (at least age, academic qualifications, date of first appointment, relevant experience,	96-109
D.2.6	Attendance details of each director/commissioner in all directors/commissioners meetings held during the year	531-542
D.2.7	Total remuneration of each member of the board of directors/commissioners	523-530
Corporate Governance Confirmation Statement		
D.2.8	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	665

No.	Principles and Recommendations	Page
D.3	Disclosure of Related Party Transactions (RPTs)	
D.3.1	Does the company disclose its policy covering the review and approval of material RPTs?	271 & 627
D.3.2	Does the company disclose the name, relationship, nature and value for each material RPTs?	271 & 627
D.4	Directors and Commissioners dealings in the shares of the company	
D.4.1	Does the company disclose trading in the company's shares by insiders?	131-132 & 630
D.5	External Auditor and Auditor Report	
	Where the same audit firm is engaged for both audit and non-audit services	
D.5.1	Are the audit and non-audit fees disclosed?	600-601
D.5.2	Does the non-audit fee exceed the audit fees?	600-601
D.6	Medium of Communications	
	Does the company use the following modes of communication?	
D.6.1	Quarterly Reporting	613-614 & 625
D.6.2	Company Website	146-148 & 625
D.6.3	<i>Analyst's briefing</i>	613-614 & 625
D.6.4	<i>Media briefings/press conferences</i>	614-617
D.7	Timely filing/release of annual/financial reports	
D.7.1	Are the audited annual financial report/statement released within 120 days from the financial year end?	Laporan Keuangan Konsolidasian hal. 2-4
D.7.2	Is the annual report released within 120 days from the financial year end?	74-75
D.7.3	Is the statement that the Annual Financial Report has been presented correctly and fairly, confirmed by the Board of Commissioners or the Board of Directors and/or related officials of the company.	Laporan Keuangan Konsolidasian hal. 2-4
D.8	Company Website	
	Does the company have a website disclosing up-to-date information on the following:	
D.8.1	Financial statements/reports (latest quarterly)	146-148
D.8.2	Materials provided in briefings to analysts and media	146-148
D.8.3	Downloadable Annual Report	146-148
D.8.4	Notice of AGM and/or EGM	146-148
D.8.5	Minutes of AGM and/or EGM	146-148
D.8.6	Company's constitution (company's by-laws, memorandum and association)	146-148
D.9	Hubungan Investor	
D.9.1	Perusahaan mengungkapkan informasi rinci tentang kontak perusahaan (telepon, fax, dan email) dari bagian/petugas bertanggung jawab terhadap kegiatan hubungan investor.	80, 145 & 613-614
Principle E: Tanggung Jawab Board of Commissioners dan Board of Directors		
E.1	Investor Relations	
	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer/ office	
E.1.1	responsible for investor relations?	464, 492 & 507
E.1.2	RESPONSIBILITIES OF THE BOARD	495-502 & 510-514
E.1.3	Board Duties and Responsibilities	495-497 & 510-511
	Clearly defined board responsibilities and corporate governance policy	
E.1.4	Does the company disclose its corporate governance policy/board charter?	92

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E.1.5	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	92 & 510
E.1.6	Are the roles and responsibilities of the board of directors/commissioners clearly stated?	92 & 510
E.2	Corporate Vision/Mission	
	Does the company have an updated Vision and Mission statement?	
E.2.1	Are the details of the code of ethics or conduct disclosed?	618-620
E.2.2	Are all directors/commissioners, senior management and employees required to comply with the code/s?	618-620
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	618-620
	Board Structure & Composition	
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/ commissioners?	493-494 & 505-506
E.2.5	Does the company have a term limit of nine years or less or 2 terms of five years ¹) each for its independent directors/commissioners?	494
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/ commissioner may hold simultaneously?	498 & 512
E.2.7	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	96-109, 498 & 512
	Nomination Committee (NC)	
E.2.8	Does the company have a Nominating Committee?	550-554
E.2.9	Is the Nominating Committee comprised of a majority of independent directors/commissioners?	550-554
E.2.10	Is the chairman of the Nominating Committee an independent director/commissioner?	550-554
E.2.11	Does the company disclose the terms of reference/governance structure/charter of the Nominating Committee?	550-554
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	550-554
	Remuneration Committee (RC)/Compensation Committee	
E.2.13	Does the company have a Remuneration Committee?	550-554
E.2.14	Is the Remuneration Committee comprised of a majority of independent directors/commissioners?	550-554
E.2.15	Is the chairman of the Remuneration Committee an independent director/commissioner?	550-554
E.2.16	Does the company disclose the terms of reference/governance structure/charter of the Remuneration Committee?	550-554
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	550-554
	Audit Committee (AC)	
E.2.18	Does the company have an Audit Committee?	544-549
E.2.19	Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	544-549
E.2.20	Is the chairman of the Audit Committee an independent director/commissioner?	544-549
E.2.21	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	544-549
E.2.22	Does at least one of the independent directors/commissioners of the committee have accounting	544-549
E.2.23	expertise (accounting qualification or experience)?	544-549
E.2.24	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	544-549

No.	Principles and Recommendations	Page
E.3	Board Processes	
	Board Meetings and Attendance	
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	532 & 535
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	531-542
E.3.3.	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	534 & 542
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	531-532 & 534-535
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	531-534
	Access to Information	
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	531-532 & 534-535
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	574-578
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	574, 163 & 156-157
	Board Appointment and Re-Election	
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	492-493 & 507-508
E.3.10	Did the company describe the process followed in appointing new directors/commissioners?	492-493 & 507-508
E.3.11	Are all directors/commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years) each?	494 & 509
	Remuneration Matters	
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	523-530
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	523-530
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	523-530
E.3.15	Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executive with long-term interests of the company, such as claw back provision and deferred bonuses?	523-530
	Audit Internal	
E.3.16	Does the company have a separate internal audit function?	579-589
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	579-580
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	579-580
	Risk Oversight	
E.3.19	Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?	602-608 & 300-437
E.3.20	Does the Annual Report/Annual CG Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	602-608, & 300-437
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	602-606 & 300-437
E.3.22	Does the Annual Report/Annual CG Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/ risk management systems?	549

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E.4	People on the Board	
	Board Chairman	
E.4.1	Do different persons assume the roles of chairman and CEO?	96 & 101
E.4.2	Is the chairman an independent director/commissioner?	-
E.4.3	Is any of the directors a former CEO of the company in the past 2 years?	96-109
E.4.4	Are the roles and responsibilities of the chairman disclosed?	497
	Lead Independent Director	
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?	492-494
	Skills and Competencies	
E.4.6	Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?	96-109
E.5	Board Performance	
	Directors Development	
E.5.1	Does the company have orientation programmes for new directors/commissioners?	502-503 & 515
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	502-503 & 514-515
	CEO/Executive Management Appointments and Performance	
E.5.3	Does the company disclose the process on how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	555
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	516-519
	Board Appraisal	
E.5.5	Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?	516-519
	Director Appraisal	
E.5.6	Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?	516-519
	Committee Appraisal	
E.5.7	Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	516-519
LEVEL 2 - BONUS ITEMS		
(B)A.	RIGHTS OF SHAREHOLDERS	
(B)A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting	
(B)A.1.1	Does the company practice secure electronic voting in absentia at the general meetings of shareholders?	481
(B)B.	EQUITABLE TREATMENT OF SHAREHOLDERS	
(B)B.1	Notice of AGM	
(B)B.1.1	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	480-481
(B)C	ROLE OF STAKEHOLDER	
(B)C.1	The rights of stakeholders that are established by law or through mutual agreement are to be respected	
(B)C.1.1	Does the company adopt an internationally recognised reporting framework for sustainability (i.e. GRI, Integrated Reporting, SASB)?	Laporan Keberlanjutan 2019

No.	Principles and Recommendations	Page
(B)D	DISCLOSURE AND TRANSPARENCY	
(B)D.1	Quality of Annual Report	
(B)D.1	Are the audited annual financial report/statement released within 60 days from the financial year end?	Laporan Keuangan Konsolidasian hal. 2-4
(B)D.2	Does the company disclose details of remuneration of the CEO?	-
(B)E	RESPONSIBILITIES OF THE BOARD	
(B)E.1	Board Competencies and Diversity	
(B)E.1.1	Does the company have at least one female independent director/commissioner?	100 & 493-494
(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	520-522
(B)E.2	Board Structure	
(B)E.2.1	Is the Nominating Committee comprise entirely of independent directors/commissioners?	-
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	550-555
(B)E.3	Board Appointments and Re-Election	
(B)E.3.1	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/commissioners?	465, 492-493 & 507-508
(B)E.4	Board Appointments and Re-Election	
(B)E.4.1	Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?	-
(B)E.5	Risk Oversight	
(B)E.5.1	Does the board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the board?	454-459
(B)E.6	Board Performance	
(B)E.6.1	Does the company have a separate board level Risk Committee?	556-560
LEVEL 2 - PENALTY ITEMS		
(P)A.	RIGHTS OF SHAREHOLDERS	
(P)A.1	Basic Shareholder Right	
(P)A.1.1	Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	-
(P)A.2	Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.	
(P)A.2.1	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	-
(P)A.3	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting	
(P)A.3.1	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	-
(P)A.3.2	Did the Chairman of the Board, Audit Committee Chairman and CEO attend the most recent AGM?	-
(P)A.4	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed	
(P)A.4.1	Shareholders Agreement?	-
(P)A.4.2	Voting Cap?	-
(P)A.4.3	Multiple Voting Rights?	-

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(P)A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.	
(P)A.5.1	Is a pyramid ownership structure and/or cross holding structure apparent?	-
(P)B	EQUITABLE TREATMENT OF SHAREHOLDERS	
(P)B.1	Insider trading and abusive self-dealing should be prohibited	
(P)B.1.1	Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years?	-
(P)B.2	Protecting minority shareholders from abusive action	
(P)B.2.1	Has there been any cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?	-
(P)B.2.2	Were there any RPTs that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies?	-
(P)C	ROLE OF STAKEHOLDERS	
(P)C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected	
(P)C.1.1	Have there been any violations of any laws pertaining to labour/employment/consumer/insolvency/ commercial/competition or environmental issues?	-
(P)C.2	Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis	
(P)C.2.1	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	-
(P)D	DISCLOSURE AND TRANSPARENCY	
(P)D.1	Sanctions from regulator on financial reports	
(P)D.1.1	Did the company receive a "qualified opinion" in its external audit report?	-
(P)D.1.2	Did the company receive an "adverse opinion" in its external audit report?	-
(P)D.1.3	Did the company receive a "disclaimer opinion" in its external audit report?	-
(P)D.1.4	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	-
(P)E	RESPONSIBILITIES OF THE BOARD	
(P)E.1	Compliance with listing rules, regulations and applicable laws	
(P)E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	-
(P)E.1.2	Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?	-
(P)E.2	Board Structure	
(P)E.2.1	Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years¹ each (which ever is higher) in the same capacity?	-
(P)E.2.2	Did the company fail to identify who are the independent director(s)/commissioner(s)?	-
(P)E.2.3	Does the company have any independent directors/non-executive/commissioners who serve on a total of more than five boards of publicly-listed companies?	-
(P)E.3	External Audit	
(P)E.3.1	Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?	-
(P)E.4	Board Structure and Composition	
(P)E.4.1	Has the chairman been the company CEO in the last three years?	-
(P)E.4.2	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	-

INTEGRATED GOVERNANCE IMPLEMENTATION REPORT

The Otoritas Jasa Keuangan issued 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. These regulations govern the establishment of the Financial Conglomerate, the appointment of the Main Entity (ME) in a Financial Conglomerate and the application of IG in a comprehensive and effective manner.

The Implementation of Good Corporate Governance in the Financial Conglomerate’s business activities will improve its performance and compliance with all prevailing laws and regulations, as well as the applicable ethical values in the financial services industry. The implementation of Integrated Governance in the Financial Conglomerate is expected to encourage financial system stability and sustainability, so as to increase competitiveness in the financial services industry.

FINANCIAL CONGLOMERATE STRUCTURE

The CIMB Indonesia Financial Conglomerate membership was 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.
- Members** : PT CIMB Niaga Auto Finance (CNAF)
PT CIMB Niaga Sekuritas (CNS)

SHARE OWNERSHIP STRUCTURE

The current share ownership structure in CIMB Indonesia Financial Conglomerate is as below. In 2019, CNS increased its capital resulting in a change in the portion of CIMB Niaga’s ownership of CNS from 99% to 94.78%.



*Include PT Commerce Kapital 1.02%

MANAGEMENT STRUCTURE

Based on OJK Regulation No. 18/POJK.03/2014 regarding the Implementation of Integrated Governance for Financial Conglomerates, CIMB Indonesia Financial Conglomerate’s management structure was:

Entity	IG Committee *	Compliance Function	Internal Audit Function	Risk Management Function
CIMB Niaga	V	V	V	V
CIMB Niaga Auto Finance (CNAF)	-	V	V	V
CIMB Niaga Sekuritas (CNS)	-	V	V	V

*) The IG Committee is in the Main Entity, but there are representatives from Independent Commissioners in each FSI member of the Financial Conglomerate.

MAIN ENTITY: PT BANK CIMB NIAGA TBK**BOARD OF COMMISSIONERS**

No.	Name	Position
1	Tengku Dato' Sri Zafrul Tengku Abdul Aziz*	President Commissioner
2	Glenn M.S. Yusuf**	Vice President Commissioner
3	Zulkifli M. Ali	Independent Commissioner
4	Pri Notowidigdo	Independent Commissioner
5	Jeffrey Kairupan	Independent Commissioner***
6	David Richard Thomas	Commissioner
7	Didi Syafruddin Yahya	Commissioner
8	Sri Widowati	Independent Commissioner

*) Has tendered his resignation from his position as President Commissioners through the letter that has been received on 9 March 2020 and will be conveyed to obtain resolution in the 2020 AGM

**) Has tendered his resignation as Vice President Commissioner according to the letter dated 31 August 2019 which effective on 1 September 2019

***) Appointed as Senior Independent Commissioner of the Bank through CIMB Niaga Board of Commissioners Circular Decree No. 014/DEKOM/KP/VI/2019 dated 28 June 2019

MAIN ENTITY BOARD OF COMMISSIONERS' DUTIES AND RESPONSIBILITIES

Supervise IG implementation by:

1. Approving the IG Charter prepared by the Board of Directors of ME;
2. Monitoring the Governance implementation for each member of the CIMB Indonesia Financial Conglomerate in accordance with the IG Charter;
3. Monitoring the Board of Directors of EU duties and responsibilities implementation, and provide direction or advice to the Board of Directors of EU regarding IG Charter implementation;
4. Evaluating the IG Charter and implementation guidelines;
5. Providing direction for the improvement of the IG Charter and implementation guidelines;
6. Submitting the IG Committee recommendations to the Board of Directors of EU regarding the IG implementation by members of the CIMB Indonesia Financial Conglomerate;
7. Establishing an IGC to support their duties implementation effectiveness in a separate section;
8. Holding regular meetings at least 1 (one) time per semester.

BOARD OF DIRECTORS

No.	Name	Position
1	Tigor M. Siahaan	President Director
2	Rita Mas'Oen	Director
3	Megawati Sutanto	Director
4	Vera Handajani	Director
5	John Simon	Director
6	Lani Darmawan	Director
7	Pandji P. Djajanegara	Director
8	Fransiska Oei	Director
9	Hedy Lapian	Director
10	Rahardja Alimhamzah*	Director
11	Lee Kai Kwong	Director

*) Has tendered his resignation as Director through the letter that has been received by the Bank on 21 February 2020.

MAIN ENTITY BOARD OF DIRECTORS' DUTIES AND RESPONSIBILITIES

1. Ensuring the IG implementation in the CIMB Indonesia Financial Conglomerate;
2. Preparing the IG Charter for approval by the Board of Commissioners of ME;
3. Preparing the Implementation Guidelines needed to support the 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 the Board of Commissioners of ME direction and advice to improve the IG Charter and its implementation;
6. Ensuring the audit findings and recommendations from the Integrated Internal Audit, External Audit, and supervision results from OJK and/or other authorities have been followed up by FSI in the CIMB Indonesia Financial Conglomerate;
7. Reporting the IG self-assessment (semi-annually) and the IG Annual Report;
8. Appointing an organizational unit within the ME to be responsible for coordinating the IG implementation in the CIMB Indonesia Financial Conglomerate.

SHARIA SUPERVISORY BOARD

No	Name	Position
1	M. Quraish Shihab	Chairman
2	Fathurrahman Djamil	Member
3	Yulizar D. Sanrego	Member

MEMBER : PT CIMB NIAGA AUTO FINANCE (CNAF)**BOARD OF COMMISSIONERS**

Name	Position	Description
Lani Darmawan	President Commissioner	-
Koei Hwei Lien	Commissioner	-
Serena K. Ferdinandus	Independent Commissioner	IG Committee Member
Hidayat Dardjat Prawiradilaga	Independent Commissioner	-

BOARD OF DIRECTORS

Name	Position	Description
Ristiawan Suherman	President Director	-
Danis V. Bimawan	Director	-
M. Imron Rosyadi Nur	Director	-
Kurniawan Kartawinata*	Director	-
Antonius Herdaru D.*	Director	-

*) Will be effective after passed the Fit and Proper Test by OJK

SHARIA SUPERVISORY BOARD DUTIES AND RESPONSIBILITIES

1. Ensuring the IG implementation does not conflict with Sharia principles.
2. Oversee FSI activities to comply with Sharia principles.

MEMBER: PT CIMB NIAGA SEKURITAS (CNS)**BOARD OF COMMISSIONERS**

Name	Position	Description
Rahardja Alimhamzah	President Commissioner	-
Achiran Pandu Djajanto	Independent Commissioner	IG Committee Member

BOARD OF DIRECTORS

Name	Position	Description
Harry Maryanto, SE	President Director	-
Yuga Nugraha	Director	-
Martin Batara Simorangkir	Director	-

CIMB Indonesia Financial Conglomerate Duties and Responsibilities**Board of Commissioners**

1. Provide recommendations and approval regarding the Governance Policy prepared by the Board of Directors and ensure the Governance Policy is in accordance with IG Charter;
2. Supervise the IG implementation, with the duties and responsibilities as follows:
 - a. Supervise Governance implementation in accordance with the IG Charter and Governance Policy;
 - b. Follow up the IG Committee recommendations related to IG implementation and improvements of Governance Policy;
 - c. Supervise the implementation of the Board of Directors duties and responsibilities, and also provide directions or recommendations to the Board of Directors regarding the implementation of Governance Policy;
 - d. Evaluate and approve the Governance Policy;
 - e. Establish the Governance Committee by considering the characteristic and scale of business;
 - f. The Board of Commissioners discusses the recommendations from the IG Committee in the Board of Commissioners and Board of Directors meeting in order to provide direction and advice.

Board of Directors

The Board of Directors must ensure the IG implementation by CIMB Indonesia Financial Conglomerate members, with the responsibilities as follows:

1. Prepare the Governance Policy aligned with IG Charter;
2. Prepare the necessary policies and procedures for the IG implementation, aligned with the Main Entity procedures;
3. Provide sufficient resources;
4. Guide, monitor and evaluate the Governance Policy implementation including reporting;
5. Follow up the directions and advice from the Board of Commissioners in order to improve the Governance Policies, IG and Governance implementation based on the IG Committee recommendations; and
6. Report the assessment and implementation of Governance to the ME in accordance with the prevailing procedures

INTEGRATED GOVERNANCE COMMITTEE (IGC)

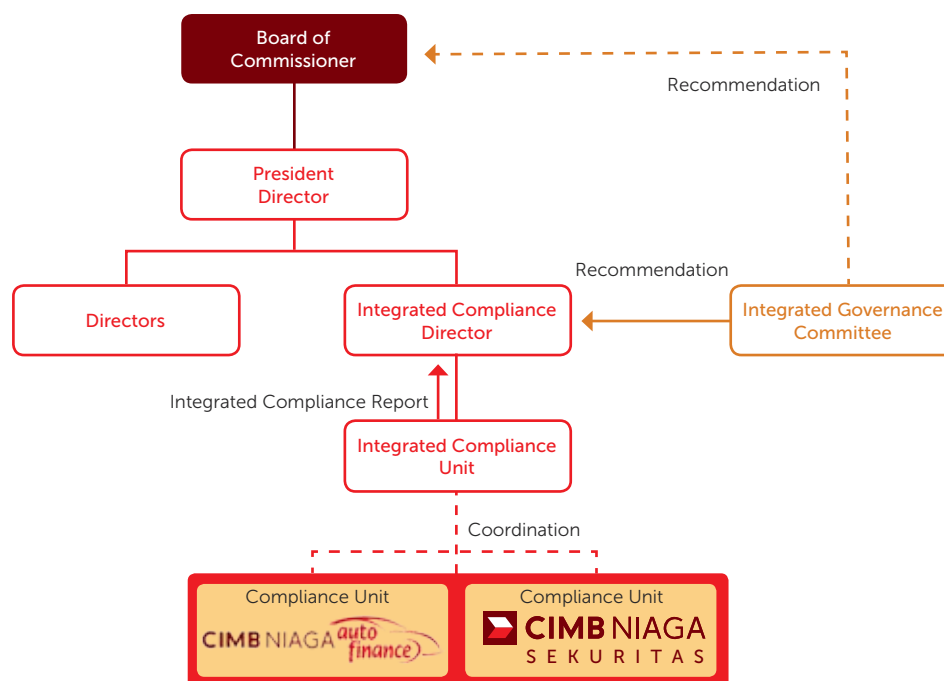
The IGC was established not only to comply with prevailing laws and regulations, but also to represent CIMB Niaga's commitment to the Good Corporate Governance in a professional and sustainable manner. The IGC assists the effectiveness of the Main Entity's Board of Commissioners duties in supervising IG implementation in the CIMB Indonesia Financial Conglomerate.

Further discussion regarding the IGC is disclosed in the IGC Report in this Annual Report.

INTEGRATED COMPLIANCE UNIT (ICU)

Pursuant to OJK Regulation No. 18/POJK.03/2014 regarding the Implementation of Integrated Governance in Financial Conglomerates, CIMB Niaga's Compliance Unit (CU) also serves as the Integrated Compliance Unit (ICU) and supervises the compliance function in CIMB Indonesia Financial Conglomerate, in coordination with the subsidiary CU. CIMB Niaga's ICU is an independent unit that is separate from the operational units in the ME.

Organisational Structure of ICU in CIMB Indonesia Financial Conglomerate



ICU DUTIES AND RESPONSIBILITIES:

1. Monitoring or evaluating the implementation of Integrated Compliance in each member of the CIMB Indonesia Financial Conglomerate;
2. Coordinating with other CU in the CIMB Indonesia Financial Conglomerate members in accordance with their functions;
3. Compiling the Integrated Compliance implementation results from each member of the CIMB Indonesia Financial Conglomerate;
4. Preparing and reporting the Integrated Compliance duties and responsibilities implementation report to the ME Compliance Director;
5. Establishing policies as guidelines for Integrated Compliance functions in forwarding the policies to members of the Financial Conglomerate.

INTEGRATED COMPLIANCE UNIT ACTIVITIES IMPLEMENTATION IN 2019:

1. Each CU in the CIMB Indonesia Financial Conglomerate prepared and submitted Compliance Reports to ICU on a regular basis through CIRS (CIMB Integrated Reporting System), an integrated reporting system in the CIMB Indonesia Financial Conglomerate;
2. ICU compiled and submitted:
 - a. Quarterly Integrated Compliance Reports to the ME Compliance Director;
 - b. Self-assessment reports on the IG application implementation in CIMB Indonesia Financial Conglomerate to the IG Committee and OJK, semi-annually;
 - c. Annual reports on IG implementation to OJK and published on the Bank's Annual Report.
3. The ME Compliance Director submitted the semi-annual Integrated Compliance Reports to the ME Director and the ME Board of Commissioners;

4. Updated the internal policies and prepared several procedures as references for integrated compliance implementation;
5. Conducted regular meetings with the CU in the CIMB Indonesia Financial Conglomerate members to evaluate the integrated compliance function implementation;
6. Monitored compliance issues corrective action plans from each Indonesian CIMB Financial Conglomerate member, including fulfilment of the Regulator audit findings.
7. The ME and CIMB Indonesia Financial Conglomerate members conducted self-assessments of the Compliance Risk Management Implementation in accordance with internal provisions and methodologies.

Compliance Risk Profile	Self-Assessment Rating	Explanation
Bank CIMB Niaga	2/Low Moderate	After considering the Bank's business activities, the possibility of losses faced from Compliance Risk was classified as low for the foreseeable future. The Compliance Risk management quality of implementation in a composite manner is adequate. In the event that there are minor weaknesses, these weaknesses receive management attention.
CIMB Niaga Auto-Finance (CNAF)	2/Low Moderate	After considering the CNAF's business activities, the possibility of losses faced from Compliance Risk was classified as low for the foreseeable future. The Compliance Risk management quality of implementation in a composite manner is adequate. In the event that there are minor weaknesses, these weaknesses receive management attention.
CIMB Niaga Sekuritas (CNS)	3/Moderate	After considering the CNS's business activities, the possibility of losses faced from Compliance Risk was classified as low for the foreseeable future. The Compliance Risk management quality of implementation in a composite manner is adequate. Although minimum requirements are met, there are some weaknesses that require management attention and improvement.
Consolidated/Integrated	2/Low Moderate	After considering the Financial Conglomerates business activities, the possible losses faced from Compliance Risk are classified as low for the foreseeable future. The Compliance Risk management quality of implementation in a composite manner is adequate. In the event that there are minor weaknesses, these weaknesses receive management attention.

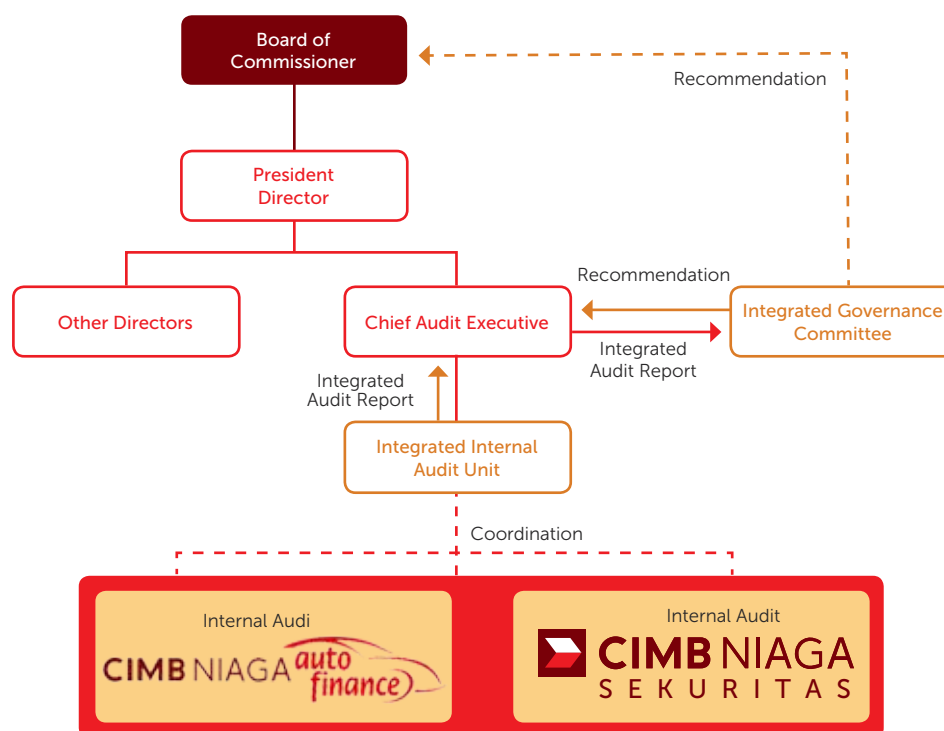
INTEGRATED INTERNAL AUDIT UNIT (IIA)

The IIA was established within the CIMB Indonesia Financial Conglomerate to conduct a good IG implementation. The CIMB Indonesia IAA has established an Integrated Internal Audit Policy and IG Charter as references for the ME IA and CIMB Indonesia Financial Conglomerate members IA, for implementing integrated supervision and monitoring functions to encourage improvements in the quality of Integrated Internal Audit governance implementation.

IIA DUTIES AND RESPONSIBILITIES :

1. Monitoring and evaluating the integrated audit implementation in each member of the CIMB Indonesia Financial Conglomerate;
2. Coordinating all IIA in the CIMB Indonesia Financial Conglomerate members in accordance with their functions;
3. Compiling the integrated audit results from each CIMB Indonesia Financial Conglomerate member;
4. Preparing and submitting the integrated audit duties and responsibilities implementation report to the Director appointed to conduct the monitoring on the Financial Services Institution in the Financial Conglomerate, the ME Compliance Director, and the ME Board of Commissioners.

Organisational Structure of IIA in CIMB Indonesia Financial Conglomerate



In conducting their duties, the CIMB Indonesia IIA conducts audits on the CIMB Indonesia Financial Conglomerate members, both through joint audits, or based on reports from CIMB Indonesia Financial Conglomerate members Internal Audit.

INTEGRATED AUDIT DUTIES IMPLEMENTATION IN 2019:

During 2019, IIA monitored and reported the of integrated audit implementation to the ME IU Head, the Directors appointed to carry out monitoring of CIMB Indonesia Financial Conglomerate members, the ME Compliance Director, and the ME Board of Commissioners periodically. IIA made various efforts to ensure the integrated audit implementation was in accordance with OJK, through the following initiatives including:

1. Aligned the audit policies / procedures with the CIMB Niaga IA
2. Conducted meetings with the Heads of IA from CIMB Indonesia Financial Conglomerate members.
3. Periodically monitored the CIMB Indonesia Financial Conglomerate members IA plans and audit results.
4. Performed a Quality Assurance & Improvement Program (QAIP) Review of the CNAF IA.

INTEGRATED RISK MANAGEMENT

In accordance with OJK Regulation No. 17/POJK.03/2014 regarding Integrated Risk Management Implementation for Financial Conglomerates, the ME is required to establish an Integrated Risk Management Committee (IRMC) and an Integrated Risk Management Unit (IRMU) for comprehensive and effective integrated risk management. The integrated risk management is conducted by considering the business characteristics and complexity of each member of the CIMB Indonesia Financial Conglomerate. The monitoring and evaluation for the CIMB Indonesian Financial Conglomerate risk exposure is conducted through IRMC and reported to Risk Management Committee (RMC) in ME.

The IRMC consists of Risk Management Director and several related senior management from ME and the Director in charge of the risk management functions from each CIMB Indonesia Financial Conglomerate member.

In 2019, there is changes on IRMC membership follow the CIMB Indonesia Financial Conglomerate membership structure. The Bank has a new subsidiary, CIMB Niaga Sekuritas (CNS) that obtained a licence to operate from the regulator in March 2019, and therefore integrated risk management was implemented in the same manner as consolidated risk management.

IRMC Membership Composition in 2019

Name	Position	IRMC Position
Vera Handajani	Risk Management Director in CIMB Niaga	Chairman
Julyus W. Tjhioe	Head of Operational Risk Management, CIMB Niaga	Deputy Chairman I
Yulius Setiawan	Head of Risk Analytics & Infrastructure, CIMB Niaga	Deputy Chairman II
Antonius Herdaru	Director, CIMB Niaga Auto Finance	Member
Harry M. Supoyo	President Director, CIMB Niaga Sekuritas	Member
Sandi Maruto	ALM Risk Head, CIMB Niaga	Member
Koei Hwei Lien	Head of Retail Credit Risk Management, CIMB Niaga	Member
Diva Mahdi	Market Risk Management & Model Validation Head, CIMB Niaga	Member
Nanang N. Sumirat	Integrated Risk Management & Basel PMO Head, CIMB Niaga	Secretary

The IRMC duties and responsibilities include:

1. Provide recommendations to the ME Board of Directors regarding the development of the Integrated Risk Management Policy and the improvement or enhancement of the Integrated Risk Management Policy based on the evaluation results.
2. Review and coordinate the evaluation results regarding integrated risk management, including integrated risk profile report, or other reports generated from the integrated risk management information system.

Regulations for the IRMC work guidelines are further stipulated in the IRMC Terms of Reference (ToR).

In conducting its functions, IRMC is supported by IRMU that coordinates with risk management units in each Financial Conglomerate FSI member.

Integrated Risk Management Duties implementation Activities in 2019 included:

1. The IRMU coordinated the submission of Integrated Risk Profile Reports from each CIMB Indonesia Financial Conglomerate member to the regulators semi-annually. The reports were first submitted to the IRMC for recommendations, prior to approval by the ME RMC.
2. The IRMU together with the Finance Unit submitted the Minimum Capital Requirement Report to the regulator semi-annually. The reports were first submitted to the IRMC for recommendations, prior to approval by the ME RMC.

3. The Bank as the ME developed and improved a technology-based information system to support the integrated risk profiles and capital risk assessment process, which is connected to all CIMB Indonesia Financial Conglomerate FSI members, to be used by the IRMU in all CIMB Indonesia Financial Conglomerate FSI members.
4. Coordinated the integrated risk management implementation by the ME to the CIMB Indonesia Financial Conglomerate FSI members through periodic meetings with the RMU in each CIMB Indonesia Financial Conglomerate FSI member.
5. IRMU prepared and developed technology to support Risk Profile report of the new subsidiary, CIMB Niaga Sekuritas (CNS) which is the first report submission was in semester II/2019.
6. There were no significant events that occurred in CIMB Indonesia Financial Conglomerate FSI members that would affect the overall CIMB Indonesia Financial Conglomerate risk profile.

INTEGRATED RISK MANAGEMENT UNIT (IRMU)

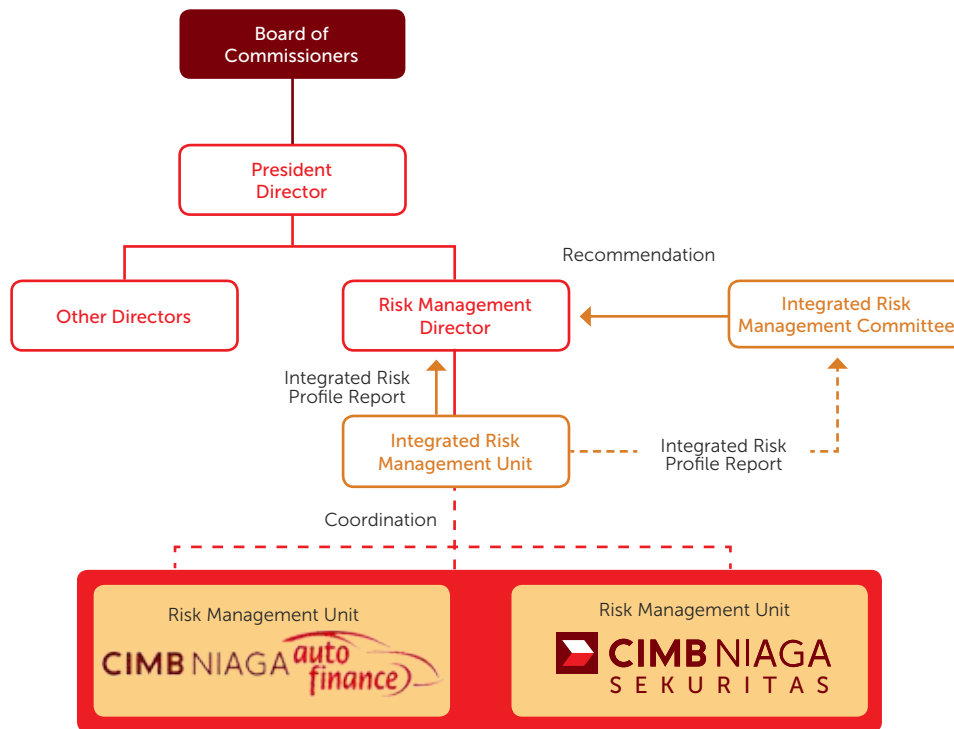
In performing their duties, CIMB Niaga's IRMC is supported by the IRMU that coordinates with the risk management units in each FSI in the CIMB Indonesia Financial Conglomerate.

The authority and responsibilities of the IRMU include:

1. Provide input to the ME IRMC and RMC regarding the development and implementation of Integrated Risk Management policies and procedures.

2. Provide information to the IRMC regarding matters that need to be followed up, including exceptions or significant events occurring in each CIMB Indonesia Financial Conglomerate FSI member that may have an impact on the overall CIMB Indonesia Financial Conglomerate.
3. Perform risk monitoring on the Financial Conglomerate based on assessments of the risk profile results in each Financial Institution, and the Integrated Risk Profile.
4. Develop and Review the accuracy of the Risk Profile assessment methodology periodically or at any time if there is a change in regulations.
5. Develop and submit Integrated Risk Profile and Minimum Capital Adequacy Report periodically to the Bank's Risk Management Director as the Main Entity, the Main Entity IRMC and RMC, before submitting to the regulators.

Organisational Structure of IRMU in CIMB Indonesia Financial Conglomerate



The IRMU conducts a monitoring process on the integrated risk management implementation. The monitoring process results regarding risk exposures are reported and evaluated by the IRMC and submitted to the ME RMC in accordance with regulatory regulations regarding risk management. During 2019, IRMU assignments included:

1. Conducted periodic reviews regarding risk management policies and procedures as guidelines and reference for the implementation of integrated risk management.
2. Conducted reviews on the methodology that used in risk profile self-assessment process for each CIMB Indonesia Financial Conglomerate FSI member (at least once a year).
3. Prepared and submitted integrated risk profiles and minimum capital requirements reports periodically to

the ME IRMC and RMC, to be subsequently submitted to the regulators.

4. Conducted an annual risk assessment as part of the Bank's robust Internal Capital Adequacy Assessment Process. The annual risk assessment is performing by involving all units in the Bank and its subsidiaries for the purpose of calculating the capital requirements for risks outside Pillar I that cannot be quantified.

Explanations regarding the integrated risk management implementation can be seen further in the Risk Management Report section of this Annual Report.

INTRAGROUP TRANSACTION POLICY

Intra-group transaction risk is one of the risks related to Integrated Risk Management implementation that must be managed. Intra-group transaction risks arise from the dependency of an entity, either directly or indirectly, to another entity in a financial conglomerate for the purpose of meeting written or unwritten agreements, which is followed by, or not followed by a transfer of funds.

Intra-group transactions risk may arise from:

1. Cross ownership between the FSI in a financial conglomerate.
2. Centralized short-term liquidity management.
3. Collateral, loans, and commitments provided or obtained by a FSI from another FSI in a financial conglomerate.
4. Exposure to the ultimate shareholders, including loan exposures and off-balance sheet items, including guarantees and commitments.
5. Purchase or sale of assets to other FSI in a financial conglomerate.
6. Transfer of risk through reinsurance.
7. Transactions to transfer third party risk exposure between FSI in one financial conglomerate.
8. Business cooperation or cross selling in the form of incentives or fees between FSI.

Intra-group transaction risks within the CIMB Indonesia Financial Conglomerate are identified, managed and reported periodically together with the integrated risk profile reporting. At the end of 2019, intra-group transaction risk profile rating was still considered low, where the significance of any intra-group transactions to CIMB Indonesian Financial Conglomerate's total assets was still insignificant. The dependencies among the CIMB Indonesia Financial Conglomerate FSI members was also considered very low or limited, as seen in the lack of centralised liquidity management, unbound intra-group support, operational transactions where one company acts on behalf of another companies in the CIMB Indonesian Financial Conglomerate was very low, as well as intra-group purchases or sales of assets being immaterial. In terms of the documentation and fairness of transactions, intra-group transaction agreements were adequate and all transactions were carried out on an arm's length basis and in accordance with prevailing regulations. Exposure to the ultimate shareholders on total capital and exposure arising from client assets placement to another company in the CIMB Indonesia Financial Conglomerate was also insignificant.

Regarding the intra-group transaction risk management process, ME has conducted identification, measurement, monitoring and risk control on the composition and fairness of transactions between CIMB Indonesia Financial Conglomerate FSI members. Periodically, the Finance Unit and RMU monitor intra-group transaction composition risk to ensure limits compliance including the Legal Lending Limit (LLL) and transactions fairness principle.

In the framework of active supervision, the Board of Commissioners and the Board of Directors receive periodic reports regarding intra-group transactions. Adequate policies and procedures for managing intra-group transactions have been established in each FSI. In the ME, these policies include the Risk Management Policy (Integrated), LLL Policy, and the Subsidiary Equity Participation Policy. The clarity of authorities and responsibilities has also been well regulated under the authority of the Finance & SPAPM Director.

An independent review was conducted by the IAU in accordance with the scale and complexity of intra-group transactions.

IG IMPLEMENTATION ASSESSMENT REPORT

IG IMPLEMENTATION ASSESSMENT METHOD

In accordance with SEOJK No. 15/SEOJK.03/2015 regarding the Integrated Governance Implementation in Financial Conglomeration, the IG implementation self-assessment is conducted semi-annually and includes 3 (three) IG assessment aspects, namely Structure, Process and Outcome of 7 (seven) IG implementation Assessment Factors including the following:

1. Execution of the ME Board of Directors duties and responsibilities,
2. Execution of the ME of Board of Commissioners duties and responsibilities,
3. The IG Committee duties and responsibilities,
4. The ICU duties and responsibilities,
5. The IIA duties and responsibilities,
6. Integrated Risk Management Implementation, and
7. Compilation and implementation of IG Guidelines while paying attention to other information related to the application of IG.

The IG implementation assessment was conducted by taking into account the significance and materiality of the IG assessment factors, and the strengths and weaknesses of the

IG application in the Financial Conglomerate. The IG self-assessment process was conducted by the IG Committee members and IRMC members by evaluating the adequacy of the IG's structure, process and results for each assessment factor.

In addition to the IG implementation self-assessment process, the Bank as the ME also pays attention to data and other information obtained from other work units such as the Risk Management, Internal Audit Unit, Corporate Affairs, Human Resources, Anti Fraud Management and units in the Subsidiaries, which are used as a factors in the CIMB Indonesia Financial Conglomerate IG implementation assessment.

IG IMPLEMENTATION ASSESSMENT RESULTS

The following shows the IG Implementation Assessment Results for the first and second half of 2019:

Integrated Governance Implementation Self-Assessment Results	
Rating	Rating Definition
2 (GOOD)	The Financial Conglomerate is considered to have implemented a generally good IG as reflected in the adequate fulfillment of the IG principles.

Based on the above assessment results, the CIMB Indonesia Financial Conglomerate is considered as having implemented good IG for the 7 IG assessment factors. This was reflected in adequate fulfilment of the three IG aspects, namely structure, process and results. The IG structure and infrastructure implementation's completeness and effectiveness resulted in generally good IG implementation in the CIMB Indonesia Financial Conglomerate. This was reflected in the IG Committee and IRMC duties and functions implementation supported by the ICU function, IIA function and IRMU function. However, there are still weaknesses in the application of IG, especially in the process of Governance implementation, however in general these weaknesses are insignificant and can be resolved through normal actions by the ME and / or FSI members of the CIMB Indonesia Financial Conglomerate.

SHARIA BUSINESS UNIT GOVERNANCE REPORT

SHARIA GOVERNANCE IMPLEMENTATION POLICY

With the community's growing demand for sharia-based financial products and services, more and more financial institutions are providing financing and financial services based on Sharia principles. To satisfy this demand, CIMB Niaga has established a Sharia Business Unit (SBU) that offers many Sharia financial products and services as an effort to meet the needs of the community and develop the Islamic economy in Indonesia.

CIMB Niaga SBU has continually improved the quality of its services, products and operations, including its Sharia Governance that covers Good Corporate Governance (GCG) implementation and its compliance with Sharia principles.

LEGAL BASIS

1. Republic of Indonesia Laws regarding Limited Liability Companies and Sharia Banking.
2. Financial Services Authority (OJK) and Bank Indonesia Regulations, OJK and Bank Indonesia Circular Letter related to Sharia Commercial Banks and Sharia Business Units.
3. Articles of Association of CIMB Niaga.

GCG PRINCIPLES

CIMB Niaga's SBU is committed to improving the GCG implementation related to the success and sustainability of its sharia business. The sharia-based financial business management is expected to make a positive contribution to all stakeholders. CIMB Niaga's SBU business activities is based on 5 key foundations, namely:

1. **Transparency**
transparency in presenting material and relevant information, and transparency in the decision-making process.
2. **Accountability**
clarity and accuracy in presenting information regarding the management of the Bank that runs effectively in accordance with the objectives.
3. **Responsibility**
consistent Bank management in accordance with all prevailing rules and regulations and the principles of sound SBU management.
4. **Professionalism**
being competent, being able to act objectively and free from influence / pressure from any party and having high commitment in developing the Sharia business.
5. **Fairness**
fairness and equality in fulfilling the rights and interests of stakeholders in accordance with prevailing rules and regulations.

SHARIA GCG SELF-ASSESSMENT

The obligation for financial institutions to perform Self-Assessments as laid down in Bank Indonesia Regulation No. 11/33/PBI/2009 concerning Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units, Article 79 is the benchmark for CIMB Niaga SBU annual GCG implementation results.

Self-assessments are used to ascertain the level of the Bank's fulfillment of its obligations and compliance with the applicable Sharia rules and regulations, and protects the interests of stakeholders so as to form a healthy and resilient Sharia banking industry in Indonesia.

CIMB Niaga SBU Sharia Governance self-assessments are conducted every year through questionnaires to members of the Sharia Supervisory Board (SSB), Board of Directors and Executive Officers.

Results of the CIMB Niaga's Sharia Governance Self-assessment in 2019 as follows:

No	Factor	Weight	Rating	Score
1	Implementation of Director of SBU Duties and Responsibilities	35%	1.22	0.43
2	Implementation of Sharia Supervisory Board (SSB) Duties and Responsibilities	20%	1.25	0.25
3	Sharia Principles Implementation in Funding and Financing Activities as well as Services	10%	2.56	0.26
4	Financing to Core Customers and Funding from Core Customers	10%	2.29	0.23
5	Transparency in Financial and Non-Financial Conditions, Report on GCG Implementation and Internal Reporting	25%	1.70	0.43
Composite Index		100%		1.59

Description:

Composite Index	Attribute
Composite Index < 1.5	Very Good
1.5 ≤ Composite Index < 2.5	Good
2.5 ≤ Composite Index < 3.5	Fair
3.5 ≤ Composite Index < 4.5	Poor
4.5 ≤ Composite Index ≤ 5	Very Poor

STRUCTURE AND MECHANISM OF CIMB NIAGA SBU'S SHARIA GOVERNANCE

GCG STRUCTURE OF CIMB NIAGA SBU

CIMB Niaga SBU's GCG structure consists of an SSB and Sharia Banking Directors who establish several Groups for carrying out CIMB Niaga SBU business operations as stated in the Bank's Organizational Structure on this Annual Report.

The Bank's SBU Sharia governance bodies carry out their duties and responsibilities in accordance with their respective functions.

SHARIA GOVERNANCE MECHANISM

CIMB Niaga's commitment to Sharia Governance implementation in the SBU is followed in its daily operational activities. All SBU bodies and their supporting bodies will respect their respective functions and roles in accordance with their regulations and policies, and are expected to increase sharia governance implementation on an ongoing basis from year to year.

SHARIA SUPERVISORY BOARD (SSB)

Based on Bank Indonesia Regulation (PBI) No. 11/33/PBI/2009, the Sharia Supervisory Board (SSB) is in charge of providing advice and recommendations to the Board of Directors and overseeing the Bank activities in accordance with Sharia Principles. In carrying out their duties, SSB has the authority to supervise, monitor, provide sharia opinions, approve and closely monitor all SBU activities in accordance with Sharia Principles. The SSB is appointed and approved by the General Meeting of Shareholders (GMS) after obtaining recommendations from the National Sharia Council - Majelis Ulama Indonesia (DSN-MUI) and obtaining the Fit and Proper Test approval from OJK.

SSB CHARTER

The CIMB Niaga SBU has established a SSB Charter that refers to the prevailing rules and regulations in Indonesia that is regularly updated with improvements and adjustments. This Charter serves as the SSB guidelines, standards and code of ethics to enable the SSB to perform its daily functions, duties and responsibilities, and quality standards for the administrative management institution and SSB's work, both for itself, the SBU and other parties related to the SSB duties implementation.

The SSB Charter governs the following:

1. Purpose
2. Duties and Responsibilities
3. Membership
4. Mechanism and Work Plan
5. Work Ethics and Working Hour
6. Remuneration and Facilities
7. Meetings and Minutes of Meetings
8. Performance Assessment and Accountability
9. Units that Support SSB's Duties and Responsibilities
10. Reports

SSB CRITERIA

Based on the Bank's SSB Charter, SSB members must meet the following requirements:

1. Integrity, at least to include:
 - a. Having a good character and morals;
 - b. Capable of taking legal actions;
 - c. Having a commitment to fully comply and implement with professionalism the SSB Charter, Sharia banking provisions, and all prevailing laws and regulations;
 - d. Having a commitment to the development of a sound and solid Sharia banking;
 - e. Not being listed in the List of Not Pass the Fit and Proper Test as governed in the provisions regarding the Fit and Proper Test stipulated by OJK.
 - f. Has never committed fraud, embezzlement, and/or irregularities in the banking sector, finance sector, and other business sector, and has never been convicted of a crime committed (proven by a personal statement).
2. Competence, at least having knowledge and experience of Sharia Mu'amalah and knowledge in banking and/or finance in general.
3. Reputation, at least within the last 5 (five) years prior being nominated and during their tenure:
 - a. Not being included in the Black List and OJK list of non-performing loans;
 - b. Have never been declared bankrupt;
 - c. Have never served as a shareholder, member of a Board of Commissioners, or a member of a Board

- of Directors of a Company and/or a member of the management of a business entity that has been found guilty of causing a company and/or business entity to be declared bankrupt.
- d. Have never been convicted for committing a crime that was detrimental to the state finances and/or related to the financial sector;
 - e. Have never been a member of the Board of Directors and/or Board of Commissioners who during their tenure:
 - Has failed to organize an Annual GMS;
 - Has had their accountability disapproved by the GMS or has failed to provide accountability as a member of the Board of Directors and/or Board of Commissioners to the GMS;
 - Has caused a company with a license, approval or registrations from the OJK failed to fulfil the obligation to submit Annual Reports and/or Financial Reports to OJK.

SSB TERM OF OFFICE, STRUCTURE AND COMPOSITION

The term of office of a SSB member is stipulated in the SSB Charter and shall be effective from the date specified at the GMS appointing them until the close of the 4th GMS after the date of their appointment, and can be reappointed with due regard to the applicable provisions.

As stipulated in the SSB Charter, the minimum number of SSB members is 2 (two) persons with a maximum of 3 (three) persons, led by a Chairman appointed from one of the SSB members.

Bank's SSB members have the ability to carry out their mandated duties and responsibilities, and have adequate understanding and competence to carry out their duties and responsibilities properly, and encourage the SBU of CIMB Niaga performance improvement.

Composition of Sharia Supervisory Board in 2019

No	Name	Position	Term of Office			
			Appointment	BI/OJK Approval	Last Re-appointment	Term of Office
1	Prof. Dr. M. Quraish Shihab, MA	Chairman concurrently Member	AGM 23 April 2008	No. 11/260/DPbS dated 11 February 2009	AGM 15 April 2019	2019-2022
2	Prof. Dr. Fathurrahman Djamil, MA	Member	EGM 19 December 2008	No. 11/260/DPbS dated 11 February 2009	AGM 15 April 2019	2019-2022
3	Dr. Yulizar Djamiluddin Sanrego, M.Ec	Member	AGM 28 March 2013	No. 15/825/DPbS dated 10 June 2013	AGM 15 April 2019	2019-2022

FIT AND PROPER TEST

The SSB Charter stipulates that, SSB members are appointed at the General Meeting of Shareholders and are only effective when the appointment has been approved by OJK as stated in PBI No. 11, 2009 concerning Sharia Commercial Banks, and OJK Regulation No. 27/POJK.03/2016 concerning Fit and Proper Test for Key Parties in Financial Services Institutions stipulates that prospective SSB members must obtain approval from OJK before carrying out any actions, duties, and functions on the Sharia Supervisory Board.

All SSB of CIMB Niaga's SBU members have passed the fit and proper, without comment, and have been approved by

OJK, indicating that all SSB members have adequate integrity, competence and a satisfactory financial reputation.

SHARES OWNERSHIP

No members of the SSB of the Bank have shares in the Bank, other financial institutions or other companies.

CONCURRENT POSITIONS OF SSB MEMBER

Based on BI Regulation No.11/10/PBI/2009 regarding Sharia Business Units article 11 paragraph 3, SSB members can hold concurrent positions as SSB members at most in 4 (four) other Sharia financial institutions, which has been stipulated also in the Bank SSB Charter.

Concurrent Positions of SSB CIMB Niaga has met the above requirements.

Name	Position	Position in Other Company	Other Company / Institute
Prof. Dr. M. Quraish Shihab, MA	Chairman	SSB Chairman	BTN Syariah
Prof. Dr. Fathurrahman Djamil, MA	Member	SSB Chairman	Bank BCA Syariah
		SSB Chairman	AIA Cabang Syariah
		SSB Member	CIMB Niaga Autofinance
		SSB Chairman	Adira Finance Syariah
Dr. Yulizar Djamiluddin Sanrego, M.Ec	Member	SSB Member	LPEI Exim
		SSB Member	PBMT Ventura
		SSB Member	Panin Sekuritas
		SSB Member	BPRS BTB

SSB DUTIES AND RESPONSIBILITIES

SSB duties and responsibilities include providing advice and recommendations to the Director in charge of the SBU, and overseeing SBU activities in accordance with Sharia Principles.

SSB's oversight over the SBU includes:

1. Assessing and ensuring compliance with Sharia Principles regarding Sharia operational and products guidelines issued by the Bank;
2. Overseeing the process of developing the Bank's new Sharia-related products in accordance with the DSN-MUI fatwa;

3. Providing Sharia opinions regarding new Sharia-related products and / or restructured financing with reference to DSN-MUI fatwa and provisions governing the implementation of Sharia Principles and business activities of BUS and SBU;
 4. Requesting a fatwa from DSN-MUI for the Bank's new Sharia-related products that do not yet have a fatwa;
 5. Periodically reviewing the compliance with Sharia Principles concerning the mechanism for fund raising and fund disbursement and Bank services;
 6. Requesting data and information related to Sharia aspects from the Bank's working units that perform and / or relate to Sharia activities in the context of conducting their duties; and
 7. Performing duties and responsibilities in accordance with the principles of Good Corporate Governance.
2. The Bank is required to hold a GMS at the latest 90 (ninety) days after receipt of the written notification for resignation from a SSB member.
 3. The Bank is required to disclose information to the public and report it to OJK no later than 2 (two) working days after receipt of the written notification for resignation of the SSB member.
 4. If the resignation results in the number of SSB members being less than the minimum number as stipulated in the prevailing laws and regulations, the Bank is required to appoint new SSB members in accordance with the procedures for appointing SSB members.
 5. SSB members who resign before their term of office expires, accountability can still be requested for the execution of their duties from the previous accountability date up to the date their resignation is effective at the following Annual GMS.
 6. Dismissal and/or resignation of SSB members must be reported to OJK no later than 10 (ten) calendar days from the effective dismissal and/or resignation.

SSB CONFLICTS OF INTEREST MANAGEMENT

The SSB Charter regulates conflicts of interest in accordance with OJK Regulation No. 55/POJK.03/2016 Chapter X Article 63 that explains that in the event of a conflict of interest, members are prohibited from taking actions that could harm or reduce the Bank's profit and must disclose any potential conflict of interest in each decision taken.

The procedures that must be followed by SSB members in the event of a conflict of interest are as follows:

1. They are obligated to immediately report in writing to the Board of Commissioners all matters that have the potential to create and/or contain conflicts of interest that have a significant financial and reputation impact on the Bank, the Board of Commissioners, SSB and the Board of Directors.
2. Not permitted to participate in the process of evaluating any activities that have potential conflict of interest.
3. Allow to participate in meetings, but are not allowed to participate in decision-making.

SSB RESIGNATION AND DISMISSAL MECHANISM

The SSB Charter governs the procedure of resignation and dismissal of members as follows:

1. 1A member of SSB has the right to resign from their position through written notification regarding their intention to the Bank prior to the effective resignation.

SSB PERFORMANCE ASSESSMENT

The SSB duties and responsibilities implementation assessment and responsibilities is reported in the Annual General Meeting of Shareholders (AGM), and is regulated as follows:

1. At the beginning of the year, SSB and Sharia Banking Director establish Work Plans and performance assessment targets (KPIs) to be approved by the Board of Commissioners;
2. The member of SSB performance assessment and measurement is based on the results of carrying out their duties based on the realization and achievement of the Work Plan;
3. The SSB performance assessment is conducted as follows:
 - a. The SSB performance assessment covers a period of 1 (one) year;
 - b. Firstly, SSB Members conduct self-assessments (towards the achievement of KPIs and other components);
 - c. Secondly, the Nomination and Remuneration Committee discusses the SSB performance self-assessment results to be used as recommendation to the Board of Commissioners to be determined by the AGM.

4. Report on the performance assessment and accountability of the SSB to the realization of the Bank's Work Plan is submitted to the Sharia Banking Director to be approbed and submitted to the Nomination and Remuneration Committee and the Board of Commissioners through the Nomination and Remuneration Committee Secretary with a copy to the Corporate Secretary of the Bank which is conducted twice a year (June and December) no later than 2 (two) months after the reporting month to be subsequently set forth in the Annual Report, and submitted at the GMS for submission to the authorities according to the prevailing laws and regulations.

SSB MEETINGS

The CIMB Niaga SSB meetings are held at least once a month, and attended by all members of SSB and Sharia Banking Director with the main topic of strategic and operational policies and decision-making, supervisory functions, providing advice and recommendations to the Board of Directors and SBU Management, in accordance with Sharia principles. All decisions recorded in the minutes of meetings are joint decisions and the decision-making process can also involve DSN – MUI, if necessary.

During 2019, SSB of CIMB Niaga held 13 (thirteen) regular meetings as detailed below:

Nama	Total Meetings	Attendance Frequency	Attendance Level
Prof. Dr. M. Quraish Shihab, MA	13	11	84.6%
Prof. Dr. Fathurrahman Djamil, MA		12	92.3%
Dr. Yulizar Djamaludin Sanrego, M.Ec		13	100%
Sharia Banking Director		11	84.6%

In addition to regular meetings, there were also conducted Sharia compliance exit meeting review, sharing session and consultation between SBU and SSB as follows:

Date	Topic
12 March 2019	<ol style="list-style-type: none"> 1. Complex Sharia Hedge – FX Swap 2. Procutt rename of the KPM iB Oto Swakarsa to be MobilAku iB and Vehicle Inventory Scheme. 3. Giro iB Pahala Community 4. Gold procurement mechanism for iB Mapan savings product collaboration with PT. Pegadaian
28 March 2019	Sharia Compliance Exit Meeting Review on Indirect Auto Syariah product
28 March 2019	Sharia Compliance Exit Meeting Review on Top-5 Financing
12 April 2019	Sharia Compliance Exit Meeting Review on iB Mortgage financing
27 June 2019	Sharing Session on DSN-MUI Fatwa No 123, 2018 Implementation
22 August 2019	Sharia Compliance Exit Meeting Review on Prize Saving Program
8 October 2019	Novasi, Subrogasi and Cessie based on DSN-MUI fatwa and KUHPer
12 December 2019	Sharing Session on SSB yield paid in advance and iB Deposit with Wakalah contract.
18 November 2019	Sharia Compliance Exit Meeting Review on Sharia card products

SSB DUTIES IMPLEMENTATION IN 2019

SSB submitted SSB Supervision Reports to CIMB Niaga Management in every 6 (six) months. The Supervision Reports were then submitted by Management to OJK.

Submission of SSB Reports to OJK for 2019 were as follows:

Period	Reference	Date
Semester I	034/PD/UUS/VIII/2019	6 August 2019
Semester II	006/PD/UUS/II/2020	7 February 2020

During 2019, the work programs implemented by SSB included:

- Conducted 13 (thirteen) regular meetings to discuss new products, features, programs, operational guidelines, financing/funding models, financing proposals, risk profiles, financial performance, Qardhul Hasan fund and ZIS, etc.
- Attended SSB Workshops for the Sharia Banking and Sharia Financing Sector in Financial Institutions in 2019, including the SSB 2019 Pra Ijtima' Sanawi (Annual Meeting) and Semiloka - Ijtima' Sanawi (Annual Meeting) held by DSN-MUI and OJK
- Participated in Muzakarah Cendekiawan Syariah Nusantara held by ISRA for Islamic Finance (International Shari'ah Research Academy for Islamic Finance).
- Participated in the Exit Meeting for the OJK Examination Results.
- Reviewed Sharia compliance through financial sampling, funding and services transaction sampling tests for iB Mortgage Financing, Fund Raising and Services at Sharia branch and Office Channelling, the Prize Saving Program, Sharia Card, Top-5 Financing, Sharia Indirect Auto Financing, Commercial Banking and SME financing in the Jakarta area.
- Conducted 5 (five) meetings to discuss the Sharia compliance review results with related units.
- Submitted the SSB Supervisory Report for the periods:
 - Semester II - 2018 delivered in February 2019;
 - Semester I - 2019 delivered in August 2019.
- Conducted internal CIMB Niaga Syariah sharing sessions twice in a year with topics
 - Implementation of DSN-MUI Fatwa number 123, 2018;
 - Wakalah bil Istitsmar and Return on Savings received in advance.
- Contributed to Sharia GCG through the 2019 GCG Self Assessment in accordance with the applicable provisions.
- Discussed and formulated the IG Committee membership with all SSB affiliated companies in the CIMB Indonesia Financial Conglomerate.
- Actively contributed to the IG Committee Membership in accordance with the applicable provisions..

Opinions or approvals from SSB related to products and activities of CIMB Niaga SBU

No	Opinion Number	Description
01	001/OPINI/DPS/II/2019	Internal Provision- SOP Voice Recording Branch Office
02	002/OPINI/DPS/II/2019	Internal Provision- SOP Report on Capital Disclosure in accordance with Basel III Framework
03	003/OPINI/DPS/II/2019	Internal Provision- SOP Mutual Fund Transactions
04	004/OPINI/DPS/II/2019	Internal Provision- SOP Bank Indonesia Demand Deposit Reconciliation
05	005/OPINI/DPS/II/2019	Internal Provision- SOP Voice Recording Cash Management Client Services
06	006/OPINI/DPS/II/2019	Internal Provision- SOP Dormant Account
07	007/OPINI/DPS/II/2019	Internal Provision- SOP Special Credit Underwriting Procedure for Financing Assembled Consumption of iB Property
08	008/OPINI/DPS/II/2019	Internal Provision- SOP Trade Finance Product Policy Sub SKBDN Usance iB, Sight & Usance LC Issuance iB
09	009/OPINI/DPS/II/2019	Internal Provision- SOP IB Sales Assured Property (Sales) Consumption Financing
10	010/OPINI/DPS/II/2019	Features - Debit Card: E-Commerce Merchant Whitelist
11	011/OPINI/DPS/III/2019	Internal Provision- SOP Example of an Electronic Signature (Signature Verification System / SVS)
12	012/OPINI/DPS/III/2019	Internal Provision- SOP Compliance Test Against Internal Provisions

No	Opinion Number	Description
13	013/OPINI/DPS/III/2019	Internal Provision- SOP Compliance Test of New Bank Products and Activities
14	014/OPINI/DPS/III/2019	Features – Product rename for MobilAku iB and Vehicle Inventory Scheme
15	015/OPINI/DPS/III/2019	Internal Provision- SOP IB Bank Guarantee & Standby LC iB
16	016/OPINI/DPS/III/2019	Bulk Transfers of Transactions
17	017/OPINI/DPS/III/2019	Internal Provision- SOP Hajj Transactions
18	018/OPINI/DPS/III/2019	Activity - Indirect Auto Subrogation
19	019/OPINI/DPS/III/2019	Features - Accelerated Repayment of IMBT Agreement Refinancing
20	020/OPINI/DPS/III/2019	Activity - Linkage Channeling Financing for Hajj Management through Multifinance
21	021/OPINI/DPS/IV/2019	IB Pahala Savings
22	022/OPINI/DPS/IV/2019	IB On Account Savings
23	023/OPINI/DPS/IV/2019	Obligations to use Rupiah in territory of Republic Indonesia
24	024/OPINI/DPS/IV/2019	Underwriting Personal Financing Policy Guidelines
25	025/OPINI/DPS/IV/2019	Merchant Policy
26	026/OPINI/DPS/IX/2019	Receivable Financing iB
27	027/OPINI/DPS/X/2019	Settlement of Problem Funding for KPR iB

SHARIA BANKING DIRECTOR

The CIMB Niaga SBU is led by the Sharia Banking Director who is fully responsible for the implementation of sharia business management based on prudential principles and sharia principles.

In 2019, the Sharia Banking Director was Pandji P. Djajanegara, who was appointed through the AGM Resolution dated 15 April 2016 and approved by OJK through Letter No.SR-27/PB.13/2016 dated 4 October 2016.

PROFILE OF SHARIA BANKING DIRECTOR



Pandji P. Djajanegara
Syariah Banking Director

The Sharia Banking Director's Full Profile is available in the Board of Directors' Profiles in this Annual Report.

CRITERIA

The Sharia Banking Director Criteria is based on inter alia Bank Indonesia Regulation (PBI) No. 11/10/PBI/2009 concerning Sharia Business Units, PBI No. 14/6/PBI/2012 concerning the Fit and Proper Test for Sharia Banks and Sharia Business Units, and BI Circular No. 14/25/DPbS concerning the Fit and Proper Test for Sharia Banks and Sharia Business Units.

The criteria that must be met by candidates for Sharia Banking Director, includes:

1. Having good integrity, competence and financial reputation as required by prevailing regulations;
2. Having a commitment to the development of sound Sharia banking operations;
3. Having sufficient knowledge and understanding of Sharia banking operations;
4. Having knowledge and expertise of banking operations, Sharia banking, finance or Sharia finance;
5. Has the ability to carry out strategic management in the framework of developing a sound and resilient SBU.

SHARIA BANKING DIRECTOR TERM OF OFFICE

The Sharia Banking Director term of office is equal to the term of office of the other CIMB Niaga's Board of Directors, who are appointed by the GMS for a period commencing from the closing of the GMS appointing them, or other dates determined by the GMS, until the close of the 4th (fourth) AGM after the date of appointment, without prejudice to the right of the GMS to dismiss the Sharia Banking Director before his/her term ends by stating the reasons. Such dismissals are effective from the closing of the GMS unless determined otherwise by the GMS.

Pandji P. Djajanegara is currently serving for the first period appointed at the AGM on 15 April 2016 and will end at the AGM held in 2020

SHARIA BANKING DIRECTOR DUTIES AND RESPONSIBILITIES

1. Carry out management and supervision based on the prudential principle and Sharia principles
2. Following up on SSB recommendations
3. Implement OJK regulations related to the SBU

LIST OF CONSULTANTS AND ADVISORYS

No	Consultant	Area
1	TAXPRIME	Tax Consultant
2	Sriyani Burlian, SH	Binding Syndication Consultant
3	Boston Consulting Group	Banking Consultant

INTERNAL FRAUD & SETTLEMENT EFFORTS

Based on the Internal Audit and Anti Fraud Management reports, no internal fraud occurred in 2019 with a value of more than Rp100,000,000.00 (one hundred million rupiah)

Internal Fraud Cases	Fraud Committed by					
	Board of Commissioners & Board of Directors		Permanent Employees		Non-Permanent Employees	
	2019	2018	2019	2018	2019	2018
Resolved	-	-	-	-	-	-
Under internal Bank settlement process	-	-	-	-	-	-
Not yet settled	-	-	-	-	-	-
Followed up by legal proceedings	-	-	-	-	-	-
Total Fraud	-	-	-	-	-	-

LEGAL CASES (CRIMINAL AND CIVIL) AND SETTLEMENT PROCESS

In 2019, the legal issues involving the CIMB Niaga SBU were only related to civil cases and there were no criminal cases as shown in the table below:

Legal Issues	Criminal (Bank as Defendant)			Civil (Bank as Defendant)		
	2019	2018	2017	2019	2018	2017
Settled Cases (Legally Binding)	-	-	-	2	-	2
Cases in Settlement Process	-	-	-	4	5	4
Total Cases	-	-	-	6	5	6

NON-HALAL REVENUE AND UTILIZATION

In 2019, there was no Non-halal revenue generated.

DONATIONS FOR SOCIAL ACTIVITIES

In 2019, CIMB Niaga SBU in collaboration with humanitarian social institutions, religious institutions and educational institutions organized 491 (four hundred and ninety-one) programs with a total funding of Rp14.4 billion. These funds were distributed were grouped in 5 (five) sectors as follows:

Distribution Sector	Total Activities	Donation (Rp)
Economic Empowerment	26	2,241,930,000
Education	153	3,996,271,150
Infrastructure	113	3,656,165,000
Health	37	1,987,004,500
Social	162	2,516,044,500
Total	491	14,397,415,150

The featured programs in collaboration with partner institutions were divided into five areas of Qardhul Hasan Fund distribution, which included:

ECONOMIC EMPOWERMENT

- Agriculture and Livestock capital program in the Tengger - Semeru tribe area in cooperation with Baitul Maal Hidayatullah.
- The independent community business group program in Bogor in cooperation with PKPU
- Empowerment program for procurement of gerobak berkah for small and medium traders in Kuningan, West Java, in collaboration with DT-Peduli
- Program to buy 20 cattles with the fattening system in cooperation with the University of Mataram
- Community livestock barns program in Aceh region in collaboration with Aksi Cepat Tanggap in Aceh Branch
- Entrepreneurship boarding school program in Banten in cooperation with Lembaga Lazis Dewan Dawah

EDUCATION

- Program to build Al-Quran madrasa facilities in Papua in collaboration with DT-Peduli Ummat
- Pharmacy student scholarship program for the poor in collaboration with Akademi Farmasi Banjarmasin
- Indonesian movement program to read Al-Quran in collaboration with Cinta Quran Foundation
- Santri tahfidz dhuafa students tuition assistance program in collaboration with Pondok Pesantren Sulaimaniyah
- Sharia banking education and literacy program in collaboration with KCPS Banda Aceh
- Computer laboratory procurement program in the Aceh region in cooperation with Yayasan Wakaf Haroen Aly
- The asrama tahfidz Darul Ulum construction program in the Mentawai area in collaboration with Lazis Dewan Da'wah

INFRASTRUCTURE

- Masjid Al Mansyur construction and renovation program in the Aceh region in collaboration with Yayasan Wakaf Haroen Aly
- Masjid Al Madina construction program in the Tangerang region in cooperation with Yayasan Wakaf Paramadina
- Masjid Raya Bintaro expansion program in collaboration with the DKM Raya Bintaro
- Healthy house renovation program for poor people in the Pasawaran Lampung region in cooperation with Baznas Kabupaten Pasawaran
- Masjid Miftahul Hidayah construction program is in the Riau region in cooperation with Ponpes Islamic Center Al Hidayah Kampar
- Darul Ummah modern boarding school classroom development program in the Banten region in cooperation with Yayasan Umat Mandiri Sejahtera
- Mosque renovation program after the flood disaster in the Kampar region in cooperation with DT-Peduli Umat
- Clean water facility procurement program in Central Lombok area in cooperation with Baitul Maal Hidayatullah (BMH)
- Lombok Earthquake Recovery Program for 30 houses in collaboration with DT-Peduli Umat

HEALTH

- Health assistance program for Bank Niaga retirees in collaboration with Yayasan Ikatan Keluarga Purnawira Bank Niaga
- Free hearing procurement program for underprivileged patients in Cirebon area in collaboration with RS Permata Cirebon and PT Raudhatussyfaa Sehat Bersama
- Ambulance procurement program for the Bandung area in collaboration with the Sinergi Foundation
- General medical equipment procurement program in collaboration with YPM Salman ITB
- Early ultrasound examination for breast cancer detection carried out in the Jabodetabek area in collaboration with Lovepink
- Ambulance procurement program in collaboration with Yayasan Ar Risalah Al Islamiyah, located in East Jakarta
- Procurement of shelters for patients who are unable to work with Ronald McDonald House Bali

SOCIAL

- West Java landslide and flood victims assistance program in collaboration with Yayasan Pikiran Rakyat
- Orphan compensation program in two orphanages in the Jakarta area in cooperation with PT Aneka Putra Santosa
- Da'l remote apresisi program in collaboration with partner institution Al Azhar Peduli Umat
- Going home program for those with disabilities in the Bandung area in collaboration with partner institution DT-Peduli Umat
- Koran teacher gift sharing program in collaboration with PPPA Daarul Quran Nusantara
- Goat meat distribution program for poor people living around the KCS area in collaboration with DT-Peduli Umat
- Program to procure equipment to recycle waste into lighting energy of local people in Bandung in cooperation with The Lodge Foundation
- Rice sharing program for poor students in collaboration with partner institutions PPPA Daarul Quran Nusantara

BAD CORPORATE GOVERNANCE PRACTICES

In accordance with CIMB Niaga's commitment to implement GCG, until the end of 2019, CIMB Niaga was committed to not commit to any actions or policies concerning the Bad Corporate Governance practices depicted as follows:

No.	Description	Practice
1.	Being reported as a Company that pollutes the environment	Nil
2.	Significant legal proceeding currently involving the company, subsidiaries, members of the Board of Directors and/ or members of the Board of Commissioners that are not disclosed in the Annual Report	Nil
3.	Non-compliance in meeting tax liabilities	Nil
4.	Mismatch between the presentation of the Annual Report and financial statements and prevailing regulations and applicable Financial Accounting Standards	Nil
5.	Cases related to workers and employees	Nil
6.	No disclosure of operating segments in a listed company	Nil
7.	Discrepancies between hardcopy and softcopy of Annual Report	Nil

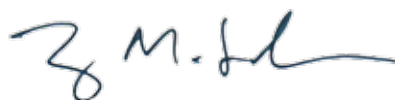
GOOD CORPORATE GOVERNANCE DECLARATION OF CONDUCT

All CIMB Niaga management and employees declare that in conducting business activities, we have adopted the principles of Good Corporate Governance and there has been no material breach of the prevailing rules and regulations.

In addition, CIMB Niaga also has implemented the principles of Governance in accordance with the principles of the ASEAN Corporate Governance Scorecard. The management and employees are committed to continually improving our Good Corporate Governance practices in a transparent, accountable, responsible, and independent manner, with due observance to fairness, equality, sustainability and impartiality in order to achieve CIMB Niaga's business objectives.



TENGGU DATO' SRI ZAFRUL TENGGU ABDUL AZIZ
PRESIDENT COMMISSIONER



TIGOR M. SIAHAAN
PRESIDENT DIRECTOR