

**KEJAR MIMPI
ASPIRATION BECOMES INSPIRATION
FOR INDONESIA**



#KEJARMIMPI ASPIRATION BECOMES INSPIRATION FOR INDONESIA

It all began with a sincere heart, progressing step by step, crafting ideas and creation to answer the call of the soul.

Turning aspirations into inspiration, creating innovation and positive changes with CIMB Niaga. Together, let's pursue our dreams for Indonesia.

Disclaimer and Limitation of Liability

This Sustainability Report contains operational, financial statements, projections and plans, strategy implementation, and CIMB Niaga's policies and objectives, which are classified as forward-looking statements in the implementation of the law and applicable regulations, except for historical matters. These statements have the prospect of risk uncertainty and may result in actual developments being materially different from those reported. These prospective statements are made based on various assumptions regarding current conditions and predicted conditions future in the business environment in which the Bank conducts business activities. CIMB Niaga does not guarantee that documents whose validity has been confirmed will bring certain results as expected.

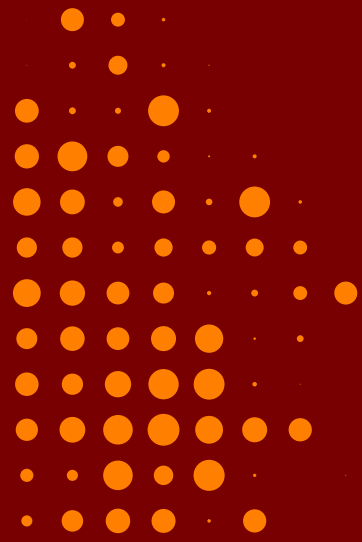


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CIMB Niaga at a Glance

[POJK51-C.2; C.3][GRI 2-1; 2-3; 2-6]



Company Name

PT Bank CIMB Niaga Tbk



Date and Year of Establishment

26 September 1955



Line of Business

Banking Services



Website

www.cimbniaga.co.id



E-mail Address

Corporate Secretary:
corporate.secretary@cimbniaga.co.id

Sustainability:
sustainability@cimbniaga.co.id

Investor Relations:
investor.relations@cimbniaga.co.id



Legal Entity and Share Ownership

Limited Liability Company

Listed on the Indonesian Stock Exchange (IDX) on 29 November 1989, with stock and bond code BNGA

Share Ownership



- CIMB Group Sdn. Bhd: **91.48%**
- PT Commerce Kapital: **1.02%**
- Other Public Shareholders: **7.50%**



Subsidiaries

PT CIMB Niaga Auto Finance (CNAF)
PT CIMB Niaga Sekuritas (CNS)



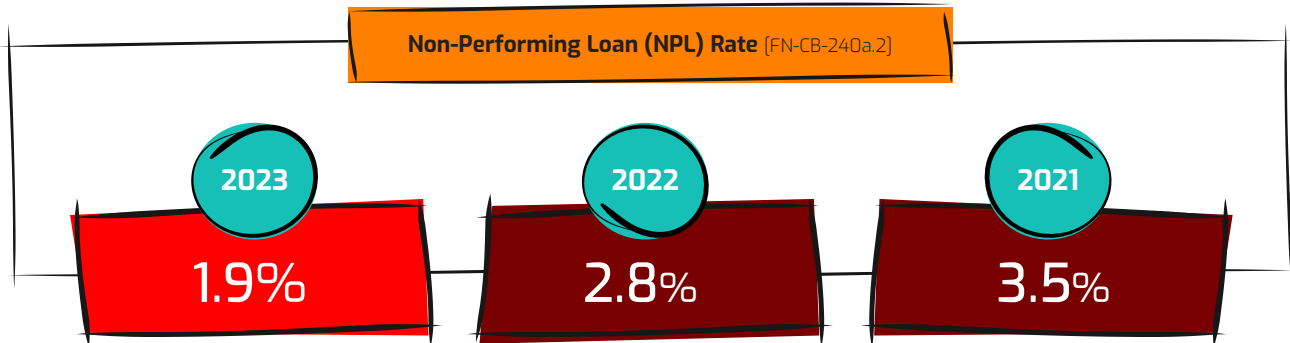
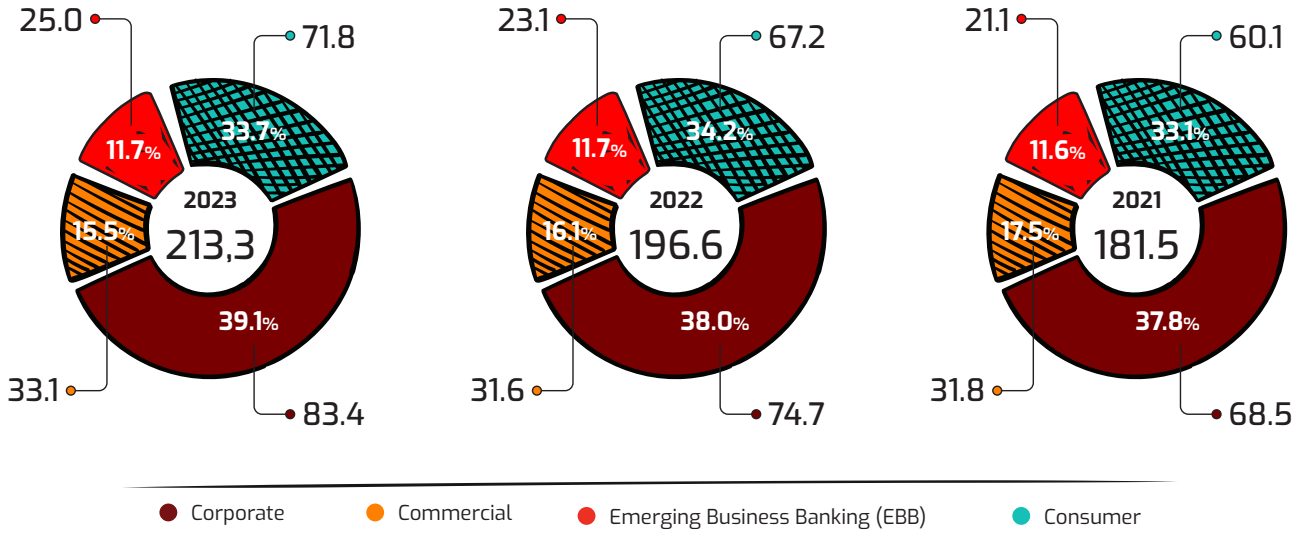
Head Office Address

Graha CIMB Niaga
Jl. Jend Sudirman Kav. 58
Jakarta 12190, Indonesia
Telp: (+62-21) 250 5252, 250 5353
Fax: | Fax: (+62-21) 250 5205



Financing Portfolio Based on Business Segment (Rp Trillion)

[GRI FS6][FN-CB-000.B]



Significant Changes [POJK51-C.6][GRI 2-6]

This Sustainability Report informed a significant change during 2023, i.e. the appointment of 1 (one) Independent Commissioner, however, there are no changes towards the Board of Directors composition nor material topics.

CIMB Niaga Vision, Mission, and Values (POJK51-C.1) [SUSBA 1.1.1.1]



VISION

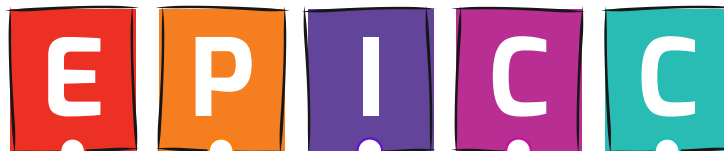
To be the Leading ASEAN Company



MISSION

To provide universal banking services in Indonesia as a high-performing, institutionalized and integrated company located in ASEAN and key markets beyond, and to champion the acceleration of ASEAN integration and the region's links to the rest of the world

Core Values (POJK51-C.1)



ENABLING TALENT

Our commitment is to empower and develop every employee and strive to be the best place for the best talent.

PASSION

We pursue excellence in all we do and deliver beyond the ordinary.

INTEGRITY & ACCOUNTABILITY

Our commitment is to act in an ethical and trustworthy manner and be accountable of all our actions.

COLLABORATION

We commit to team over individual success, as CIMB Niaga's success is my success as well as our collective success.

CUSTOMER CENTRICITY

Our determination is to put customers first and always do right by them.

Sustainability Strategy (POJK51-A.1)

#SekarangUntukMasaDepan (#NowForTheFuture) is the spirit and commitment of Bank to continuously improve sustainable operational performance. As a part of the CIMB Group, CIMB Niaga embraced the Group's 'Forward23+' sustainability. This strategy incorporates

sustainability as an essential element, integrating environmental, social-economic, and Governance (ESG) risk mitigation aspects. In alignment with the integrated ESG framework, CIMB Niaga aims to deliver positive impacts for stakeholders.

Sustainability Pillars

BANK

Sustainable Action

How we embed sustainability principles in all our business operations and processes to reduce our negative impact, such as carbon footprint and generate positive impact through our business

CUSTOMER

Sustainable Business

How we responsibly generate profits, creating net positive impact through the products and services we provide, and by assisting and encouraging our customers and clients on their own sustainability journeys

ADVOCACY AND STAKEHOLDERS ENGAGEMENT

How we champion, engage, build capability and capacity, raise awareness, and drive participation for sustainability, both internal and external

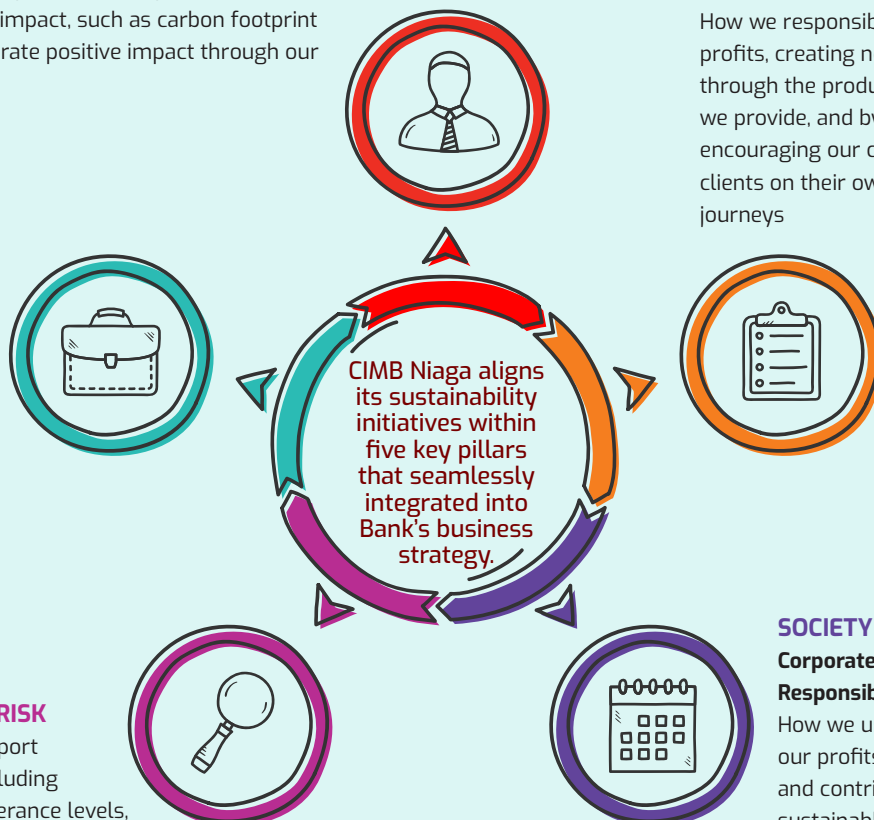
GOVERNANCE AND RISK

How we govern and report sustainability risks, including setting targets and tolerance levels, and how we organize and mobilize ourselves for the best results

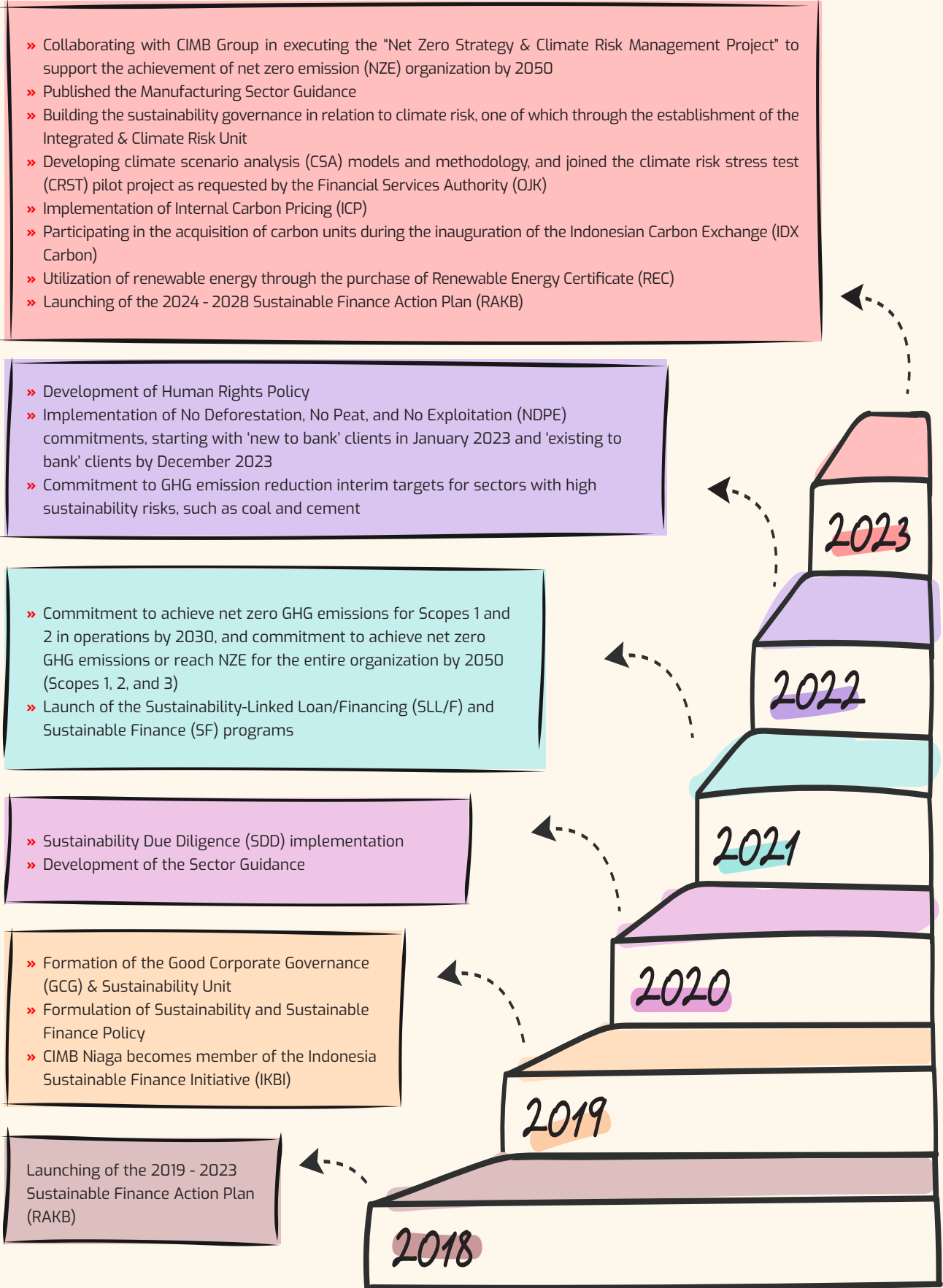
SOCIETY

Corporate Social Responsibility

How we use a portion of our profits to enhance and contribute towards sustainable long-term positive impacts in the communities around us



CIMB Niaga Sustainability Journey



Sustainability Awards & Ratings

Awards

- ⇒ B-Universe Awards Transparency & Corporate Emission Reduction 2023 | Bumi Global Carbon Foundation x Investor Magazine from B-Universe
- ⇒ Wholesale Banking Awards 2023: The Indonesia Domestic Project Finance Bank of the Year and Indonesia Domestic Sustainable Finance Initiative of the Year | *Asian Banking & Finance*
- ⇒ Appreciation for company's participation in the initial trading of Indonesia Carbon Exchange 26 September 2023
- ⇒ Retail Banking Awards 2023: Banking for Women Initiative of the Year – Indonesia for Giro Kartini product | *Asian Banking & Finance*
- ⇒ Corporate Sustainability Awards 2023: Green Economy Champion | *Katadata*
- ⇒ Indonesia's best corporate bank 2023: CIMB Niaga | *Asiamoney*
- ⇒ ESG Disclosure Transparency Award 2023 with "BB" Management Rating | Bumi Global Karbon Foundation dan Investortrust

* Additional details regarding awards can be found in 2023 Annual Report.

ESG Ratings

 SUSTAINALYTICS

23.8 (Medium Risk)

 MOODY'S | ESG Solutions

CIS-2 (Neutral to Low)

S&P Global

57



Markets Served and Emission Footprint in 2023 (POJK51-C.3; C.4)(GRI 2-6; FS13)

Total Offices

412
Branch Networks

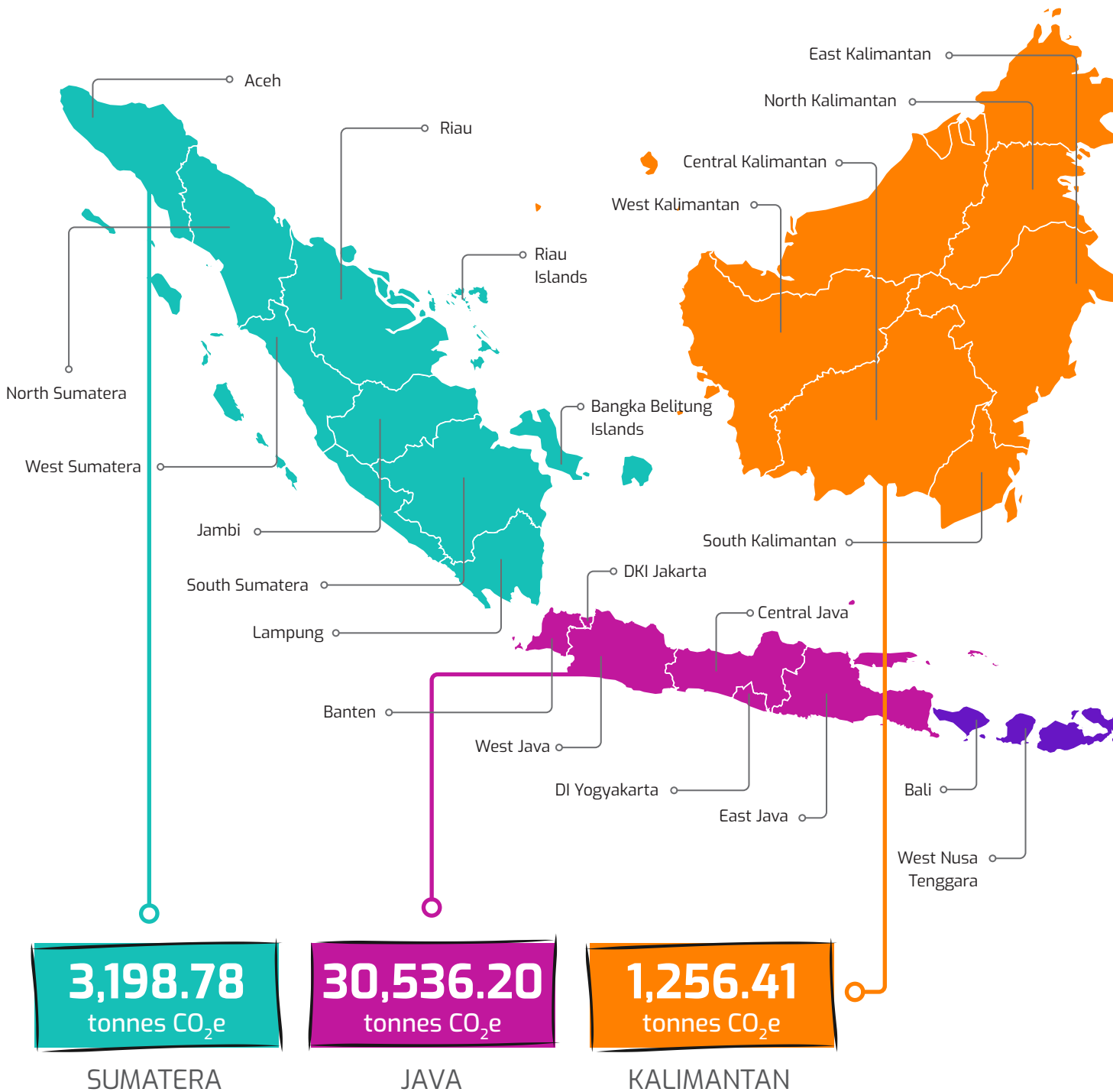
E-channel network throughout Indonesia

2,982
ATM

907
Cash Recycle
Machine (CRM)

4
Multi Denom
Machine (MDM)

Note: Detailed explanations regarding the widespread e-channel network across Indonesia, the 'Sectors and Markets Served,' as well as the Bank's products and services can be found in the 2023 Annual Report.



Year 2023

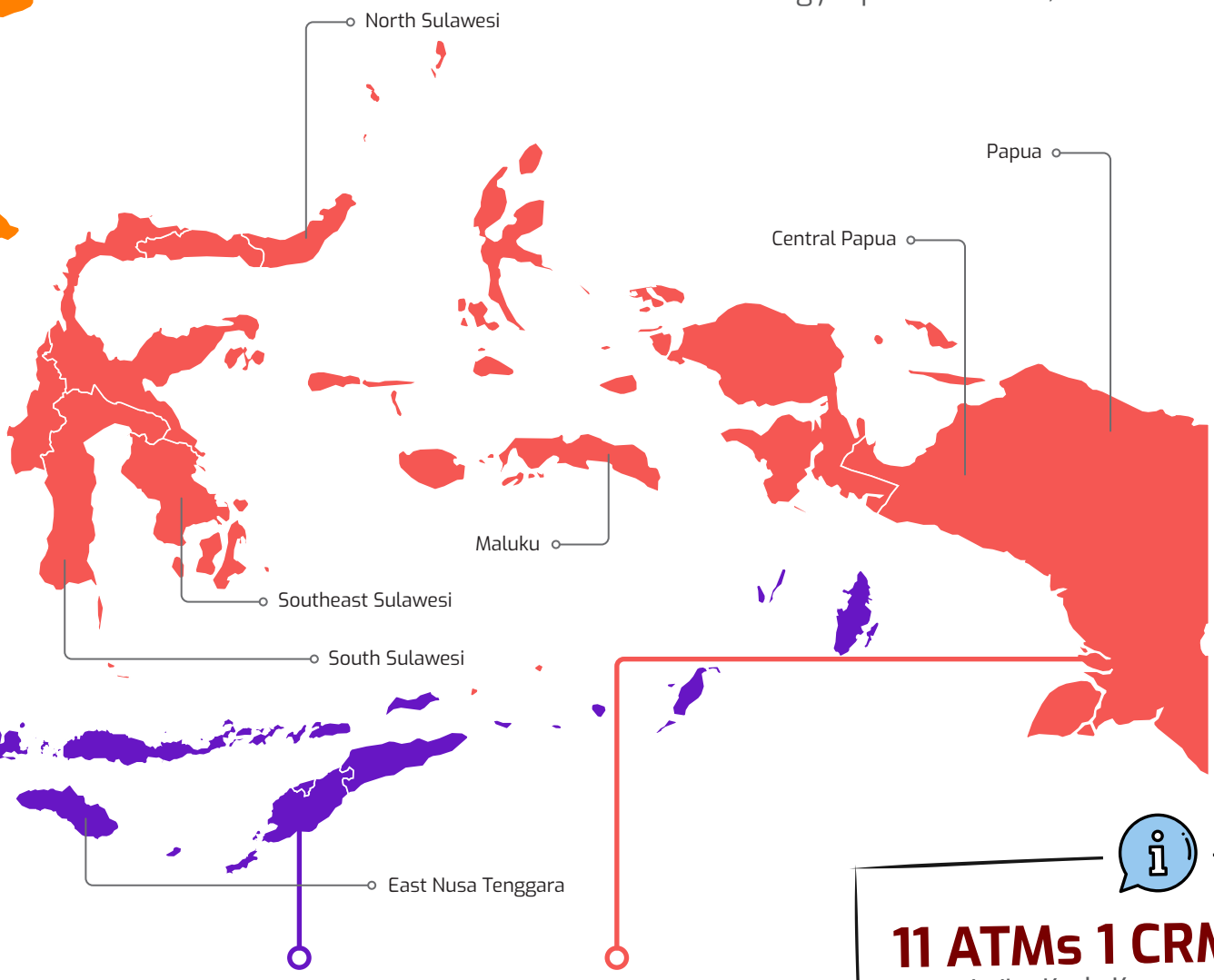
36,488.45
tonnes CO₂e

Total GHG emissions
(Scope 1 and 2)

18%

Percentage reduction in the total Scope 1 and 2 GHG emissions footprint in 2023 compared to 2022

Contribution via renewable energy certificate (REC)
(6,484) tonnes of CO₂e or renewable energy equivalent to 26,830 GJ



569.12
tonnes CO₂e

BALI &
NUSA TENGGARA

927.95
tonnes CO₂e

SULAWESI -
MALUKU - PAPUA



11 ATMs 1 CRM

in Mimika, Kuala Kencana,
Central Papua

Support on affordable
access for the small-size or
economically disadvantaged
segments of the population

Sustainability Performance Highlights

Sustainable Action

Environmental Performance [POJK51-B.2.B; B.2.B.1; B.2.B.2; B.2.B.3]



Energy for Electricity and Fuel
(GJ)

2023	165,079.70
2022	161,906.78
2021	199,545.36



GHG Emission (Scope 1 + Scope 2)
(tonnes CO₂e)

2023	30,004.34***
2022	36,506.57
2021	39,091.03



GHG Emission (Scope 3) business travel and activities not included in Scope 1 or Scope 2
(tonnes CO₂e)

2023	1,476.46
2022	1,017.35
2021	634.98



GHG Emission (Scope 3) - investment (financing portfolio)
(tonnes CO₂e)*

2023	-
2022	3,178,428.65
2021	3,269,285.14



Water
(m³)

2023	122,622
2022	111,053
2021	245,720



Waste Reduction**

2023	17
2022	N/A
2021	N/A

Economic Performance [POJK51-B.1.A.5]



Local Business Partners

2023	620
2022	529
2021	416



Business partners fulfill the Sustainability Due Diligence (SDD) criteria

2023	100%
2022	100%
2021	100%



Internal Customer Satisfaction Survey (Target >3)

2023	3.27
2022	3.19
2021	3.11

Social Performance [POJK51-B.3]

Notes:

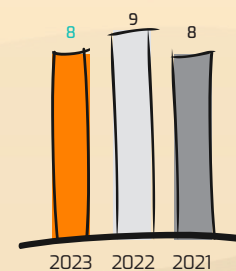
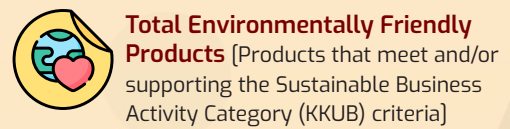
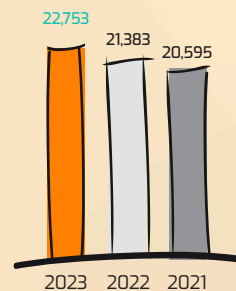
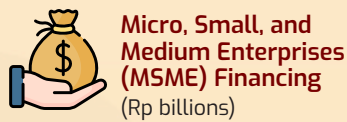
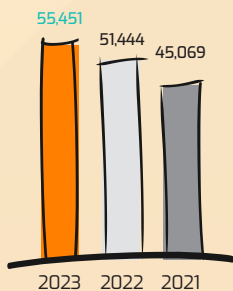
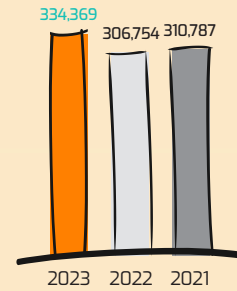
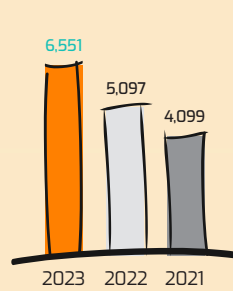
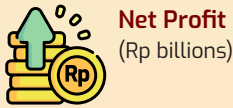
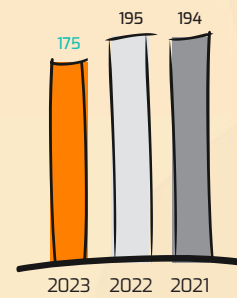
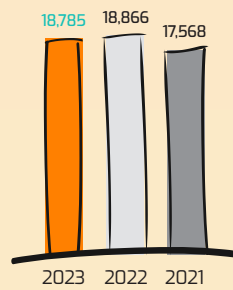
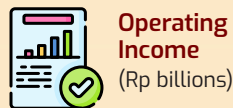
*Calculations were performed on nine sectors identified as high-emission intensity GHGs by the Net Zero Banking Alliance (NZBA) using The Partnership for Carbon Accounting Financials (PCAF) method. The 2021 calculation adopted the 2019 edition of the PCAF method while the 2022 calculation using 2022 edition

** Reduction of waste is stated as the potential equivalent of GHG emissions that can be avoided through the Zero Waste to Landfill initiative. The calculation method leverages Graha CIMB Niaga's waste data, starting from 2022

***Scope 1 and 2 GHG emissions with climate change mitigation efforts through Renewable Energy Certificate.

Sustainable Business

Economic Performance [POJK51-B.1; B.1.A.1; B.1.A.2; B.1.A.3; B.1.A.4] [FN-CB-240a.1]





Corporate Social Responsibility

2023

2022

2021

Social Performance [POJK51-B.3]

Realization of CSR Funds (Rp millions)	24,946	24,246	32,365
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Environmental Performance – Biodiversity [POJK51-B.2.B.4]

Number of Bamboo (Accumulated)	49,400	49,400	30,400
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Governance and Risk



Percentage of Complaints (Whistleblowing) investigated (closed) from the total number of complaints received

2023	56%
2022	32%
2021	27%



Total anti-fraud training participants

2023	5,071
2022	2,595
2021	3,220



Advocacy and Stakeholders Engagement

2023

2022

2021

Customer Complaints Resolved	99%	99%	98%
Customer Loyalty Level - Net Promoter Score (NPS)	50%	50%	28%
Sustainable Finance Training for Board of Directors (Senior Executive) and Board of Commissioners	100%	100%	100%

#SekarangUntukMasaDepan [POJK51-B.2] [GRI 305-5]



16%

Contribution through renewable energy to total energy use



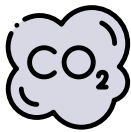
18%

Reduction in Green House Gas (GHG) emission intensity compared to 2022 [POJK51-B.2] [GRI 305-5]



18%

Contribution through Renewable Energy Certificate (REC) to GHG emission Scope 1 and 2 footprint



3%

Percentage reduction in GHG emissions (Scope 3) - investments (financing portfolio) in 2022 compared to 2021



± 120.000 tonnes CO₂e

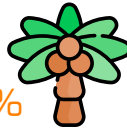
Average potential GHG emissions that can be avoided through digital banking transactions

26%



Percentage of Sustainable Business Activity Category (KKUB) from total Bank financing

29%



Oil palm plantation financing portfolio that already has or is in the process of ISPO and/or RSPO certification

89%



Clients that have completed their sustainability Action Plan



1,266

Recipients of the CIMB Niaga scholarship program in 2006 – 2023



30 people

Training participants with disabilities in 2023

> 50,800 hours

Total hours of employee participating in the Employee Volunteer Program



> 87,000 students
> 900 schools

AMDB and TDB financial literacy activities from 2011-2023



> 7,600 tonnes CO₂e

Potential for carbon absorption from bamboo planting from 2012 until 2023

83%

Percentage of whistleblowing system reports investigated out of the total number of valid complaints to be investigated



Palm Oil, Power, Coal, Cement

Current sectors targeted for intervention to reduce GHG emissions towards a net zero GHG emissions

7



Total sector guidances published



100%

Sustainable finance training attended by the Board of Commissioners and the Board of Directors

CIMB Niaga, together CIMB Group, has been actively participating in the Collective Commitment to Climate Action (CCCA) program since 2019, which has been succeeded by the Net-Zero Banking Alliance (NZBA) since 2021.



Message from the President Director

[POJK51-D.1] [GRI 2-22] [SUSBA 1.1.1.3]

Dear Respected Stakeholders,

The 28th Conference of Parties (COP) of the United Nations Framework on Climate Change (UNFCCC) in Dubai, United Arab Emirates, in November 2023, pledged a total financing commitment of US\$83.76 billion (equivalent to Rp1.3 quadrillion), with 74% of it being allocated for climate financing. This commitment recognized the significance and urgency among global leaders to take concrete actions in combating the escalating threats of climate change to our livelihoods.

The Indonesian government has responded to the outcomes of COP 28 through introduction of three sustainable finance agendas, namely the establishment of Energy Transition Mechanisms (ETM), the Asean Taxonomy for Sustainable Finance (ATSF) version 2, and the Indonesia Just Energy Transition Partnership (JETP). Furthermore, the Indonesian government aims to achieve net-zero greenhouse gas (GHG) or net zero emissions (NZE) by 2060 and has established the Forest and Other Land Uses (FOLU) Net Sink 2030 as a national program, projected to contribute up to 60% of Indonesia's total target reduction in greenhouse gas (GHG) emissions through domestic efforts.

The ambitious targets for reducing GHG emissions require support from all stakeholders, including the banking industry, which plays a crucial role in minimizing the negative impacts of climate change. The goals of the Paris Agreement and achieving NZE can be realized through targeted and measured financing in sectors with high GHG emission intensity, while rigorously considering the negative environmental and social implications. The

“

Sustainability is a journey of learning collectively, pursuing dreams, and strengthening investment performance
#SekarangUntukMasaDepan

Indonesian government emphasizes the importance of the private sector's role in contributing to these commitments. In alignment with the CIMB Group's annual event, The Cooler Earth Sustainability Summit 2023, CIMB Niaga actively participates as a catalyst in tackling climate change.

Policy to Address Challenges

Sustainability and Sustainable Finance Values

CIMB Niaga embraced sustainability values that will be continuously applied through our commitment to the society. These values evolve alongside the challenges and opportunities arising from changes in environmental, social, and governance (ESG) aspects. Rapid changes further drive us to strengthen our performance to continuously achieve sustainable finance. Guided by our core values—Enabling Talent, Passion, Integrity & Accountability, Collaboration, and Customer Centricity (EPICC)—CIMB Niaga is committed to implementing sustainability values and the principles of sustainable finance. These values and principles are realized through various policies to respond and adapt to various challenges and opportunities.

Response towards Sustainability and Sustainable Finance

The impacts of climate change directly or indirectly affect the sustainability of all aspects in our lives. As a financial institution with a central role, we have responded to this challenge alongside CIMB Group by actively participating in the Collective Commitment to Climate Action (CCCA) program since 2019, later succeeded by the Net-Zero Banking Alliance (NZBA) in 2021. CIMB Group's commitment serves as a role model for CIMB Niaga to make a positive contribution in addressing climate change. Tangible results from these efforts have positioned CIMB Group and CIMB Niaga as pioneers among emerging banks in ASEAN committed to achieving NZE by 2050.

Commitments, Achievements, and Challenges in the Implementation of Sustainability and Sustainable Finance

The success of CIMB Niaga in implementing sustainable finance is inseparable from the commitment of every

organizational unit within Bank. This commitment is manifested in various targets, such as achieving net zero GHG emissions in Scope 1 and 2 operations by 2030 and attaining overall net zero GHG emissions (Scope 1, 2, and 3) or NZE by 2050, which includes phase-out of thermal coal financing by 2040. Consequently, the sustainability and sustainable finance strategies and initiatives implemented by Bank are geared towards achieving these long-term and sustainable commitments. Overcoming the challenges on the journey to fulfill these commitments requires collaboration with all relevant stakeholders.

Sustainable Finance Implementation

Achievements and Recognition

In 2023, CIMB Niaga has achieved several milestones, including a 24% reduction in Scope 1 and 2 GHG emissions, as compared to the 2019 GHG baseline, while also actively supported climate change mitigation efforts, such as the utilization of renewable energy through the purchase of Renewable Energy Certificates (REC), the purchase of carbon units in the Indonesia Carbon Exchange (IDXCarbon), and solar panel installation. Additionally, the sustainable palm oil financing portfolio witnessed a remarkable 17% growth, surpassing the set target of 5%.

Starting from 2023, all waste generated from one of the Bank's head office buildings, i.e., Graha Niaga in Jakarta, has been successfully recycled, achieving zero waste to landfill. Moving forward, Bank will gradually adopt the zero waste to landfill approach in other Bank's buildings. Additionally, CIMB Niaga documented an average sustainability training duration of 5.3 hours per employee (263% higher than the target average of 2 hours per employee) and an average CSR hours by employees of 5.1 hours per employee (170% higher than the target average of 3 hours per employee).

Through the CSR pillar of Health and Community Well-being, CIMB Niaga collaborated with the United Nations Children's Fund (UNICEF) to implement an early detection and management program for malnutrition to prevent stunting in East Nusa Tenggara (NTT).

For the various achievements in sustainability performance mentioned above, CIMB Niaga has received sound recognitions from multiple institutions, including the Katadata Corporate Sustainability Award 2023 in the Green Economy Champion category, the Asian Banking & Finance Retail Banking Awards 2023: Banking for Women Initiative of the Year – Indonesia for the Kartini Savings product, Overall Winner in the Annual Report Award (ARA) 2022, and several other awards.

Challenges that Still Need to be Addressed

The awards and recognitions obtained does not satisfy CIMB Niaga; instead, it motivates the Bank to strive even further, including in the implementation of sustainable finance as well as transformation towards NZE organization. Bank aims to reduce GHG emissions while maintaining smooth operations and excellent customer service. Furthermore, the Bank also positively contributed to the emergence of a low-carbon economic ecosystem, identifying and mitigating climate risks in Bank’s financing portfolio, and more.

Strategy for Target Achievement

Sustainable Finance Risk Management

Regarding climate risk governance, in 2023, the Bank, via Risk Management Directorate, have established the Integrated & Climate Risk Unit. This unit is responsible for the development & implementation of climate risk management framework, as well as the integration of climate risk aspects into the overall Enterprise Wide Risk Management Framework. The Integrated & Climate Risk Unit also ensures the climate scenario analysis methodologies development is in line with the policies of the Financial Services Authority (OJK) regarding climate risk stress tests (CRST) for the banking industry.

Risk management in sustainable finance requires the integration of various aspects, including environmental, economic, social, and governance (EESG) factors. This includes financing portfolio that supports community well-being and empowerment, in compliance with

environmental laws and regulations, as well as ethical business practices. In alignment with Sustainable Finance Policy, CIMB Niaga prioritizes financing to sectors that positively contributes towards EESG performance. Additionally, in collaboration with CIMB Group, Bank has established targets and strategies for decarbonization and a just transition for several sectors with high GHG emission intensity.

The GHG emission reduction targets in the palm oil and power sectors are established through the Net Zero Strategy & Climate Risk Management project conducted by CIMB Niaga in collaboration with CIMB Group. The determination of these targets aligns with the Science-Based Target Initiative (SBTi) and the International Energy Agency Net Zero Emission (IEA NZE) 2050.

Sustainable Finance Opportunities and Business Prospects

Opportunities and business prospects that support EESG performance are growing, although a prudent approach must still be taken. As of 2023, CIMB Niaga’s sustainable finance portfolio reached Rp55.45 trillion or nearly 26% of Bank’s total financing portfolio. The management of CIMB Niaga’s sustainable financial portfolio aligns with the Green Social Sustainability Impact Product Services (GSSIPs) framework established by CIMB Group. Furthermore, the results of debtor identification process according to the Indonesian Green Taxonomy (THI) showed that 18% of Bank’s top 450 debtors are identified as green or yellow based on the loan outstanding.

Aside from support towards sectors that positively contributes to the environment and society, CIMB Niaga is gradually transitioning its financing to sectors with high GHG emissions intensity yet moving towards a low-carbon economic ecosystem. The Bank is also

expanding the implementation of Sustainability Due Diligence (SDD) in the Commercial Banking segment, by adding two sectors: forestry & natural rubber and oil & gas. Bank also launched Manufacture Sector Guidance that complements the six existing Sector Guidances, i.e. Coal, Forestry & Natural Rubber, Palm Oil, Construction & Infrastructure Services, Oil & Gas, and Mining & Quarrying. These Sector Guidance serve as the basis for debtors to develop decarbonization plans while also serve as Bank's consideration in making sustainable finance decisions.

CIMB Niaga also continues to advocate and engage stakeholders by emphasizing leader's crucial role in driving sustainability as well as sustainable finance. One of our initiatives involves the publication of our interview for Leaders in Sustainability 2023, together with 18 business leaders in Asia and published by Green Network Asia (GNA).

Ke depan, keberlanjutan bukan lagi sekedar melakukan inisiatif, namun perubahan nyata pada semua sektor usaha dan bahkan dalam kehidupan kita. Peluang

usaha di sektor-sektor yang mendukung Tujuan Pembangunan Berkelanjutan (TPB) akan menjadi usaha baru yang mewarnai era perubahan. Prospek usaha ini terus membaik, walaupun masih memerlukan banyak pembelajaran, waktu, komitmen, dan pemimpin-pemimpin baru dengan *sustainability mindset*.

External Situation

The IDXCarbon launched in September 2023 represents an opportunity to support sustainability within EESG context. This opportunity potentially influence the sustainability perspectives and strategies of businesses in Indonesia. We are hopeful that the conducive external environment will support us towards achieving our dreams in realizing SDG targets, the Paris Agreement, and a low-carbon economy, especially in Indonesia's decarbonization commitment towards 2060 NZE.

Appreciation

We convey our appreciation and gratitude to all stakeholders who have walk with us in the journey of 'pursuing dreams.' This support and trust serve as our inspiration to work now, for the future. Let us raise our voices louder: #SekarangUntukMasaDepan, together, we head towards a sustainable Indonesia.

#SekarangUntukMasaDepan

Jakarta, 5 March 2024

LANI DARMAWAN

President Director



Commitment is essential, especially from regulators and investors, to drive sustainability efforts in the future.

Board of Commissioners

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

** Appointed at the AGMS on 10 April 2023 and effective 25 January 2024.



**Didi Syafruddin
Yahya**
President Commissioner



**Glenn Muhammad Surya
Yusuf**
Vice President
Commissioner (Independent)



Jeffrey Kairupan*
Independent
Commissioner



Sri Widowati
Independent
Commissioner



**Farina J.
Situmorang****
Independent
Commissioner

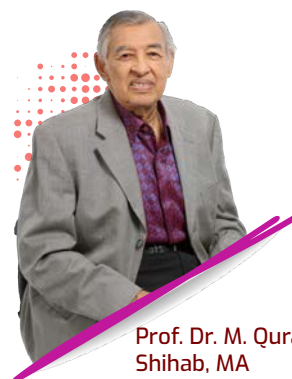


**Dato' Abdul Rahman
Ahmad**
Commissioner



Vera Handajani
Commissioner

Sharia Supervisory Board



**Prof. Dr. M. Quraish
Shihab, MA**
Chairman



**Prof. Dr. Fathurrahman
Djamil, MA**
Member



**Dr. Yulizar D.
Sanrego, M.Ec.**
Member

Board of Directors



SUSTAINABILITY REPORT RESPONSIBILITY STATEMENT

Board of Commissioners' Responsibility Statement for the 2023 Sustainability Report of PT Bank CIMB Niaga Tbk

We the undersigned, Board of Commissioners of PT Bank CIMB Niaga Tbk hereby declare that all information in the 2023 Sustainability Report of PT Bank CIMB Niaga Tbk is presented in its entirety, and that we take full responsibility for the correctness of the contents of this Sustainability Report.

This statement is made in all truthfulness.

5 March 2024

By the undersigned,



Didi Syafruddin Yahya
President Commissioner



Glenn Muhammad Surya Yusuf
Vice President Commissioner (Independent)



Jeffrey Kairupan^{*)}
Independent Commissioner



Sri Widowati
Independent Commissioner



Farina J. Situmorang
Independent Commissioner



Dato' Abdul Rahman Ahmad
Commissioner



Vera Handajani
Commissioner

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

Board of Directors' Responsibility Statement for the 2023 Sustainability Report of PT Bank CIMB Niaga Tbk

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This statement is made in all truthfulness.

5 March 2024

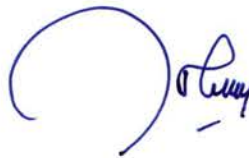
By the undersigned,



Lani Darmawan
President Director



Lee Kai Kwong
Director



John Simon
Director



Fransiska Oei
Director



Pandji P. Djajanegara
Director



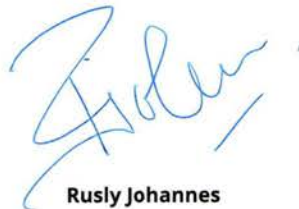
Tjioe Mei Tjuen
Director



Henky Sulisty
Director



Joni Raini
Director



Rusly Johannes
Director



Noviady Wahyudi
Director

Our Support to the Sustainable Development Goals (SDGs) [SUSBA 1.1.1.4:1.6.2.7]

Pillar	No	SDG Indicator	Achievements
PILAR 1: TINDAKAN BERKELANJUTAN PILAR 1: SUSTAINABLE ACTION	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation	<ul style="list-style-type: none"> » Bank continues the HyWork way of working. » Bank has obtained ISO 27001:2013 certification for its Information Security Management System covering IT Security and Data Center Services, which includes the IT Security Sub-Directorate and Data Center Operation Management Group.
	8.4	Improve global resource efficiency in consumption and production progressively and endeavour to decouple economic growth from environmental degradation	<ul style="list-style-type: none"> » The Bank utilizes renewable energy through the purchase of Renewable Energy Certificates (RECs), contributing to a reduction of -6,484 tonnes of CO₂e or an equivalent of 26,830 GJ in NRE
	8.5	Achieve full and productive employment and decent work for all women and men, including for young people and vulnerable groups, and equal pay for work of equal value	<ul style="list-style-type: none"> » Bank own a Human Rights Policy outlining the Bank continuously safeguarding the fundamental employment rights and upholds the principle of equality with no discrimination of ethnicity, religion, race, gender, gender identity, social status, or any other factors that potentially violates Human Rights. » Moreover, the Bank's recruitment processes are conducted objectively, adhering to internal standards, and prioritizes the principle of equality. » As of December 2023, the workforce composition of Bank is 51% female and 49% male.
	8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers	<ul style="list-style-type: none"> » Bank has a Human Rights Policy that outlines its commitments to refrain from engaging in forced labor, modern slavery, migrant workers, human trafficking, and child labor or underage workers (below the age of 18 years which endangering safety and/or below the age of 15 years). This policy applies to Banks, customers and partners who work with the Bank. » The Bank including criteria related to human rights into vendor selection criteria process, such as the criteria for the availability of human rights policies, human rights due diligence, grievance mechanisms, encouraging diversity, equality and inclusion » Human rights related aspects have also been integrated in the SDD process to debtors/prospective debtors.
	8.8	Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Bank is committed to providing fair treatment to all its employees, following the Employee Code of Ethics & Code of Conduct Policy and referring to the third principle regarding the freedom of association and effective recognition of the right to collective bargaining, including the formation of labor unions and the negotiation of collective labor agreements as stated in the United Nations Global Compact (UNGC).
	10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Same as the achievements outlined on target 8.5
	10.4	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	Bank regulates the provision of allowance, life insurance, and health care in accordance with applicable regulations. Bank portion recorded at 6.24% while employee is at 3%.
	12.2	Achieve the sustainable management and efficient use of natural resources	<ul style="list-style-type: none"> » Bank has committed to net zero GHG emissions for Scope 1 and 2 in operations by 2030. » Bank installed solar panels at one of the CIMB Niaga offices » Bank purchased Renewable Energy Certificates (RECs) amounting to 7,453 MWh. » Bank acquired 7,000 carbon units through the Indonesia Carbon Exchange.
	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disaster	<ul style="list-style-type: none"> » Graha CIMB Niaga certified as a 'Platinum' green building by the Building and Construction Authority (BCA) of Singapore » Bank's positive contribution on bamboo conservation is accumulated at more than 49 thousand since 2012

Pillar	No	SDG Indicator	Achievements
PILLAR 2: SUSTAINABLE BUSINESS	8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium- sized enterprises, including through access to financial services	Bank has disbursed Rp22.8 trillion in financing to the MSME segment as per 31 December 2023
	8.10	Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all	Bank has expanded and eased banking access for all Indonesians through its digital banking innovation
	9.3	Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	Same as the achievements outlined on target 8.3
	9.4	Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	As per 31 December 2023, Bank provided Rp6.19 trillion in KKUB financing for the construction and infrastructure
	10.2	Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Bank provides banking services to all individuals without discrimination on ethnicity, religion, race, social status, gender, or any other potentially discriminatory factors that may violate human rights.
	13.2	Integrate climate change measures into national policies, strategies and planning	<ul style="list-style-type: none"> » Bank has established a Sustainability and Sustainable Finance Policy aligned with the national climate change strategy. » Bank has formed the Integrated & Climate Risk Unit. » Bank has developed climate scenario analysis (CSA) methodology and participated in a pilot project for climate risk stress tests (CRST) requested by the Financial Services Authority (OJK). » Bank, along with CIMB Group, has implemented the Net Zero Strategy & Climate Risk Management project, resulting in a strategy and interim targets for 2030 targeting four sectors: <ol style="list-style-type: none"> a. Coal Sector: Reducing the financing portfolio for thermal coal mining to 50% of the 2021 baseline. b. Cement Sector: Reducing the customer's physical emission intensity in the cement sector by 36%, from 0.72 to 0.46 tonnes of CO₂e per tonnes of cement produced (compared to the 2021 baseline). c. Palm Oil Sector: To achieve 16% reduction of emission intensity in palm oil portfolio (from 2022 baseline), by engaging with clients to shift production towards sustainable palm oil d. Power Sector: To achieve 38% reduction of emission intensity in power portfolio from 2022 baseline), focusing on low carbon and renewable alternatives to accelerate decarbonization plans of our clients
	15.2	Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	Bank has implemented a commitment to No Deforestation, No Peat, and No Exploitation (NDPE) in financing the palm oil and forestry sectors. This NDPE commitment has been requested to all debtors since December 2023.
	15.a	Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystem	In accordance with the Green Social Sustainability Impact Products & Services (GSSIPS) framework, Bank together with CIMB Group are committed to disbursing RM100 billion or the equivalent to Rp208 trillion in sustainable financing by 2024. In 2023, CIMB Niaga has contributed Rp6.9 trillion to support this achievement

Pillar	No	SDG Indicator	Achievements
PILLAR 3: CORPORATE SOCIAL RESPONSIBILITY	10.2	Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Community Link #JadiBerkelanjutan program supports community social and economic activities, including empowerment programs for women and persons with disabilities, particularly in Eastern Indonesia
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Aligned with the bamboo conservation program, Bank is also engaged in capacity building activities for farmer groups, focusing on bamboo product processing, entrepreneurship, and financial literacy.
PILLAR 4: GOVERNANCE AND RISK	13.2	Integrate climate change measures into national policies, strategies and planning	Same as the achievements on Pillar 2 target 13.2
	15.5	Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species	Bank has implemented a No Deforestation, No Peat, and No Exploitation (NDPE) commitment to finance the oil palm and forestry sectors, as well as a commitment to phase-out thermal coal financing by 2040. In addition, Bank also has an Exclusion List where Bank prohibits financing to debtors who are directly or indirectly involved in the destruction of cultural heritage, national and/or international protected areas, including peat conservation and wetland areas on Ramsar sites
	15.7	Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products	Bank Exclusion List outlining prohibited business activities, which includes financing for illegal activities.
	16.2	End abuse, exploitation, trafficking and all forms of violence against and torture of children	Bank is committed, as outlined in its Human Rights Policy, to refraining from involvement in practices such as forced labor, bonded labor/debt labor, child labor, underage labor, migrant labor, human trafficking, and modern slavery.
	16.4	Significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime	Bank has established an Exclusion List outlining prohibited business activities, which includes financing for weaponry, ammunition, and terrorism. It is aligned with the Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Counter-Proliferation Financing of Weapon of Mass Destruction (CPFWMMD) Program
	16.5	Substantially reduce corruption and bribery in all their forms	<ul style="list-style-type: none"> » One of the items under Bank's Exclusion List is the prohibition of financing activities related to any bribery and corruption activities. » Bank is certified ISO 37001:2016 regarding Anti Bribery Management System, embedded in Sub-directorate of Strategic Procurement and Admin Property Management » The Bank's Board of Commissioner and Board of Directors also signed the Declaration of the Integrity Pact, Code of Ethics & Anti-Corruption Commitment periodically, starting in 2020. In 2023, the signing took place on 22 May 2023 and published on the CIMB Niaga website
PILLAR 5: STAKEHOLDER ENGAGEMENT AND ADVOCACY	12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Bank implemented a Sustainable Finance Policy and Procedures governing the Sustainability Due Diligence mechanism. This mechanism encourages customers to adopt best sustainability practices in their business operations.
	12.8	Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Bank owns a dedicated website addressing sustainability topics, accessible to the public. Additionally, Bank actively engages in various sustainability initiatives and activities, such as The Cooler Earth's Sustainability Summit. This initiative aims to raise awareness of sustainability issues, catalyze customers and stakeholders to take action, and build real momentum in sustainability.
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Bank periodically conducts sustainability training for internal employees, customers, and vendors. For instance, through initiatives like The Cooler Earth Sustainability Summit 2023.
	16.6	Develop effective, accountable and transparent institutions at all levels	Bank consistently upholds the values of accountability and transparency in its business activities, aligning with the Corporate Policy Manual.

Sustainable Development Goals (SDGs) Related Sustainability Governance Based on Global Investors for Sustainable Development (GISD) Alliance (GRI 201-2)

Governance

1. Bank acknowledges that efforts to mitigate the impact of SDGs-related risks will be successful when integrated into a well-established governance structure.
2. Bank has a sustainability governance body in place to support the achievement of SDGs. The structure of the sustainability governance body aligns with Pillar 4. The achievement and implementation of the SDGs refers to Presidential Regulation of the Republic of Indonesia No. 111 of 2022 concerning Implementation of the Achievement of Sustainable Development Goals.
3. Bank currently has a Sustainability Unit and an Integrated & Climate Risk Unit responsible for implementing the sustainability framework, including supporting SDGs.
4. This is how to address SDG-related issues and ensure that initiatives and actions toward achieving the Sustainable Development Goals are comprehensively executed.

Strategy

1. Bank has various policies supporting the achievement of the SDGs, including but not limited to Sustainability Policy, Sustainable Finance Policy, and Human Rights Policy.
2. Bank owns the Green Social Sustainability Impact Products & Services (GSSIPS) framework to ensure financing aligns with positive contributions to SDGs.
3. Bank has developed a model and methodology for climate scenario analysis (CSA) and participated in a pilot project for climate risk stress tests (CRST) requested by the Financial Services Authority (OJK). This aims to support the achievement of Indonesia's net zero GHG emissions target by 2060, Forest and Other Land Uses (FOLU) Net Sink 2030, and Enhanced Nationally Determined Contribution (ENDC) Indonesia.
4. Bank has implemented and operates a Sustainability Due Diligence (SDD) mechanism covering both credit and non-credit activities.
5. Sustainability Due Diligence is conducted, considering various environmental and social aspects, including SDG achievements.
6. Bank also has a strategy to identify SDG-related opportunities and challenges.





Risk Management

1. Incorporate SDG-related risks as a consideration in assessing financial and non-financial risks.
2. Strive to enhance borrowers' awareness of achievement and assess and incorporate SDG aspects into Sustainability Due Diligence (SDD).
3. Improve sustainability risk literacy and awareness of Sustainable Development Goals internally for Bank, customers, and suppliers.
4. Identify potential risks associated with the Sustainable Development Goals.

Matrix and Target

1. Identify debtor's portfolio/group that have a positive impact and contribute to achieving the SDGs.
2. Sustainability Due Diligence (SDD) conducted on Bank's financing portfolio.

Matrix	Sustainable Development Goals (SDGs)	Contribution	Reference
GHG emissions associated with the Company and the projects it finances, using the specified methodology		Bank calculates GHG emissions from Bank financing as of 31 December 2022 in nine sectors identified to have high GHG emission intensity according to the Net Zero Banking Alliance (NZBA). The calculation results reveal a total of 3.18 million tonnes CO ₂ e in Bank's financing portfolio.	GISD (new)
Percentage of investment portfolio that is in line with the definition of Sustainable Development Investing (SDI)	Diverse	Bank holds a sustainable investment portfolio, consisting of Green Bonds and Green Sukuk issued by State-Owned Enterprises (SOEs) or the Government of the Republic of Indonesia, amounting to Rp580.99 billion in 2023.	GISD (new)
Total outstanding loans, value of outstanding loans (segmented based on financing for MSMEs)	 	In 2022, Bank has disbursed Rp22.8 trillion on MSME financing for 7,000 debtors, with financing composition of micro business of 4%, small enterprises of 29%, and medium enterprises of 67%.	HIPSO – FI-01/02
Total amount and value of free checking accounts for customers who previously did not have a bank account	 	As of 31 December 2023, there were 31,577 Student Savings (SimPel) accounts with a total value of Rp4.43 billion.	Sustainability Report
New and existing Business activities (financing, investment, insurance) related to thermal coal mining and oil and gas exploration companies.	Diverse	Bank has less than 0.3% of its total financing channeled to thermal coal mining and oil and gas exploration companies. Furthermore, no new financing for thermal coal mine expansion activities.	Sustainability Report
Total amount and value from green and sustainability-related financing		Environmental-Based Business Activity (KUBL) financing as per 31 December 2023 reached Rp33.5 trillion distributed to 1,486 debtors.	GISD (new)
Portfolio impact analysis conducted to inform business strategy, ensuring that the process and outputs of the analysis adhere to applicable guidelines.	Diverse	Almost 30% of Bank's total financing carries high level of sustainability risk potential.	UNEP FI
Existence and implementation of impact analysis systems and client/investee company engagement	Diverse	Bank has regulated Sustainability Due Diligence (SDD) mechanism for debtors and business relations with sustainability action plans refer to international best practices.	UNEP FI
Total checking account transactions and active users	 	In 2023, Bank had 34,849 individual checking account customers MSME valued at Rp3.25 trillion.	IRIS+
Total incentives provided for opening savings accounts	Diverse	In 2023, Bank provided student savings accounts with a total donation value of Rp195.4 million for account openings.	IRIS+

Matrix	Sustainable Development Goals (SDGs)	Contribution	Reference
Total amount and value of ESG-related financing, where the conditions are affected by sustainability performance		As of 31 December 2023, the Sustainability-Linked Loan/Financing (SLL/F) program was granted to 5 debtors valued at Rp1.03 trillion, and the Sustainable Finance program provided Rp2.74 trillion in financing to 5 debtors.	Sustainability Report
Total accounts held by Total accounts held by women in countries with large gender disparities regarding financial inclusion	  	There are 51 female debtors in Bank's MSME financing.	GISD (new)

Bank's Approach to Climate Risk

(GRI 201-2) (FN-CB-550a.2) (ACGS C.1.2: C.4.7; (B).C.1.1)

CIMB Niaga is committed to continually supporting government initiatives to address climate change. In 2023, Bank began participating in a pilot project for climate scenario analysis (CSA) or climate risk stress testing (CRST) to assess the impact of transition and physical risks based on scenarios defined by the government through the Financial Services Authority (OJK). The guidelines followed for CRST are the Climate Risk Stress Testing Guidance for Banks 2023 Volume 1.0 and its future revisions, adopting the three climate scenarios from the Networks for Greening the Financial System (NGFS). These NGFS scenarios include Net Zero 2050, Delayed Transition, and Current Policies.

Bank has initiated the CRST process gradually, starting with the assessment of transition risks in non-retail portfolios. Sectors identified as carbon-intensive, such as agriculture, oil and gas, metals and mining, power generation, manufacturing, transportation, and real estate, are subject to this phased evaluation.

In 2023, Bank conducted a pilot CRST focusing on the non-retail portfolio, particularly the corporate and commercial banking segments, which constitute 37% of Bank's total credit portfolio (Bank only). Through this pilot CRST, Bank identified that the sectors most affected by climate scenarios are oil and gas, as well as metals and mining.

In 2024, Bank plans to expand CRST coverage to a minimum of 50% of the total credit portfolio, aligning with OJK CRST guidelines. Additionally, Bank is developing a methodology to assess the impact of physical climate risks over the next year, focusing on acute physical risks such as floods for the retail portfolio (mortgages) and other acute physical risks such as fire/drought for specific sectors within the non-retail portfolio.

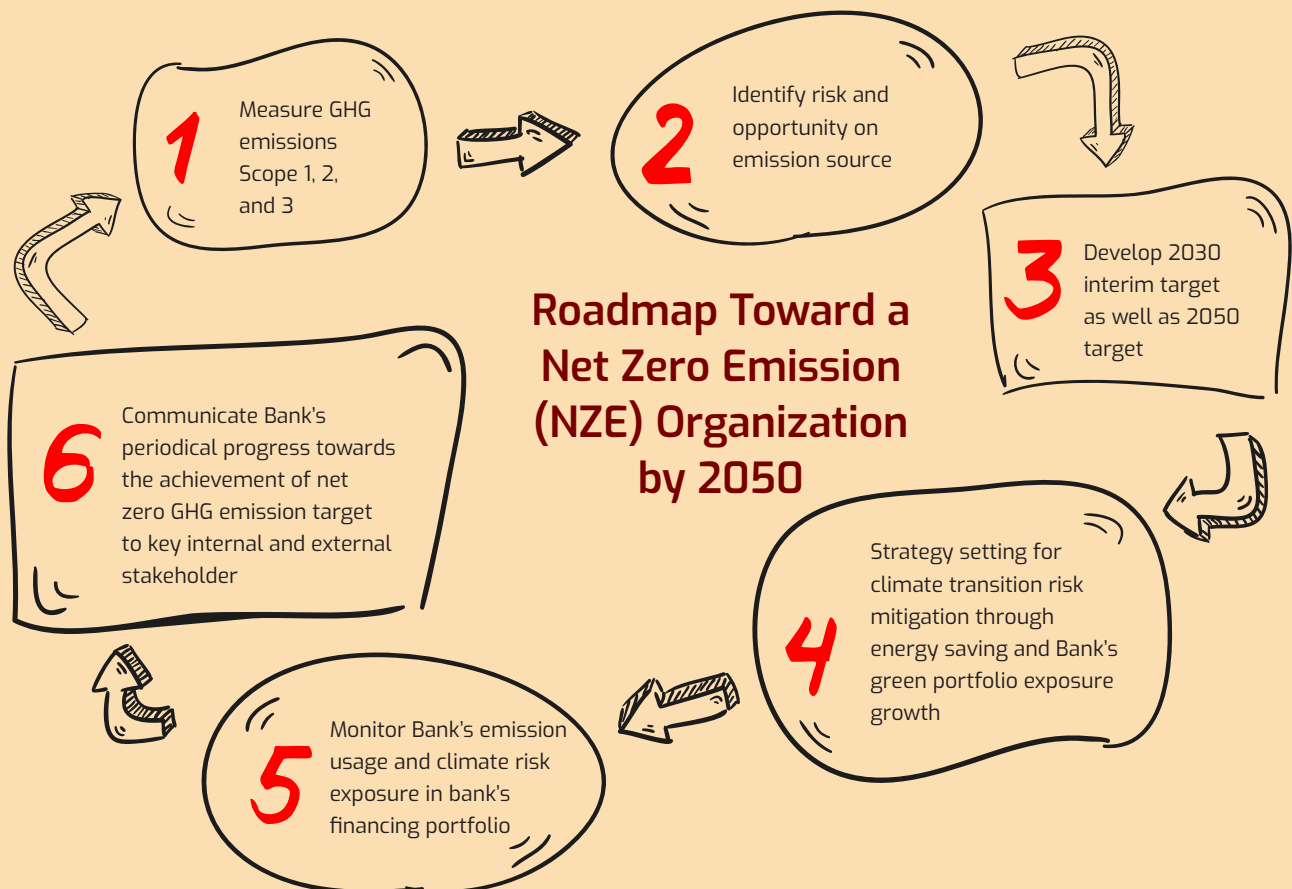
Through understanding and learning from climate risks at the portfolio level, Bank can identify financing opportunities or initiatives, including:

1. Financing opportunities through sustainability-themed products and/or programs (such as financing nature-based climate solutions) for customers or related sectors, contributing positively to climate mitigation and/or adaptation efforts.
2. Encouraging strategies and targets to achieve net zero emissions (NZE) by 2050.
3. Encouraging stakeholders to participate in a just transition journey toward a low-carbon economy, achieving the Sustainable Development Goals (SDGs), and Indonesia's Enhanced Nationally Determined Contribution (ENDC).
4. Developing added value with sustainability aspects to provide long-term and sustainable benefits for investors, shareholders, and other stakeholders.

Bank acknowledges the need for initiatives or programs to mitigate climate change risks at the operational level. This is carried out through:

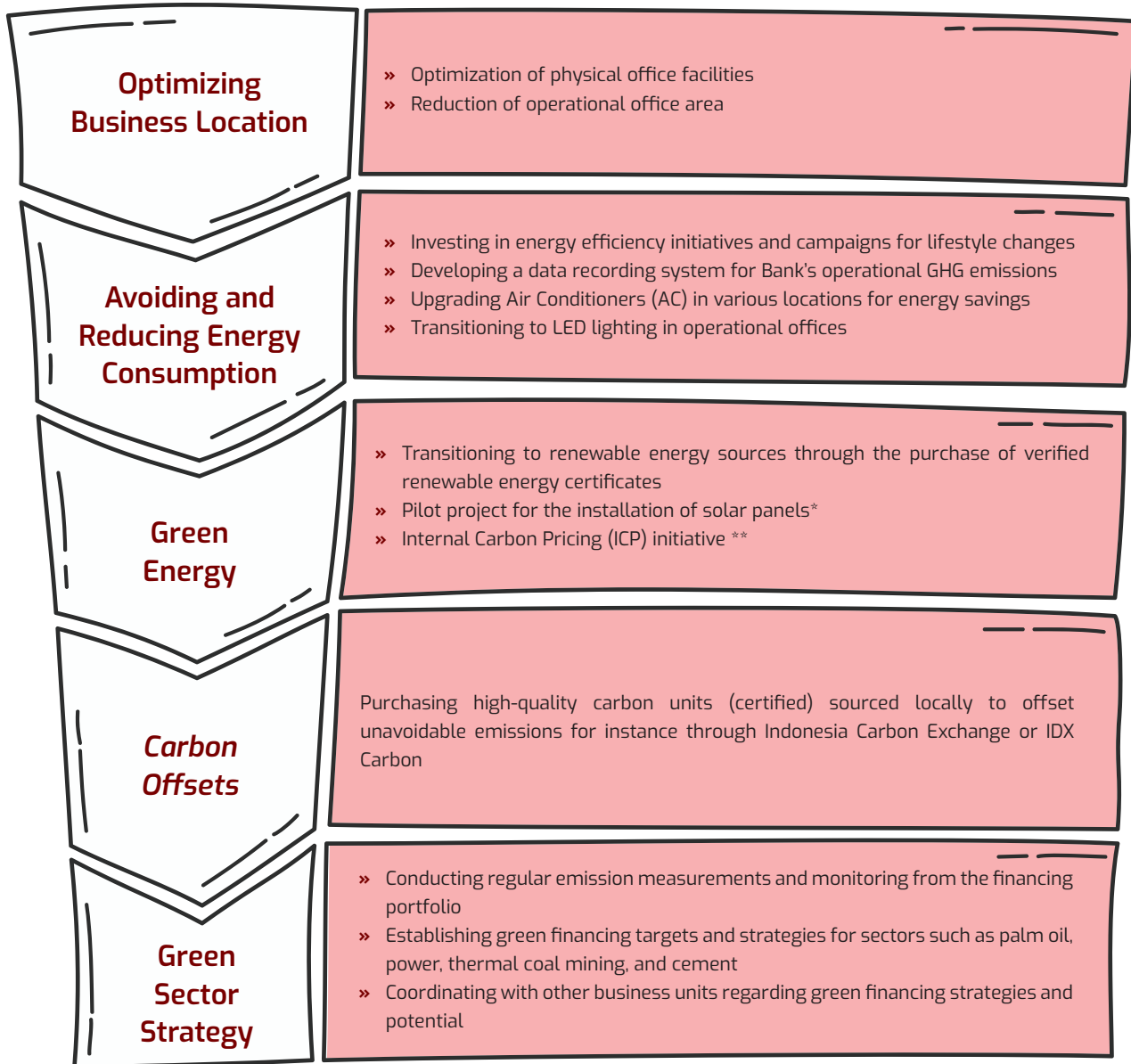
1. Installation of solar panels (currently installed in one of CIMB Niaga's offices) with the expectation of increasing the proportion of renewable energy in Bank's energy mix.
2. Purchase of Renewable Energy Certificates (REC).
3. Acquisition of carbon units, potentially facilitating carbon offset mechanisms.
4. Various other energy efficiency initiatives, such as the use of LED lights and upgrading air conditioning systems.
5. Bamboo planting, part of Bank's CSR program, aimed to support carbon capture and storage.

Short Communication: CIMB Niaga and CIMB Group Toward a Net Zero Emission (NZE) Organization by 2050



CIMB Group has been a member of the Net Zero Banking Alliance (NZBA) since 2021 and has set a target for net zero GHG emissions (Scope 1, 2, and 3) or a net zero emission (NZE) organization by 2050. CIMB Niaga, as part of CIMB Group, also aligns with this commitment. Consequently, Bank has formulated several strategic

steps to prepare climate targets in line with the Paris Agreement, aiming to slow down global warming to below 2 °C or, ideally, 1.5 °C compared to pre-industrial levels. To ensure a clear roadmap toward NZE, Bank has undertaken the Net Zero Strategy & Climate Risk Management project.



Note:

*Currently, solar panels have been installed at the Bintaro branch office and are awaiting operational permits.

**Internal Carbon Pricing (ICP) is one of the initiative to achieve net zero Scope 1 & 2 GHG emissions in operations by 2030 by assigning a monetary value to the GHG Scope 2 emissions generated by Bank. Since 2021, Bank has commenced efforts to establish and implement the ICP framework.

CIMB Niaga, in collaboration with CIMB Group, has established emission reduction targets for 2030 across four key sectors: palm oil, power, thermal coal mining, and cement, as part of the 'Net Zero Strategy & Climate Risk Management' project. Through this initiative, CIMB Niaga contributes to CIMB Group's global achievement as the first bank to set emission reduction targets for the palm oil sector by 2030. These interim targets align with the broader aim of achieving NZE across all material

sectors in Bank's portfolio by 2050. The determination of these targets reflects Bank's commitment to mitigating climate risks in its portfolio. Furthermore, Bank is actively exploring the establishment of targets for the housing and oil & gas sectors, with plans to announce these targets in 2024. In executing the NZE strategy, Bank supports a just transition and collaborates with customers to navigate the challenges toward decarbonization.

Key Design Principle the Establishment of Interim Targets Toward NZE 2050

In line with NZE 2050 climate ambition

The 2030 targets are consistent with the decarbonization path towards NZE by 2050, which is essential to keep global warming well below 1.5°C since pre-industrial times and preserve the Earth for future generations.

Enabling decisive actions

The 2030 targets serve as a reference for Bank to take immediate actions. In the future, Bank will establish long-term interim targets to ensure sustainable growth towards achieving NZE by 2050.

Grounded in a science-based approach

Bank has ensured that all target settings for selected sectors have been based on scientific reference scenarios that are widely accepted and credible. Bank recognizes that climate science is an evolving field. Therefore, Bank chooses to take action now based on the best available knowledge and will conduct periodic reviews in line with advancements in scientific understanding, reporting methodologies, and relevant laws and regulations.

Achieving a just transition as an imperative

Bank acknowledges that environmental sustainability must be aligned with inclusive development and growth, balanced with food and energy resilience, and affordability. Bank has incorporated these considerations into its targets and reference scenarios, taking into account the regional (and local) context.

Achieving net zero GHG emissions in partnership with our customers

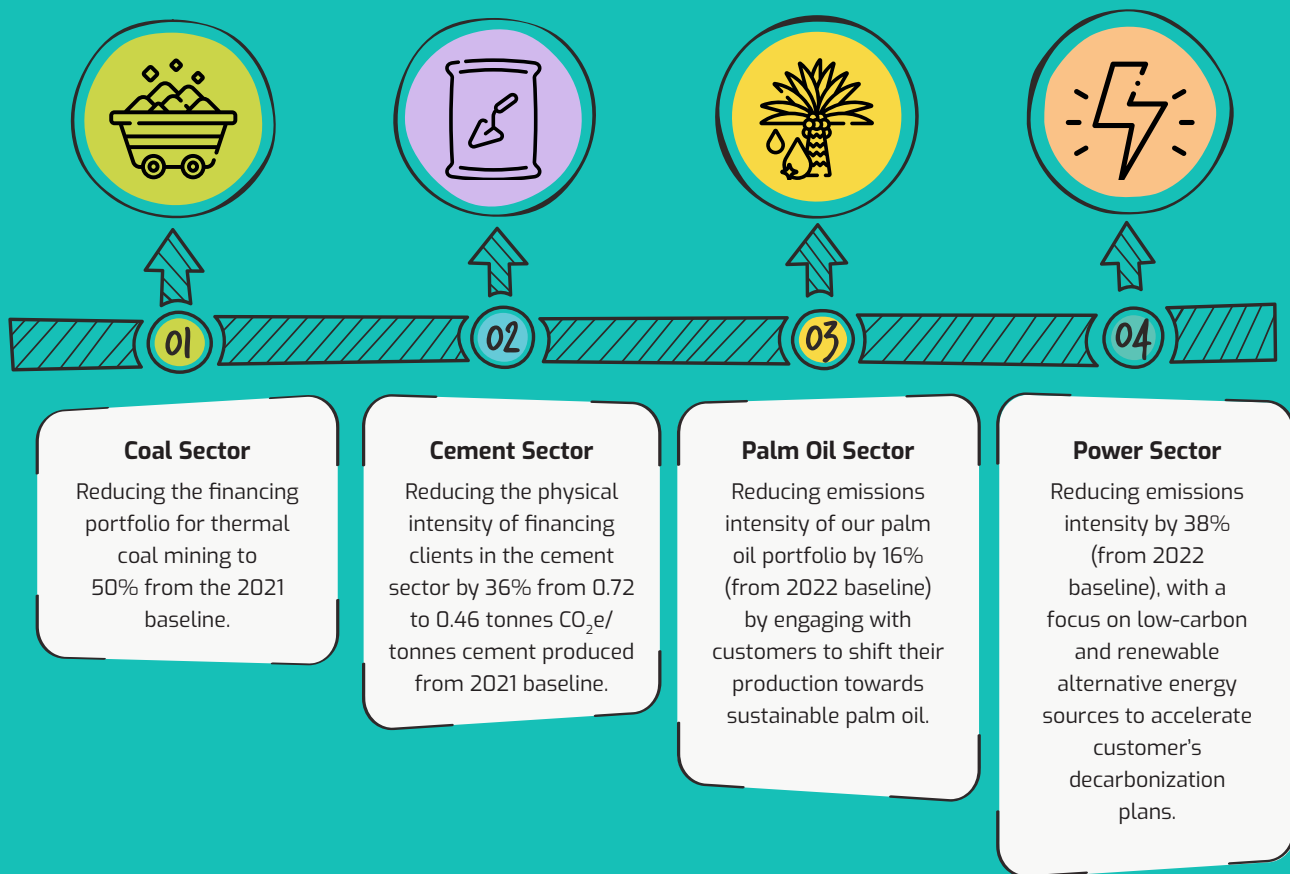
Bank believes that future net zero GHG emissions should align with economic growth and yield positive socio-economic outcomes. Bank positions itself as a partner for customers, assisting in their decarbonization journey, and not turning away from customers in industries facing challenges in the decarbonization process.

Focusing on impact

Bank focuses on setting initial targets on the most material sectors where it can create a positive impact on decarbonization by prioritizing sustainable economic practices and technology. Further, Bank will continue to prioritize sectors based on its exposure and financed emissions.

Our Climate Action Commitment

CIMB Niaga together with CIMB Group has stepped in another important milestones in sustainability journey by setting 2030 targets towards Net Zero by 2050 for several sectors, as follows:

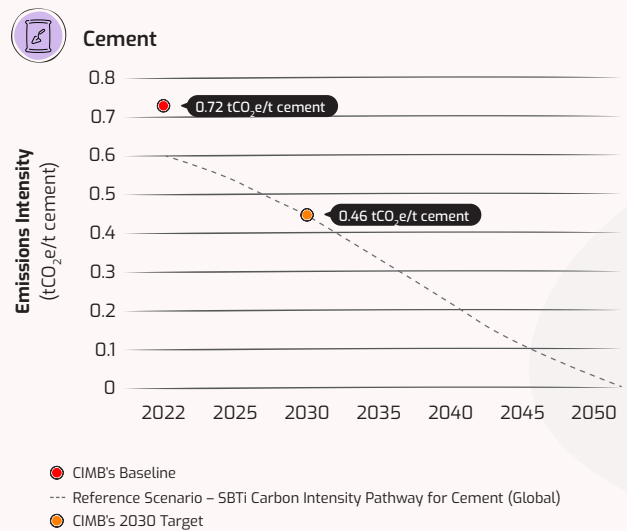
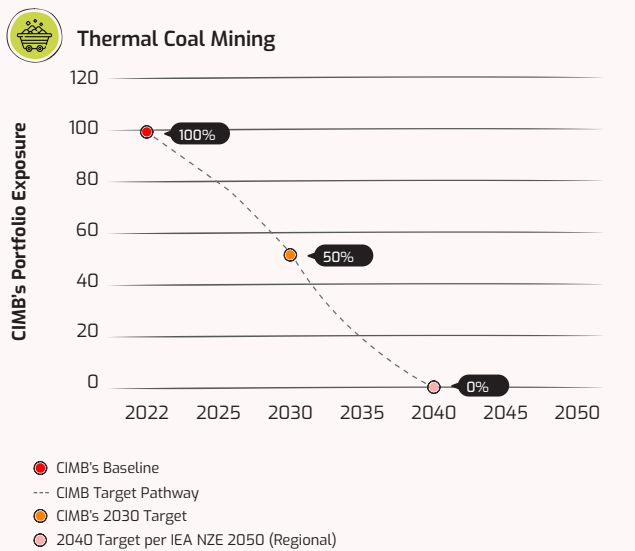
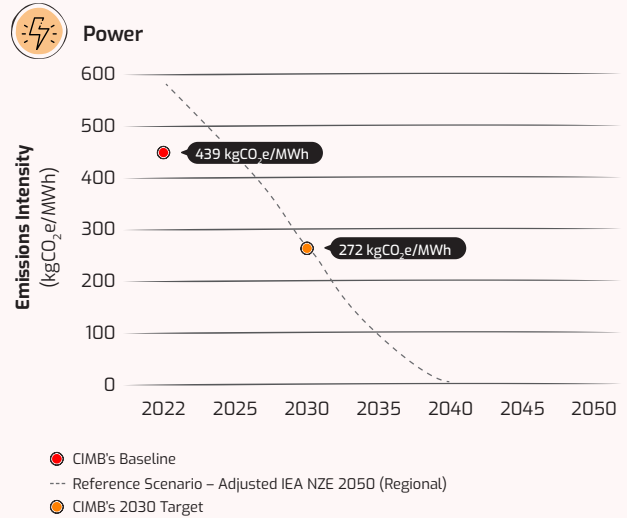
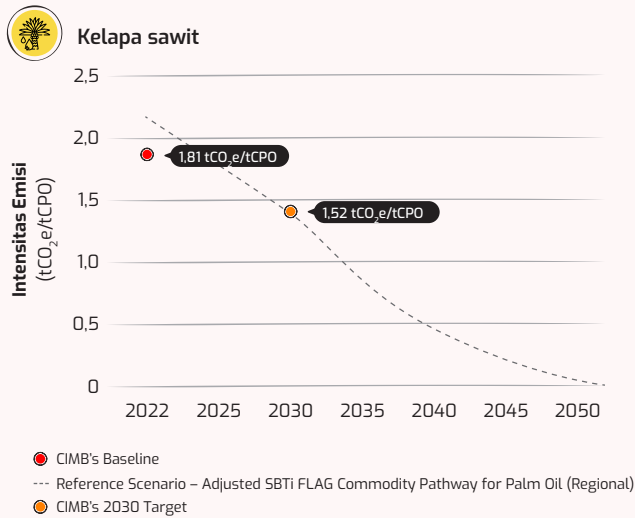


2030 Emission Reduction Targets

		Sector			
		Palm Oil	Power	Thermal Coal Mining	Cement
Target Metric		Tonnes CO ₂ e/tonnes CPO	KgCO ₂ e/MWh	% of portfolio exposure	Tonnes CO ₂ e/tonnes cement
Supply Chain Included in Target Setting	» Planting » Milling		» Power generation	» Thermal coal mining	» Cement manufacturing
Customer Emission Included in Target Setting	GHG Scopes » Scope 1 (including emissions from land-use change and carbon sequestration) and Scope 2 for plantations, factories, and integrated customers » Scope 3 upstream activities (including the procurement of fresh fruit bunches) carried out by integrated customers		Scope 1 for power generation customers	Not available	Scope 1 and 2 for cement manufacturing customers
Asset Classes Included in Target Setting	» Business loans/financing » Investments held for sale or maturity including corporate bonds/sukuk and equities » Facilitation of capital raising activities for customers, including bond/sukuk issuances and initial public offerings (part of the portfolio of Bank's subsidiary, PT CIMB Niaga Sekuritas)				
Scenario References	Adjusted Commodity Pathway for Palm Oil (regional)	SBTi FLAG	Adjusted IEA NZE 2050 (regional)	IEA NZE 2050 (regional)	SBTi Carbon Intensity Pathway for cement (global)
Baseline	1.81 (as of 2022)		439 (as of 2022)	100% (as of 2021)	0.72 (as of 2021)
2030 Target	1		272	50%	0.46
Change Targets	16% reduction		38% reduction	50% reduction	36% reduction
NZE Plan	Align with reference scenario in 2030		Align with reference scenario in 2030	Eliminating exposure to thermal coal mining by 2040	Align with reference scenario in 2030

Further information on the interim target settings toward NZE 2050 can be found in the official report of CIMB Group, accessible through the following link.

Summary of 2030 Interim Targets Towards NZE 2050



Our Report [GRI 2-2; 2-3; 2-4; 2-5;201-4] [SUSBA 1.6.2.9] [FN-CB-550a.1] [ACGS-C.1.3; (B)C1.2]

Every year, PT Bank CIMB Niaga Tbk ('CIMB Niaga' or 'Bank') publishes a sustainability report disclosing its environmental, social, and governance (ESG) performance information. The previous year's Sustainability Report was released on 10 March 2023.

The information and data presented in this report reflect the company's performance for the period 1 January until 31 December 2023, taken from data or information at the CIMB Niaga Head Office and operational activities throughout Indonesia. Financial performance data

is derived from the audited Consolidated Financial Statements by an independent Public Accounting Firm. Employee and electricity usage data are sourced from various units and branch offices across Indonesia. Bank restated its scope 2 greenhouse gas (GHG) emissions data for 2022 and 2021 period, in order to update the calculation method using emission factors according to the power generation grid in each region. Bank did not receive financial assistance from the government during the reporting period.

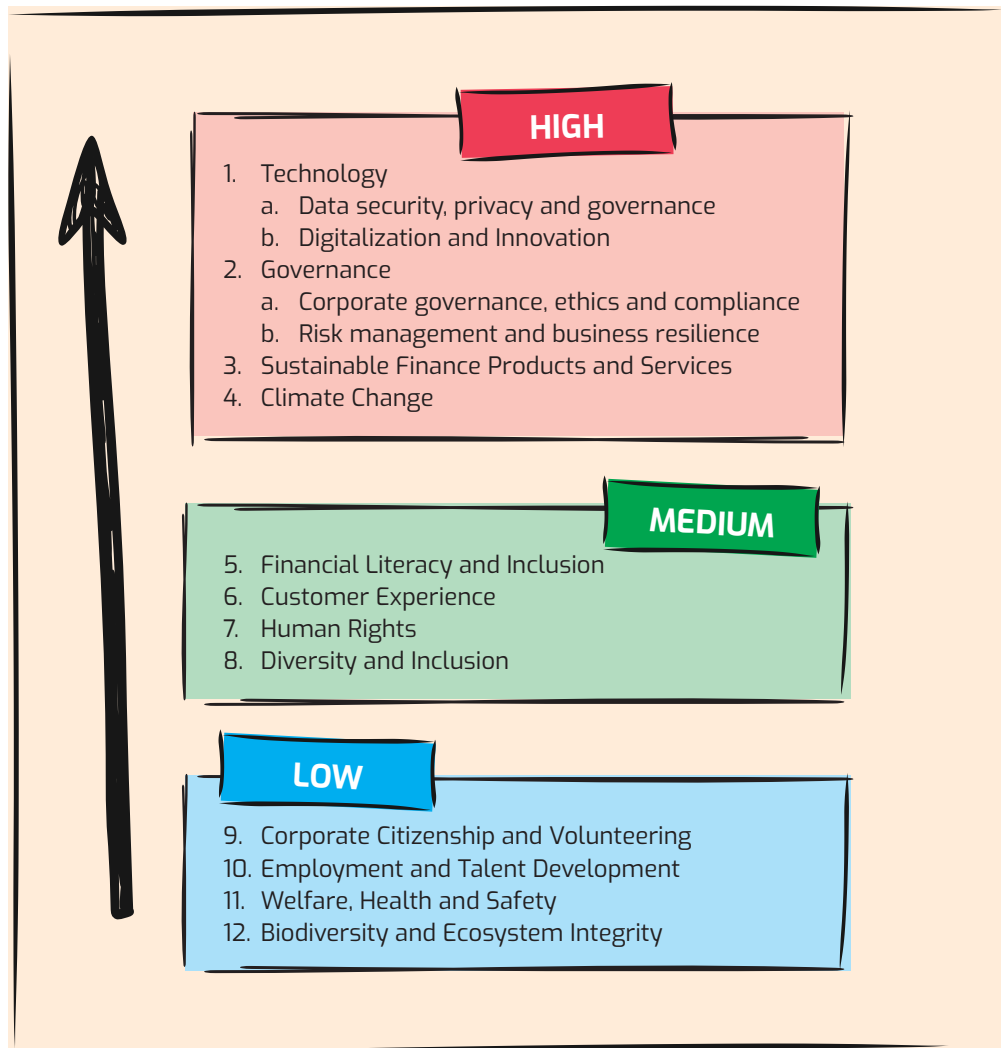
The Sustainability Report has undergone verification by an independent entity, KAP Siddharta Widjaja & Rekan (KPMG Indonesia), in accordance with International Standard on Assurance Engagements (ISAE) 3000 standards, including the adoption of Professional Standard for Accountant (SPA) 3410. The appointment of the independent entity received approval from the Board of Directors and ensured to be free from any conflicts of interest

Bank discloses its information in compliance with Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017 regarding the Implementation of Sustainable Finance and the Preparation of Sustainability Reports. This Sustainability Report is also prepared in reference to several frameworks and standards such as the Global Reporting Initiative (GRI), GRI-G4 Financial Services Sector Supplement, Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standard Board (SASB) for the Financial Services Sector, Sustainable Banking Assessment (SUSBA) by the World Wide Fund (WWF), Sustainable Development Goals (SDGs), Global Investors for Sustainable Development (GISD) Alliance, and ASEAN Corporate Governance Scorecard (ACGS). Additionally, there is no information regarding the Global Systemically Important Bank (G-SIB) methodology as Bank is not currently part of this list.

Priority Material Topics (GRI 3-1; 3-2)


There is no changes in material topics for 2023 compared to the previous reporting period. The determination of material topics involving a survey on stakeholders, both internal and external, such as employees, customers, and Bank partners conducted in 2022. Bank also received feedback and input from investors and rating agencies. The process of determining material topics was conducted by identifying and assessing the impact of business through a review of sustainable financial principles.

Materiality topics prioritization was jointly conducted with CIMB Group, involving stakeholders and experts. This engagement encompasses the identification of topics, discussions, topic assessments, and prioritization.



Management Approach to Material Topics

[GRI 3-3] [SUSBA 1.6.2.7] [ACGS-C.1.1; C.1.2; C.2.1]

<h2>1. Technology</h2> 	
<p>Important Information:</p> <ul style="list-style-type: none"> Data Security, Privacy and Governance [GRI 418-1] <ul style="list-style-type: none"> Policy for fair design and sale of financial products and services [GRI F515] Customer privacy [GRI 418-1] Digitalization and Innovation <ul style="list-style-type: none"> Indirect economic impact [GRI 203-1; 203-2] 	
<p>Material Topic and its Importance for Company Sustainability: Technology plays a critical role in quantifying and reporting digital trust and experience scores</p>	
<p>Impact: The banking sector is highly vulnerable to cyberattacks and threats, which can result in losses for both customers and Bank. Taking this into consideration, Bank continues to strive for the enhancement and strengthening of operational systems. Technology will have an impact on the financial and operational performance of Bank, including its reputation.</p>	
<p>Policies:</p> <ul style="list-style-type: none"> Information Technology (IT) Strategy and Organization Policy IT Systems Development Policy IT Operations Policy IT Communications Network Policy Information Security Policy IT Continuity Policy End User Computing Policy Digital Banking Policy Use of IT Service Providers Policy IT Processes, Risks, and Compliance Policy 	<p>Performance Targets: Zero complaints regarding customer data privacy</p>
<p>Achievement Strategies:</p> <ul style="list-style-type: none"> Information and technology training and workshops Utilizing technology efficiently, timely, and cost-effectively to produce qualified, reliable, and safe banking products and services 	<p>Achievements:</p> <ul style="list-style-type: none"> Enhanced Cyber Security capabilities and capacities to be more proactive in strengthening IT security, anticipating virus and malware threats, and mitigating digital risks by updating the incident management platform and automating application security testing Development of a Custody & Fund Admin System application that adopts more efficient technologies and new solutions to meet business needs Integration of the OCTO Digital Credit Card/OCTO Digital Syariah Card into the OCTO Mobile application, allowing customers to use it without the need for a physical card.
<p>Evaluation Method: Strengthening IT security capabilities and capacities to proactively anticipate virus and malware threats as well as mitigate digital risks</p>	<p>Responsible Directorate: Operations and Information Technology Directorate</p>

2. Governance



Important Information:

- Corporate Governance, Ethics and Compliance
 - Anticorruption [GRI 205]
 - Anti-competitive behavior [GRI 206]
 - Marketing and Labeling [GRI 417]
- Risk Management and Business Resilience
 - Scope and frequency of audits to review the implementation of social and environmental policies, as well as risk assessment procedures [GRI FS9][SUSBA 1.4.1.8]

Material Topic and its Importance for Company Sustainability:

Governance is the basis for all Bank performance, including the implementation of ESG aspects.

Impact:

Good governance is one of the key factors for the sustainability of a company. Through good governance, a relationship can be established between the management of the organization and stakeholders (customers, shareholders/investors, regulators, suppliers, employees, local communities, and labor unions) which affected by the operational activities of Bank through rights and obligations in line with the vision and mission that considers ESG issues.

Policies:

- Governance Policy No. M.12
- Anti-Bribery and Corruption Policy No. M.11
- Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Counter-Proliferation Financing of Weapon of Mass Destruction (CPFWM) Policy No. C.02
- Human Rights Policy No. M.13
- Anti-Bribery Management System Policy No. M. 14
- Anti-Fraud Policy No. E.07

Performance Targets:

- Instilling a culture of sustainability and incorporating sustainability principles into business processes
- Award in the ASEAN Corporate Governance Scorecard (ACGS)
- Award in the Annual Report Award (ARA)

Achievement Strategies:

- Establishment of a Sustainability Unit
- Adjustment of various charters and policies
- Evaluation of governance implementation based on ASEAN Corporate Governance Scorecard (ACGS) criteria and General Guidelines for Indonesian Corporate Governance (PUG-KI)
- Certification of governance procedures in accordance with international standards, such as The International Organization for Standardization (ISO)
- Attest the Code of Ethics and Code of Conduct periodically

Achievements:

- General Champion of the Annual Report Award (ARA) 2022
- Implemented an Anti-Bribery Management System (SMAP) in accordance with SNI ISO 37001
- Issued the Human Rights Policy to strengthen Bank's commitment toward human rights principles
- Made improvements to the Partner Code of Ethics that now also serves as a Partner Integrity Pact
- Embedded new Company values and culture via 3 approaches: EPICC Communication, EPICC Cascading, and EPICC Hardwiring
- CIMB Niaga is considered a very excellent company in terms of systems, GCG infrastructure and implementation, risk management, and compliance
- Implementation of compliance reviews utilizing the Aligned Assurance method, in which the Compliance Unit liaises with Internal Audit Unit regarding compliance reviews

Evaluation Method:

Evaluation of corporate governance implementation based on regulatory parameters, ACGS, PUGKI, and best practices

Responsible Directorate:

Compliance, Corporate Affairs, and Legal Directorate and Business Unit, specifically the Good Corporate Governance (GCG) & Sustainability Unit together with the Anti Fraud Management Unit

3. Sustainable Finance Products and Services



Important Information:

- Economic Performance (GRI 201-1; 201-2; 201-3; 201-4)
- Product Portfolio and Loan Quality (SUSBA 1.1.1.10)
- Policies Related to Social and Environmental Components and their Implementation in the Company's Business (GRI FS1)
- Percentage of the Company's Business Portfolio According to Banking Sector for Constrained Individuals (GRI FS6)
- Approach for the Inclusion of ESG Factors in Credit Analysis
- ESG Risk Assessment and Mitigation at Portfolio Level
- Disclosure of ESG Exposures and Risk Targets

Material Topic and its Importance for Company Sustainability:

Sustainable finance plays an important role in providing the financing framework for Bank, supporting the achievement of the SDGs, including climate change actions and mitigation strategies for climate change and the establishment of a low-carbon economic ecosystem.

Impact:

Financing activities entail sustainability risks. Debtors receiving financing from Bank may potentially face issues related to deforestation, water, marine, land-use change, community, labor, and human rights. All of these are important sustainability issues. As a responsible Bank, we collaborate with debtors to minimize the negative impacts of financing activities. Additionally, sustainable finance products/programs will support a just transition, a low-carbon economy, the achievement of the Paris Agreement, the Sustainable Development Goals, and inclusively engaging customers, shareholders/investors, regulators, and local communities.

Policies:

- Sustainability Policy No. M.08 and Sustainability Procedure No. M.08.P.01
- Sustainable Finance Policy No. M.10 and Sustainable Finance Procedure No. M.10.P.01
- High Sustainability Risk Sector List
- Sector Guidance

Performance Targets:

- Issuance of sector guidance documents, including but not limited to land-based sectors, high GHG emission sectors, and Agriculture, Forestry, Other Land Use, and Land-Use Change (AFOLULUC) sectors.
- Enhancing sustainable financing portfolios in alignment with the Indonesian Green Taxonomy (THI) and Bank's target of achieving net zero GHG emissions by 2050.
- Commencing the study of the Indonesian Sustainable Finance Taxonomy (previously known as the Indonesian Sustainable Taxonomy).
- Align sustainable finance with Indonesia's 'FOLU Net Sink 2030' target (GHG emission rate of -140 million tonnes CO₂e by 2030) and promote initiatives that prevent biodiversity loss
- Increase in sustainable financing portfolio in the palm oil sector

Achievement Strategies:

- Bank conducts all aspects of due diligence related to a debtor/prospective debtor's sustainability, including through Sustainability Due Diligence (SDD), Enhanced Sustainability Due Diligence (ESDD), and Sector Guidance
- Bank provides an Action Plan to debtor/prospective debtor who do not meet Bank's minimum sustainability requirements
- Bank continuously encourages customers/prospective customers to adopt and implement sector-specific best practices for sustainability
- Identify and classify Bank's portfolio based on its sustainability risks, categories of sustainable business activities, and categories of products and services with environmental, social, and sustainable impacts (Green Social Sustainable Impact Products and Services), and the Indonesia Green Taxonomy
- Integrate and mainstream the implementation of No Deforestation, No Peat, No Exploitation (NDPE) through Sector Guidance

Achievements:

- Rp55.45 trillion in total financing portfolio in the sustainable business activity category (KKUB)
- Rp5.4 million financed to MSMEs through channeling, where Rp2.22 million or 41% of funds were disbursed to women debtors (36% out of total MSME channeling debtors)
- Almost Rp9.5 trillion financed for sustainable palm oil (customers pursuing or have ISPO/RSPO certification)
- Issuance of Manufacturing Sector Guidance
- Updating the Construction and Infrastructure Sector Guidance
- Integrate aspects of Human Rights and NDPE commitments on SDD and ESDD

Evaluation Method:

Conducting regular internal audits and Control Effectiveness Testing (CET) on sustainable finance implementation, including SDD and ESDD in relevant units.

Responsible Directorate:

Compliance, Corporate Affairs, and Legal Directorate and Business Unit, specifically the Sustainability Unit

4. Climate Change



Important Information:

- Energy Use
- Paper Savings
- Water Management
- Waste Management

Material Topic and its Importance for Company Sustainability:

Climate change is an important topic as it has the potential to affect ESG aspects and banking performance. Climate change may also affect physical risks, placing customers' assets and ability to meet their obligations at risk.

Impact:

Climate change can affect financial stability. The physical impacts of climate change may result in asset damage, operational disruptions, and negative effects on customers and stakeholders. Additionally, companies that fail to respond appropriately to policy, technology, and market changes aimed at addressing climate change may face regulatory, reputational, and market risks. Bank's support for climate change mitigation and adaptation actions will contribute to a just transition, a low-carbon economy, achieving the Paris Agreement, the Sustainable Development Goals, and inclusively engaging customers, shareholders/ investors, regulators, and local communities.

Policies:

- Sustainability Policy No. M.08 and Sustainability Procedure No. M.08.P.01
- Smart Spending Policy No. E.01.I.01
- Green Office Policy
- Carbon Emissions Inventory and Methodology Procedure No. M.08.P.02

Performance Targets:

- Net zero GHG emissions for Scopes 1 and 2 emissions in CIMB Niaga's operations by 2030
- Net zero GHG emissions overall (including Scopes 1, 2, and 3) or become a net zero emission (NZE) organization by 2050
- Setting 2030 targets for several sectors, as follows:
 - a. Coal Sector. Reducing the financing portfolio for thermal coal mining to 50% from the 2021 baseline.
 - b. Cement Sector. Reducing the physical intensity of financing clients in the cement sector by 36% from 0.72 to 0.46 tonnes CO₂e/tonnes cement produced (2021 baseline).
 - c. Palm Oil Sector. Reducing emissions intensity of our palm oil portfolio by 16% (from 2022 baseline). This is done by engaging with customers to shift their production towards sustainable palm oil.
 - d. Power Sector. Reducing emissions intensity by 38% (from 2022 baseline), with a focus on low-carbon and renewable alternative energy sources to accelerate customer's decarbonization plans.

Achievement Strategies:

- Monitoring and evaluating activities and/or portfolios that may generate/be related to Scope 1, 2, and 3 GHG emissions.
- Implementing various energy initiatives.
- Undertaking the Net Zero Strategy & Climate Risk Management project.
- Developing models and methodologies for climate scenario analysis (CSA) and participating in a climate risk stress testing (CRST) pilot project as requested by the Financial Services Authority (OJK).
- Initiating a study on Carbon-Offset schemes, internal carbon pricing (ICP), and exploring various instruments with the potential to mitigate risks arising from GHG emissions in Bank's operations.

Achievements:

- Installing solar panels at a branch office.
- Acquisition of carbon units from the Indonesia Carbon Exchange (IDXCarbon) and Renewable Energy Certificates from PLN
- 8.79 GJ/Rp Rp billion in energy intensity
- The intensity of Scope 1 and 2 GHG emissions including climate change mitigation efforts is 1.60 tonnes of CO₂ equivalent/Rp billions or a decrease of 17% compared to 2022
- 6.53 m³/Rp billion in water use intensity
- Paper usage intensity is 1.88 kg/Rp billion or down 2% compared to 2022

Evaluation Method:

GHG emissions reporting with initiatives to reduce GHG emissions in accordance with predetermined sustainability performance targets

Responsible Directorate

Strategy, Finance & Strategic Procurement, and Admin Property Management (SPAPM) Directorates, specifically the SPAPM Unit and supported by all other working units

5. Financial Literacy and Inclusion



Important Information:

- Sustainable Finance Competency Development.
- Initiatives to Improve Financial Literacy (GRI FS16)
- Small Business Promotion and Community Development (FN-CB-240.a.1;FN-CB-240.a.2)
- Financial Literacy Equality (FN-CB-240.a.3;FN-CB-240.a.4)

Material Topic and its Importance for Company Sustainability:

Financial literacy and inclusion are crucial topics as banks play a vital role in enhancing financial understanding within society.

Impact:

Inclusivity in providing high financial access to all segments of society in a country can drive economic growth, ensure financial system stability, support poverty alleviation initiatives, and contribute to reducing economic disparities among communities. It is not only essential to enhance financial inclusion for the public but also crucial to improve financial literacy. Insufficient understanding of financial products among society may increase the risks associated with financial products.

Policies:

- Corporate Social Responsibility Policy No. M.09 and Corporate Social Responsibility Policy Procedure No. M.09.P.01

Performance Targets:

- Enhancing financial literacy understanding
- Conducting Financial Education and Literacy activities for secondary school students in the Ayo Menabung dan Berbagi (AMDB) program and elementary school students in the Tour de Bank (TDB) program, and providing Student Savings (SimPel) to elementary to high school students (SD-SMP-SMA/K).
- Organizing financial education and literacy for various groups, such as CIMB Niaga scholarship recipients, educators, MSME, women, and vulnerable groups.

Achievement Strategies:

- CIMB Niaga actively participates in financial education and literacy activities, including opening savings accounts through the Ayo Menabung dan Berbagi (AMDB) and Tour de Bank (TDB) programs.

Achievements:

- In the 2023 AMDB program, 4,737 secondary school students (SMP-SMA/K) participated, showing a 37% increase in financial literacy understanding according to the analysis.
- The 2023 TDB program had 2,909 participants from primary schools (SD), demonstrating a 28% improvement in financial literacy understanding according to the analysis.
- Through the 2023 AMDB and TDB programs, 1,954 students received student savings accounts.
- Financial Literacy Webinar for Teachers reaching 148 educators from schools participating in the 2023 AMDB and TDB programs.
- 223 female and vulnerable MSME players in Eastern Indonesia received Entrepreneurship/Business financial literacy training.
- 87 university students received scholarships from CIMB Niaga under the Be Smart program.
- Financial literacy training was conducted for 30 people with disabilities.

Evaluation Method:

- Conducting pre and post-tests for various programs, especially those related to financial education and literacy.
- Periodically reviewing the content of financial education and literacy materials.

Responsible Directorate

Compliance, Corporate Affairs, and Legal Directorate, specifically the Community Development Unit.

6. Customer Experience



Important Information:

- Sustainable Products and Services.
- Product and Service Safety.
- Data Security and Customer Privacy [418-1].
- Policies for Fair Design and Sale of Financial Products and Services [GRI F515].
- Assessment of Health and Safety Impact of Various Categories of Products and Services [416-1].
- Consumer Health and Safety.
- Customer Information Protection [418-1].
- Financial value of products and services designed to support social well-being [GRI F57].

Material Topic and its Importance for Company Sustainability:

- Customer experience is a crucial aspect to consider to ensure that customers feel secure in their transactions, fostering positive experiences that contribute to customer loyalty.
- Bank establishes KPIs for products and services, measuring customer loyalty using the Net Promoter Score (NPS).
- Customer satisfaction is Bank's primary commitment, manifested through the internalization of EPICC corporate values, where Customer Centricity is a mandatory value embraced by all employees in their daily activities.

Impact:

One of the keys to the sustainability of a bank is the trust and support of its customers. Bank continues its efforts to provide the best experience for its customers. A positive customer experience not only encourages customer retention but also enables Bank to attract new customers.

Policies:

- Customer Protection Policy (Syariah) E.04.A.08
- Customer Protection Policy (Conventional) E.04.A.10

Performance Targets:

- Enhancing customer satisfaction survey outcomes.
- Reducing the number of complaints received by Bank.
- Improving customer experience by measuring NPS.

Achievement Strategies:

- Conducting periodic customer satisfaction surveys.
- Providing various service channels, such as branch offices, Digital Lounge, 24/7 Contact Center, website, Live Chat, WhatsApp CIMB Niaga, and social media accounts such as Facebook, Twitter, and Instagram.
- Improving the performance of the Customer Care and Customer Experience units by enhancing the quality of customer complaint resolutions.
- Establishing KPIs for products and services by measuring NPS.
- Conducting periodic education on transaction security through service channels.
- Monitoring the implementation of consumer protection policies regularly.

Achievements:

- Maintaining customer loyalty levels by achieving an NPS measurement of 50% in 2022 and 2023.
- Achieving a 99% customer complaint resolution rate and reducing customer complaints related to financial transactions with an achievement ratio of 0.61 bps.

Evaluation Method:

Conducting customer satisfaction surveys.

Responsible Directorate

Consumer Banking Directorate, specifically the Customer Experience & Protection Unit

7. Human Rights



Important Information:

- Equal Employment Opportunity
- Leave Entitlement (410-3)
- Human rights training for security personnel (410-1)
- Diversity, Equality, and Inclusion

Material Topic and its Importance for Company Sustainability:

Human Rights is a crucial topic that requires attention as Bank acknowledges all human rights principles, and matters related to human rights are inseparable and inalienable.

Impact:

Businesses involved in human rights violations face financial, legal, reputational risks, and damage to relationships with stakeholders. As a responsible business, Bank has an obligation to uphold human rights laws and regulations and strives to implement international human rights principles and frameworks throughout its operational aspects, supply chains, and business relationships. This includes promoting fair labor practices and treating all communities with respect.

Policies:

- Human Rights Policy No. M.13
- CIMB Niaga Collective Labor Agreement (CLA)
- Recruitment and Selection Policy No. A.02.01

Performance Targets:

- Implementation of human rights aspects in the SDD process for Bank's financing and business relations, including in the Sector Guidances.
- Socialization of human rights principles.

Achievement Strategies:

- Implementing sustainability and human rights principles, taking into account good corporate governance, precautionary principle in banking, compliance, and risk management.
- Conducting SDD reviews using the Exclusion List that covers human rights aspects.
- Providing a complaint channel (whistleblowing) or grievance mechanism through a whistleblowing system (WBS) managed by an independent and professional third party.

Achievements:

- No reports of human rights violations within Bank's operational environment through WBS.
- Employing vulnerable employees as a manifestation of equal employment opportunities.
- No complaints/reports indicating unfair recruitment processes.

Evaluation Method:

Bank periodically conducts a human rights risk assessment of its business activities and operational activities and establishes necessary mitigation measures. In case of human rights violations, Bank will transparently provide information on the progress and resolution of the cases to stakeholders through various communication channels, including the sustainability report.

Responsible Directorate

- Human Resources Directorate
- Compliance, Corporate Affairs, and Legal Directorate, specifically the Sustainability Unit

8. Diversity and Inclusion



Important Information:

- Governance body and employee diversity [405-1]
- Basic Salary and Remuneration Ratio of Women to Men [405-2]

Material Topic and its Importance for Company Sustainability:

Employee diversity and inclusion are crucial considerations for Bank, as every employee deserves equal opportunities without discrimination based on ethnicity, religion, race, social status, gender, or any other potentially discriminatory factors that may violate human rights.

Impact:

Diversity within a company can provide different perspectives, leading to more innovative ideas and solutions. An inclusive work culture also attracts diverse talents and contributes to better employee engagement. Through diversity and inclusion a company can enhance its image and make better-informed decisions.

Policies:

- Employee Code of Ethics and Code of Conduct Policy No. A.07.01
- Human Rights Policy No. M.13

Performance Targets:

Creating a positive and inclusive workplace rooted in EPICC values is essential to achieve a healthier organizational culture.

Achievement Strategies:

- Establishing strategic objectives that prioritize diversity and inclusion (D&I) principles integrated into the overall growth strategy of Bank through policy issuance.
- Education to enhance awareness of D&I for all employees.
- Monitoring and reporting on the implementation of D&I principles through a data-driven approach, such as the D&I dashboard and reporting.
- Ensuring that leaders are consciously and responsibly supporting the creation of an inclusive cultural environment.
- Supporting employees in gaining equal opportunities for development and well-being through enrichment and empowerment programs.
- Providing supportive infrastructure to ensure that D&I performance targets proceed according to plan.

Achievements:

- Employing vulnerable employees as a manifestation of equal employment opportunities.
- Building awareness within the Company by broadcasting 12 thematic campaign series related to diversity and inclusion principles through internal communication channels.
- Providing over 1,100 internal training materials related to D&I.
- Implementing the Flexible Benefit Program, allowing employees to customize benefit benefits according to their individual needs.
- Continuing the management of 9 Sport, Hobby & Interest and Enlightenment (SHINE) employee clubs with over 1,100 active participants.

Evaluation Method:

The Company conducts evaluations of each initiative's implementation to assess its effectiveness in internalizing D&I principles through question-and-answer sessions or interviews.

Responsible Directorate

- Human Resources Directorate
- Consumer Banking Directorate, specifically the Marketing, Brand & Customer Experience Sub-Directorate
- Compliance, Corporate Affairs, and Legal Directorate, specifically the Sustainability Unit

9. Corporate Citizenship and Volunteering



Important Information:

- Equal Employment Opportunity
- Governance body and employee diversity [405-1]
- Volunteering

Material Topic and its Importance for Company Sustainability:

Bank ensures that every prospective employee is given a fair opportunity and can positively contribute to the environment and society.

Impact:

The long-term success of an organization depends on a strong socio-economic foundation. To achieve long-term development and prosperity, all segments of society must progress and benefit from economic growth. Bank is committed to leveraging resources to create a positive social impact.

Policies:

- Recruitment and Selection Policy No. A.02.01
- Human Rights Policy No. M.13

Performance Targets:

Implementing an Employee Volunteer Program, with an average of 3 hours per employee.

Achievement Strategies:

- Conducting socialization sessions for the Employee Volunteer Program
- Innovating the conversion of various initiatives/programs into volunteer hours

Achievements:

The Employee Volunteer Program has achieved an average of 5.1 hours per employee.

Evaluation Method:

Recording the Employee Volunteer Program through Y.O.D.A.

Responsible Directorate

All directorates, under the coordination of the Human Resources Directorate and Compliance, Corporate Affairs, and Legal Directorate, specifically the Community Development Unit

10. Workforce and Talent Development



Important Information:

- Employee Training and Skill Development
- Average Employee Training Hours (404-1)
- Skill development and transition program for pre-retirement (404-2)
- Regular review of performance and career development (404-3)

Material Topic and its Importance for Company Sustainability:

Workforce and talent development is an integral part of enhancing the competencies and capacities of Bank's employees to ensure continuous innovation and optimal performance.

Impact:

Employees are a crucial asset for Bank. Therefore, effective management and enhancement of employee quality, including training and skill development, are essential. Improving employee skills can lead to increased productivity, ultimately impacting Bank's overall performance.

Policies:

- Employee Learning Policy A.04.02
- Promotion Policy A.04.04
- Talent Management Policy A.04.06
- Employee Transfer (Mutation) Policy A.04.07
- BOD and BOC Learning and Development Program Policy A.04.08

Performance Targets:

Providing effective and high-quality employee capability development programs is a key focus centered around three main principles: experience, exposure, and training. These programs are tailored to Bank's needs, reflected in various aspects such as the number of training types, training hours, participant numbers, and more.

Achievement Strategies:

- Focusing on three main principles in human resources development:
 - o Experience: Developing competencies through expanded tasks and responsibilities, job rotations through structured and integrated talent development programs to support the enhancement of employee competencies to meet the expected success profile.
 - o Exposure: Development through various programs such as coaching and mentoring, networking opportunities, assignments in various strategic cross-country or cross-functional projects, and assignments in subsidiaries or CIMB Group in various countries.
 - o Education: Integrated programs designed to develop individual, managerial, and leadership competencies as well as specific functional and technical competencies needed to support key business objectives.
- Providing flexible learning media through the utilization of VR (Virtual Reality) and LoG (Learning on the Go) technologies as e-learning to enhance effectiveness and efficiency.

Achievements:

- Increased the average training hours per employee from 19 hours to 22 hours or approximately 177.48 hours.
- Achieved a total of 350,329 training participants, surpassing the target of 226,712 participants.
- Engaged 409 employees in the OPeRA Innovation event, generating 372 innovative ideas.
- Availability of VR devices in 325 branch locations across 95 cities in Indonesia and established 6 VR Learning Centers (VR Corners) with 21 training modules. The VR initiative received recognition in the Internal Process Innovation category at the IDX Channel Innovation Award in 2023.
- Offered 1,767 learning modules on LOG, covering various areas such as mandatory certification programs, basic core competencies, basic sales fundamentals, basic service fundamentals, Sharia, Digital, Data, and SPPUR.
- Achieved targeted evaluation results, with participant reaction evaluation at 4.69 (exceeding the target of 4.25) and participant knowledge evaluation at 88.22 (surpassing the target of 80).

Evaluation Method:

Conducting a review process on participants' reactions and knowledge following each training program implementation.

Responsible Directorate

Human Resources Directorate, specifically the Learning & Development Unit

11. Welfare, Health, and Safety



Important Information:

- Occupational Health and Safety Management System (403-1)
- Occupational health services (403-3)
- Employee participation, consultation, and communication on health and safety (403-4)
- Employee health and safety training (403-5)
- Employee health quality improvement (403-6)
- Employees covered by the occupational health and safety management system (403-8)
- Safe and Adequate Working Environment

Material Topic and its Importance for Company Sustainability:

Employee Well-being, Health, and Safety are crucial aspects that Bank prioritizes to provide a conducive and safe working environment, ensuring positive impacts on both employees and the community.

Impact:

Poorly managed well-being, health, and safety can pose risks to Bank's reputation. Through effective management of well-being, health, and safety, a healthy and safe working environment can be created, reducing the likelihood of work-related accidents/illnesses that may lead to demotivation and decreased work productivity.

Policies:

- Work Security and Safety Risk Management Policy A.11.01

Performance Targets:

- Achieving zero accidents in Bank's operational activities.
- Ensuring the physical and mental health of employees to support work productivity.

Achievement Strategies:

- Implementing the Hybrid Working (HyWork) initiative as a collaborative working approach for employees, whether working in the office or from home, and providing HySpace facilities such as co-working spaces.
- Providing lactation room and health insurance benefits for every employee.
- Offering HyFit facilities as a space for improving physical, spiritual, and mental health.

Achievements:

- No workplace accidents occurred during the year 2023.
- All employees have completed training on the use of fire extinguisher through the Virtual Reality (VR) Module Fire Drill, accessible using VR Headsets available in VR Corners and branch offices throughout Indonesia.

Evaluation Method:

The Company conducts evaluations for each initiative implemented to assess its effectiveness.

Responsible Directorate

Human Resources Directorate; Strategy, Finance & Strategic Procurement, and Admin Property Management (SPAPM) Directorates, specifically the SPAPM Unit

12. Biodiversity and Ecosystem Integrity



Important Information:

- Operational locations owned, leased, managed, or adjacent to, protected areas and areas with high biodiversity value outside protected areas (304-1)
- Significant impacts of activities, products, and services on biodiversity (304-2).
- Biodiversity Conservation Efforts.

Material Topic and its Importance for Company Sustainability:

Bank ensures that its operational activities and business relationships, including financing for customers, do not negatively impact biodiversity and ecosystem integrity.

Impact:

Business activities heavily rely on nature. Biodiversity degradation poses a high risk to the sustainability of debtor-owned companies, indirectly affecting Bank through the potential increase in default risk.

Policies:

- Sustainability Policy
- Sustainable Finance Policy
- Bank's commitment to No Deforestation, No Peat, No Exploitation (NDPE)
- Exclusion List

Performance Targets:

- SDD and/or ESDD implementation on business relationships
- SDD and/or ESDD implementation on financing portfolios

Achievement Strategies:

- Implementation of SDD and/or ESDD mechanisms
- Through Sector Guidance, Bank encourages customers and business relations to adopt sustainability best practices, particularly applying the NDPE principles in the palm oil and forestry sector.

Achievements:

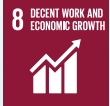
- 100% of debtors in the corporate banking segment have conducted SDD and/or ESDD
- 100% of business relations have conducted SDD
- Majority of Bank's debtors in the palm oil and forestry sectors have committed to NDPE

Evaluation Method:

Conducting periodic internal audits and Control Effectiveness Testing (CET) on the implementation of sustainability and sustainable finance, including SDD and ESDD, in the relevant units.

Responsible Directorate

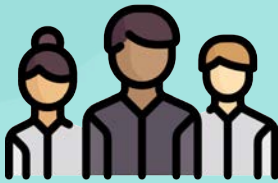
Compliance, Corporate Affairs, and Legal Directorate, specifically the Good Corporate Governance & Sustainability Unit.



01 Pillar Sustainable Action

1 : 28.07

Compensation ratio of median income employees to the highest income



1 : 0.7

Ratio of highest paid employees against median compensation employees growth

8.3%

Growth in median compensation employees
[GRI 2-21]

11.9%

Highest income employees compensation growth

3.07

Human Capital Return on Investment (HC ROI)

1.13:1 1.18:1

Males



Females



Ratio of lowest wage employees compensation against its Regional Minimum Wage
[POJK51-F.20]

0.90 : 1

The lowest compensation ratio for males and females employees [GRI 405-2]

We Together with Employees

Employment and Employee Equality

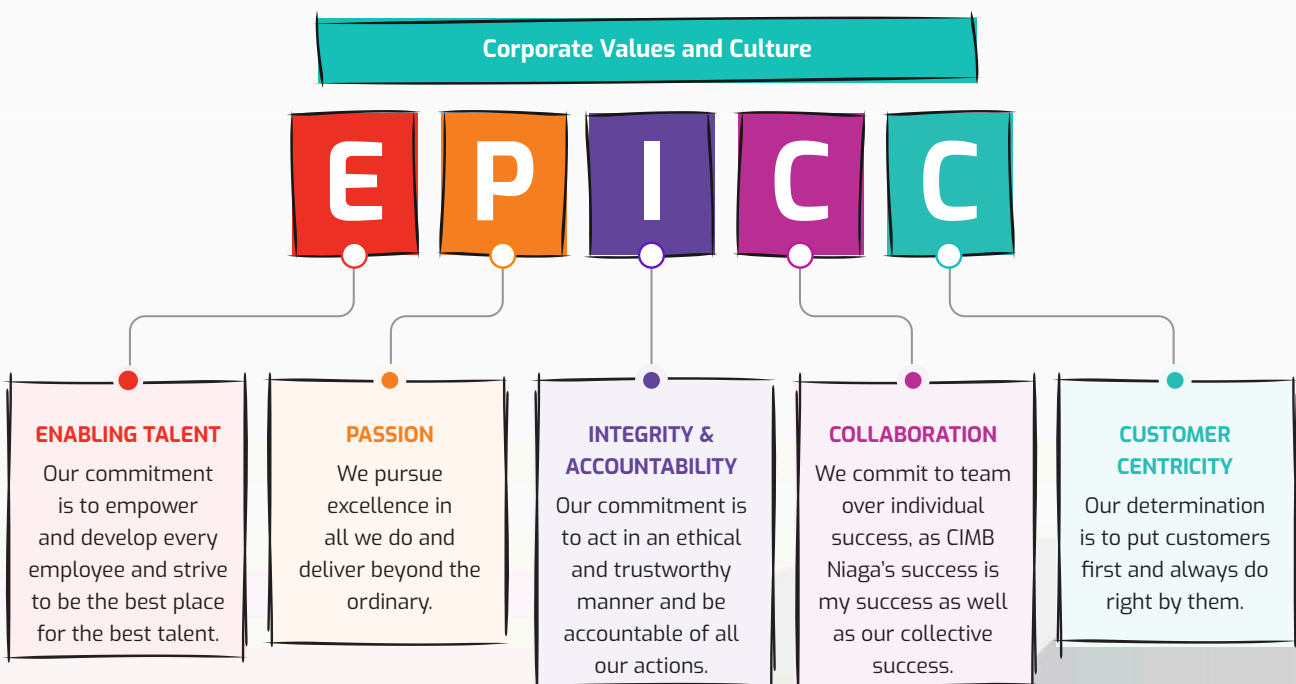
[POJK51-F.21] [SUSBA 1.4.2.4] [ACGS C.6.1; (B)C 1.6]



CIMB Niaga recognizes that workforce management is a key element of business strategy implementation. This is exemplified by Bank's work culture of Enabling Talent, Passion, Integrity & Accountability, Collaboration, Customer Centricity (EPICC). The EPICC culture aligns with Bank's commitment to create a working environment that prioritizes, respects, and upholds Human Rights. The results of the 2023 Organizational Health Index (OHI) survey indicate that Bank has risen to the top 10% of companies with a score of 91, marking a 6-point increase compared to the previous year.

Bank also provides all (100%) employees with opportunities for career development, assessed through performance evaluations based on Key Performance Indicators (KPIs). One notable KPI is the achievement of sustainability performance.

Apart from employees, all Bank's Board of Directors members own sustainability-related Key Performance Indicators (KPIs) which contribute of 5% from total KPI. Achievement of this sustainability performance will tie up to the remuneration bonus awarded to each Board of Directors members.



Employment Policies

1. Sustainability Policy No. M.08
2. Human Rights Policy No. M.13
3. Diversity Policy on the Composition of Members of the Board of Commissioners and Board of Directors No. M. 07
4. Code of Ethics and Code of Conduct Policy No. A.07.0
5. Recruitment and Selection Policy No. A.02.01
6. Employee Learning Policy A.04.02
7. Talent Management Policy A.04.06
8. Board of Directors and Board of Commissioners Learning and Development Policy A.04.08
9. Workplace Security and Safety Risk Management Policy A.11.01

Respecting Human Rights in Employment Aspects [POJK51-F.18; F.19] [GRI 2-30; 401-3; 404-3; 410-1]

Description	Achievements in 2022
<p>Freedom of assembly and association</p>	<p>Bank has four labor unions as employee representatives, and together with Bank's management, periodically reviews and updates the Collective Labor Agreement (CLA)</p> <p>All (100%) CIMB Niaga employees are included in the CLA. The latest CLA has been disseminated to all employees through various channels, including attestation and internal Bank communications.</p>
<p>Working hours</p>	<p>Based on labor laws and regulations, as well as Article 17 of the CIMB Niaga CLA, employees work eight hours a day or 40 hours a week, excluding work breaks</p> <p>Working hours are performed in accordance with labor laws and regulations as well as the CLA.</p>
<p>Equal employment opportunity</p>	<p>Bank provides equal work opportunities for all employees. The employee recruitment process is carried out transparently and without discriminating against ethnicity, religion, race, inter-group, social status, gender, or any other factors that have the potential to violate human rights. This is also stated in the Recruitment and Selection Policy No. A. 02.01</p> <ul style="list-style-type: none"> » Total employees consist of 49% male and 51% female employees. » 35% female representatives on the Board of Commissioners and Board of Directors (senior executive). » 35% female representatives in senior management. » No complaints or reports regarding an unfair recruitment process were received. » CIMB Niaga employs 7 people with disabilities. » 1,202 employees, or 11% of the total workforce, received promotions (including career advancements and/or increment and/or compensation) comprising an equal split of 50% male and 50% female employees.

Description	Achievements in 2022
<p>Child labor (Below the age of 18 years which endangering safety and/or below the age of 15 years), and forced labor</p>	<p>Bank does not engage or participate in the employment of child labor, minors, or forced labor, nor it is involved directly or indirectly with business partners who engage in these practices</p> <p>There were no cases of child work, minors, forced labor, modern slavery, migrants, human trafficking, and child labor (below the age of 18 years which endangering safety and/or below the age of 15 years) practices within the operations of CIMB Niaga and its business partners.</p>
<p>Leave Entitlements</p>	<p>Bank employees are entitled to take religious leave, unpaid leave, menstrual leave, maternity leave, and miscarriage leave. Male employees receive three days of paternity leave if their legal wife has a miscarriage, while female employees receive three months</p> <p>Bank provides maternity leave and paternity leave entitlements to all employees according to applicable regulation. In 2023, Bank recorded 358 female employees took maternity leave* and 272 male employee took paternity leave. A total of 333 female and 262 male employees returned to work after maternity and paternity leave.</p>
<p>Human rights training for security personnel</p>	<p>CIMB Niaga, in collaboration with third parties, periodically provides human rights training to security personnel.</p> <p>100% of security personnel attended human rights aspects training, involving vendors/third parties and contracted security personnel which also accompanied by CIMB Niaga representative.</p>

* Including miscarriage

Diversity, Equality, and Inclusion

Bank respects diverse, equal, and inclusive workforce. Bank upholds the principles of equal employment opportunity, fair treatment, inclusiveness, dignity, and respect, as outlined in the Code of Ethics & Code of Conduct Policy and Human Rights Policy. Bank ensures that every employee has the opportunity for growth, is rewarded based on merit, and has equal access to career opportunities

As a tangible commitment to create a positive working environment that embraces diversity and mutually respects differences, which also aligned with the EPICC values, the Bank conducted a focused group discussions (FGD) to discuss Diversity and Inclusion in CIMB Niaga. This FGD serve as a platform to share perspectives, experiences, and ideas towards the urgency of fostering an inclusive and diverse workplace.



EPICC Internalization Achievements

- a. Conducted 9 Town Hall sessions at the Head Office and Regional Offices to provide employees with the opportunity to engage directly with the Board of Management (BMC) and Senior Leaders.
- b. Expanded communication channels in EPICC internalization process through 11 episodes of EPICC Podcasts with BMC and 11 episodes of HyTalk.
- c. Continued the implementation enabling talent intervention to develop internal talent to higher levels via our flagship programs such as The Complete Manager, The Signature Program, Digital Leadership Program, adding more than 165 LOG online training materials, and launching 2 new Virtual Reality (VR) Corners in Surabaya and Bintaro (a total to 6 VR Corners).
- d. Continued the implementation of ASIK and NGOPI EPICC Collaboration (104 sessions) and conducted EPICC Connect (20 sessions involving the participation of 15 Key Focal Points and 284 EPICC Ambassadors).
- e. Executed various Employee Wellness Programs, such as the opening of the Gelora CIMB Niaga Sports Center in Griya Niaga Bintaro, ensuring the continuity of the SHINE Employee Club as a platform for employees' extracurricular activities, organizing the CIMB Niaga Olympic, and regularly hosting events like CIMB Niaga's 68th Anniversary and Year-End Celebration.
- f. Recognized employees who consistently embedded EPICC values in their daily activities through the EPICC Star category in OPeRa 2023.

Ensuring Employee Welfare (GRI 201-3; 401-2; 404-2) (ACGS C.6.1)

Bank provides various benefits to safeguarding and enhancing the well-being of its employees. One of the comprehensive benefits offered includes a long-term savings plan for retirement starting at the age of 55. Bank includes employees in the Employment Social Security Program (BPJS Ketenagakerjaan), which encompasses work accident insurance, pension plan and death claim. The premium contributions for the BPJS Ketenagakerjaan program contributed by CIMB Niaga amounted to 6.24%, while employee contribution is 3%.

Bank allocates pension funds, engaging independent actuaries for all permanent employees as the participants. The pension and other long-term benefits disbursed in 2023 amounted to Rp698.09 billion.

Prior to retirement period, employees join the retirement training covering psychological, health, and financial aspects. Until the end of 2023, a total of 28 employees participated in this retirement training.



Bank also believes that employee well-being impacting both Bank and the community in several aspects, for instance towards career development, financial stability, teamwork, and community engagement. In 2023, Bank introduced innovations related to employee well-being, supported by five key elements:



Physical, Spiritual & Mental Wellbeing: SHINE (Sports, Hobby, Interest, and Enlightenment), a community established to provide employees with opportunities to engage in sports (such as basketball, football, badminton, and more) and spiritual activities to accommodate various religious practices. Additionally, for mental health, Bank offers Ruang Cerita (Sharing Space), i.e. sessions with psychologists, and individual consultations for selected participants through virtual programs.

Community Wellbeing: Bank fulfills its corporate social responsibility (CSR) commitment as part of building harmonious and mutually beneficial relationships with the environment, communities, society, and all other stakeholders. The CSR program is formulated based on 4 (four) main pillars: Education, Health and Community Well Being, Economic Empowerment, and Climate and Environment. The selection of these pillars aims to align the CSR programs with the Bank's sustainable finance vision and mission as well as business strategy.

Financial Wellbeing: Flexible options for employee benefit programs (lifestyle benefits) and scholarships for employees' children.

Team Wellbeing: Employees may build meaningful relationships and mutual trust through workplace activities such as company outings, potlucks, brainstorming sessions, etc.

Career Wellbeing: Providing resources, motivation, and opportunities for employees to achieve their career goals for the present and future (such as Opera Innovation Awards, Kejar Mimpi Employee Warrior, CIMB Niaga Has Talent, etc.).

The impact of the Employee Wellbeing innovations measured by the Organizational Health Index (OHI). This reflected in the OHI 2023 survey results, showing improvement from the previous year and successfully placing CIMB Niaga in the top 10% (top decile) compared to other financial institutions in Asia.

HyWork Initiative

Bank continuously implements and conducts studies about HyWork, i.e. Happy Working, method for employees, whether they are in the office or work from home. This initiative aims to provide the best experience to employees through a flexible yet effective working style based on the nature of their job (Flex and Non-Flex). This implementation also aims to promote workplace wellness, increasing productivity, flexibility,

and engagement while focusing on customer service, organizational and employee needs, operational risk, and data security.

The HyWork initiative has received several awards and recognitions, including HR Asia's Best Companies to Work for in Asia 2023 – Indonesia Region and HR Excellence Awards 2023 in the Wellbeing Management category.

The Internal Customer Satisfaction Survey (ICSS) is an annual internal survey designed to measure the level of collaboration as well as quality of cooperation among working units that frequently interacting. In 2023, CIMB Niaga achieved an ICSS score of 3.27 reflecting an improvement of almost 3% compared to the ICSS score in 2022.

Employee Health and Safety (POJK51-F.21) [GRI 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9; 403-10]

Occupational health and safety (OHS) is our top priority. Bank is committed to reducing or eliminating potential workplace risks impacting employee well-being to ensure a decent and safe working environment. Bank also consistently strives for a target of zero accidents. No job roles pose a high health risk, and no workplace accidents were reported in 2023.



Initiatives in managing work accidents risk include:

- » Conducting annual Occupational Health and Safety (OHS) training, facilitated by building managers;
- » Conducting annual training and information sharing on evacuation multi-stories buildings;
- » Basic training on the use of fire extinguisher;
- » Victim rescue training participated by building security personnel.

Bank provides health facilities for both permanent and contract employees, including medical check-ups, general health insurance, as well as coverage under the national health insurance program (BPJS Kesehatan). For permanent employees, Bank also offers general health insurance, eyewear and dental care facilities. Other facilities supporting employee well-being include a health clinic, lactation rooms at the head offices, prayer facilities, designated employee parking, accessible restrooms, and other amenities.

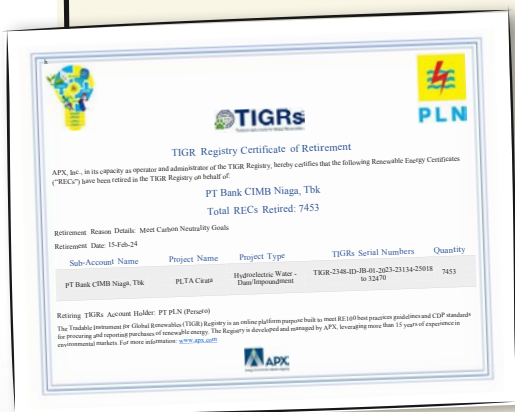
We and Green Office

Greenhouse Gas (GHG) Emissions Footprint [POJK51-F.7; F.12]

Bank is committed to achieve net zero GHG emissions for Scope 1 and 2 in its operations by 2030 and net zero GHG emissions to an overall net zero (Scopes 1, 2, and 3, including emission from financing portfolio) or a net zero emission organization by 2050.

Indonesia Carbon Exchange

The Indonesian Carbon Exchange (IDXCARBON) was officially launched in September 2023. Bank purchased carbon units to achieve GHG emissions reduction targets and fulfill its NZE commitment by 2050. Bank is recognized as the first buyer in the inaugural carbon trading, and acquired 7,000 carbon units or 7,000 tonnes CO₂e, which will positively contribute to the NZE achievement strategy.

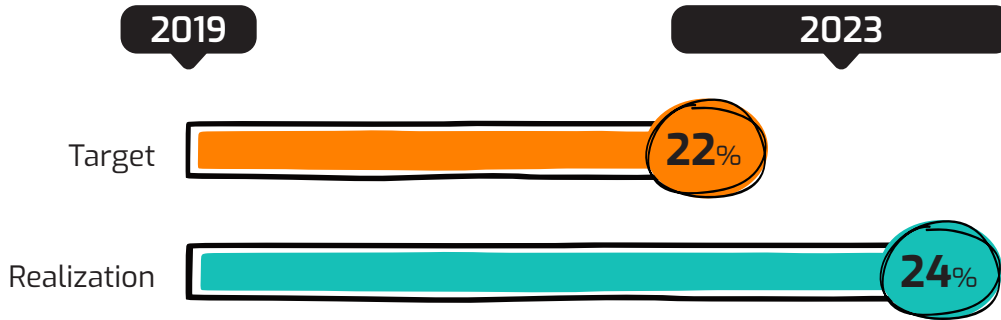


Renewable Energy Certificate (REC)

Bank has a climate commitment as well as striving towards the achievement of its net-zero GHG emissions target, particularly in Scope 2 GHG emissions. One of the strategies to meet this target is by taking climate mitigation actions through the utilization of renewable energy sources by purchasing REC. In 2023, Bank purchased REC equivalent to 7,453 MWh, or reducing approximately 6,484 tonnes CO₂e equivalent to 26,830 GJ of renewable energy.

Greenhouse Gases (GHG) and Energy (POJK51-F.6; F.11) [GRI 302-1; 302-2; 302-3; 302-4; 305-1; 305-2; 305-3; 305-4; 305-5; 305-7] [ACGS C.1.4; C.1.5]

Achievement of Greenhouse Gas (GHG) Emission Reduction Targets for Scope 1 & 2 in 2023



Total Scope 1 and 2 GHG Emissions Equivalent to Other Gases



Other Indirect Greenhouse Gas Emissions (Scope 3)

CIMB Niaga calculated other indirect greenhouse gas emissions (Scope 3), consisting of business travel, activities related to fuel and energy (excluding Scope 1 or Scope 2), as well as investment, including Bank's financing portfolio.

The calculation of other indirect GHG emissions (Scope 3), specifically from the financing activities undertaken by Bank, follows the methods and standards set by The Partnership for Carbon Accounting Financials (PCAF). This calculation encompasses nine sectors with high carbon intensity, as referenced by the Net-Zero Banking

Alliance (NZBA). These sectors include a) agriculture, b) coal, c) utilities and power generation d) oil & gas, e) iron & steel, f) cement, g) aluminum, h) transportation & motor vehicles, i) real estate & residential houses.

GHG Emissions Intensity (Scope 3) in the financing portfolio (tonnes CO₂e/Rp billions)



GHG Emission Amount and Intensity (POJK51-F.11) (GRI 305-1; 305-2; 305-3; 305-4; 305-5)

No	Description	Unit	2023	2022	2021
1. Scope 1 GHG Emissions					
1.1.	Transportation – Diesel	tonnes CO ₂ e	111.84	109.64	78.85
1.2.	Transportation – Gasoline		1,451.77	1,117.14	4,052.52
1.3.	Genset – Diesel		85.35	78.29	67.08
1.4.	Genset – Gasoline		132.06	132.74	112.38
2. Scope 2 GHG Emissions					
2.1.	PLN Electricity	tonnes CO ₂ e	34,707.44	35,068.76	34,780.21
3. Scope 3 GHG Emissions					
3.1.	Business Travel (Land and Air Transportation)	tonnes CO ₂ e	1,476.46	1,017.35	634.98
3.2.	Bumi CIMB Niaga Gunung Geulis Learning Center		459.12	219.95	178.28
3.3.	Investment – Financing portfolio		-	3,178,428.65	3,269,285.14
4. Climate Change Mitigation Initiatives					
4.1.	Renewable Energy Certificate (REC)	tonnes CO ₂ e	(6,484.11)	-	-
5. Total GHG Emissions					
5.1.	Scope 1	tonnes CO ₂ e	1,781.01	1,437.81	4,310.83
5.2.	Scope 2		34,707.44	35,068.76	34,780.21
5.3.	Scope 1 + Scope 2		36,488.45	36,506.57	39,091.03
6. Total GHG Emissions with Climate Change Mitigation Initiatives					
6.1.	(Scope 1 + Scope 2) - REC	tonnes CO ₂ e	30,004.34	-	-
7. Operating Income					
7.1.	Operating Income	Rp billions	18,785.00	18,866.00	17,568.00
8. GHG Emissions Intensity					
8.1.	Scope 1 + 2	tonnes CO ₂ e/Rp billions	1.94	1.93	2.23
8.2.	(Scope 1 + Scope 2) - REC		1.60	-	-

Note:

The GHG emissions data is collected from almost all CIMB Niaga offices in Indonesia.

The electricity emission factor uses a modified version of the method developed by the Ministry of Energy and Mineral Resources (2019) based on the location-based method. The emission conversion factor for fuel oil uses a combination of various methods, including those from the Ministry of Environment (2012), IPCC 5th Assessment Report, and IPCC Guidelines for National Greenhouse Gas Inventories (2006). The conversion factor values for mobile sources are 27.2×10^{-4} for solar and 24.5×10^{-4} for gasoline, while for stationary sources are 26.9×10^{-4} for solar and 24.1×10^{-4} for gasoline. The Scope 3 GHG Emissions calculation uses the Emission Factors for Greenhouse Gas Inventories (Environmental Protection Agency, 2023) for business travel emissions and the The Partnership for Carbon Accounting Financials (PCAF, 2022) standard method. Figures in parentheses () indicate a decrease.

Comparison of GHG Emissions with the Previous Year [POJK51-F.11] (GRI 305-1; 305-2; 305-3; 305-4; 305-5)

No	Comparison	2023 vs 2022	2022 vs 2021	2021 vs 2020
1. Business as usual (BAU) scenario				
1.1.	Total GHG emissions (Scope 1 and 2) stated in			
	a. tonnes CO ₂ e	(18.12)	(2,584.46)	3,280.04
	b. %	(0.05)	(6.61)	9.16
1.2.	GHG Emission Intensity is stated in			
	a. tonnes CO ₂ e/Rp billions	0.01	(0.29)	0.04
	b. %	0.38	(13.04)	1.64
2. Climate change mitigation initiatives scenario				
2.1.	Total GHG emissions (Scope 1 and 2) stated in			
	a. tonnes CO ₂ e	(6,502.23)	(2,584.46)	3,280.04
	b. %	(17.81)	(6.61)	9.16
2.2.	GHG Emission Intensity (Scope 1 and 2) – REC stated in			
	a. tonnes CO ₂ e/Rp billions	(0.34)	(0.29)	0.04
	b. %	(17.46)	(13.04)	1.64

Notes:

Numbers in brackets '()' indicate a decrease.

GHG Emissions from Financing Portfolio

Description	Unit	2022	2021	2020
Attributed GHG Emissions	million tonnes CO ₂ e	3.18	3.27	3.67
Based on Sector*				
Agriculture		30	8	14
Coal		2	9	23
Utilities and power generation		21	11	8
Oil and Gas		7	2	0**
Iron and Steel	%	6	0**	1
Cement		23	62	47
Aluminum		1	-	0**
Transportation		5	4	5
Real estate		5	3	2
Based on Asset Classes				
Business Loans & Unlisted Equity		90	95	96
Listed Equity & Corporate Bonds		3	-	-
Commercial Real Estate	%	1	-	-
Mortgage		3	3	2
Motor Vehicle Loans		3	2	2

*Based on the Net-Zero Banking Alliance (NZBA) sectors leveraging PCAF method. ** Indicated <0.5%

Energy by Source, Total Use, and Intensity of Energy Used [POJK51-F.6] [GRI 302-1; 302-2; 302-3; 302-4]

No	Uraian	Satuan	2023	2022	2021
1. Banking Support Activities					
1.1.	PLN Electricity		141,135.70	142,574.77	141,595.92
1.2.	Diesel Genset	GJ	1,142.97	1,048.34	898.22
1.3.	Gasoline Genset		1,808.33	1,817.73	1,538.84
2. Transportation Support Activities					
2.1.	Diesel	GJ	1,479.80	1,450.70	1,043.33
2.2.	Gasoline		19,512.90	15,015.24	54,469.05
3. Total Energy Use					
3.1.	Energy Use*	GJ	165,079.70	161,906.78	199,545.36
4 Operating Income					
4.1	Operating Income	Rp millions	18,785.00	18,866.00	17,568.00
5 Energy Use Intensity					
5.1	Energy Use Intensity	GJ/Rp millions	8.79	8.58	11.36

Note:

Energy consumption calculation covers all offices. The electricity and fuel oil energy sources are calculated based on payment invoices managed by the SPAPM Unit; The conversion factor for electricity energy from KWh to GJ is 36×10^{-4} ; The conversion factor for fuel energy from L to GJ is 33×10^{-3} for gasoline and 36×10^{-3} for diesel; The method used in the conversion follows the Ministry of Environment (2012).

*Including 16% renewable energy (RE).

Energy Comparison with the Previous Year [POJK51-F.6] [GRI 302-1; 302-2; 302-3]

No	Comprison	2023 vs 2022	2022 vs 2021	2021 vs 2020
1	Total of Energy Used expressed in			
a.	GJ	3,172.92	(37,638.58)	42,746.62
b.	%	1.96	(18.86)	27.26
2	Energy Use Intensity expressed in			
a.	GJ/Rp billions	0.21	(2.78)	1.77
b.	%	2.40	(24.44)	18.50

Notes:

Numbers written in brackets '(') indicate decrease.

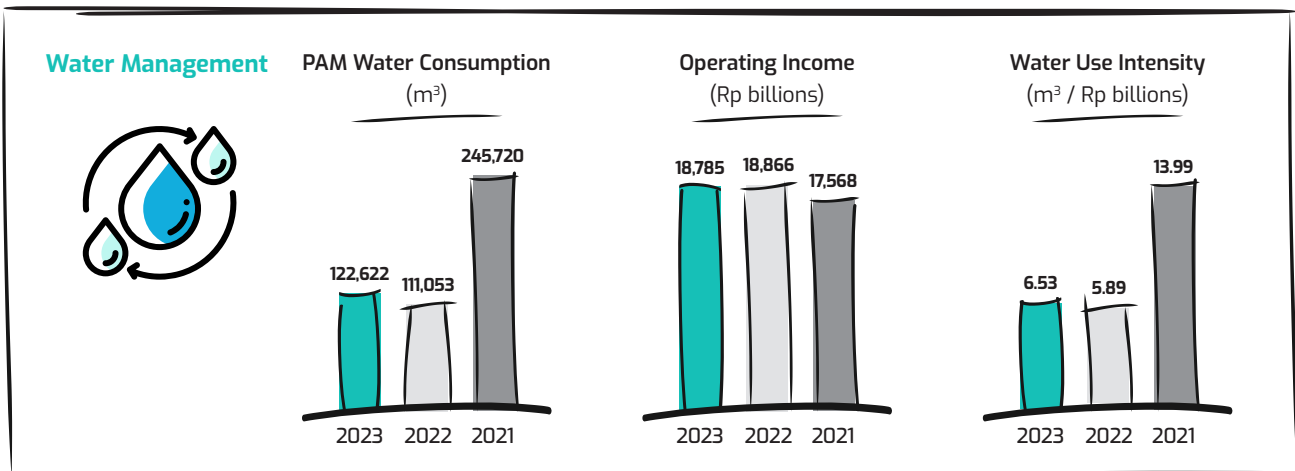
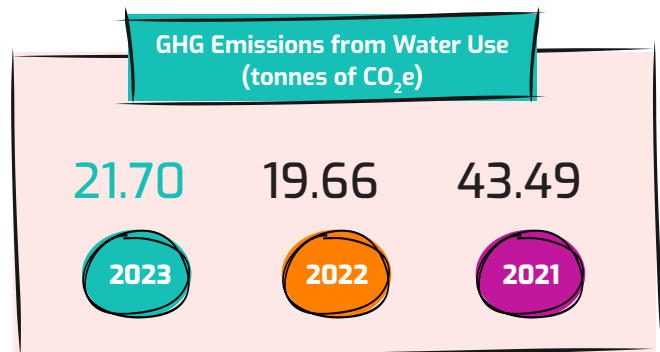
Waste Management (POJK51-F.13; F.14; F.15) (GRI 306-1; 306-3; 306-4)

Bank generates waste from operational activities, which includes solid electronic waste (e-waste), effluent, and paper. However, there is yet to be any significant environmental impact. In managing e-waste and effluent, Bank collaborates with third parties, while some branch offices sort and send the solid waste to waste banks. Graha CIMB Niaga Head Office has also implemented waste segregation initiatives integrated with the 'Zero Waste to Landfill' concept, ensuring no waste is disposed to the landfills. In 2023, a total of 30.53 tonnes of waste was generated by Graha CIMB

Niaga Head Office, comprising 78% organic waste and 22% inorganic waste. Bank identified that 3% of the total waste generated consists of paper. When compared to the waste disposed of in the landfill, the waste sorting initiative at Graha CIMB Niaga Head Office has the potential to avoid more than 17 tonnes of CO₂e GHG emissions. If extrapolation is carried out over the entire operation of the Bank, the avoidance potential will reach more than 194 tonnes CO₂e. The Bank's operational activities do not generate hazardous and toxic waste (B3) or cause any significant spills.

Water Management and Usage (POJK51-F.8) (GRI 303-1; 303-5)

Bank manages its water usage responsibility. The water is sourced from public water supply (PAM) as a shared resource for operational activities, including cleaning, sanitation, and ablution. Water used for ablution is repurposed for various purposes, such as to flush the toilet and maintain plants around the building. Additionally, water usage is regulated through a drainage system in compliant with the building management's wastewater management system.





Paper Saving

[POJK51-F.5]

Bank leverages digital technology through digital banking and databases to minimize paper usage. In 2023, over 2.7 million e-statements issued, signifying the conversion around 13 tonnes of paper into a paperless format. Through the reduction of paper usage, Bank calculates the potential avoided GHG emissions, approximately 9.8 tonnes of CO₂ equivalent.

Several Reduction Initiatives include:

- » Transfer of documentation archives and report submission from hardcopy to digital format
- » Reusing used paper for photocopying draft letters or internal memos using both sides of the paper
- » Optimizing multi-functional printers for scanning and facsimiles, thereby reducing document printing
- » Optimizing the use of e-channels and mobile banking for customers
- » Replacing bank statements into e-statements
- » Formless transactions to replace transaction form/slips with validation sites
- » Bank ensures that paper use is derived from responsible sources

Paper Use Intensity

Description	Unit	2023	2022	2021
Volume of Paper Used	Reams	14,160	14,467	13,433
	Kg	35,400	36,168	33,608
Paper Procurement Costs	Rp millions	486.85	410.83	419.22
Operating Income	Rp billions	18,785	18,866	17,568
Paper Use Intensity	Kg/Rp billions	1.88	1.92	1.91

Note:

Paper use calculation includes activities in the head office. The volume of one ream of paper is equivalent to 2.5 kg.

We Together with Business Partners

[GRI 2-6; 308-1; 308-2; 414-1; 414-2] [SUSBA 1.2.1.10; 1.2.1.11] [ACGS C.4.2; C.4.3]

Bank engages local partners and vendors with registered identity and residency in Indonesia within its supply chain. The policy of partnering with local vendors is outlined in Procurement of Goods and Services Policy No. 03.01.P.01. In 2023, 94% of local partners and vendors were engaged for service and procurement needs.

Bank conducts an evaluation through Sustainability Due Diligence (SDD) on partners and vendors in the procurement process. The evaluation includes environmental management aspects and social aspects such as workplace safety, adherence to human rights and responsibilities aligned with the United Nations Guiding Principle (UNGP), and community empowerment. Bank also formulated the Vendor Code of Conduct, regulating responsible business behavior, human rights, and environmental management for partners and vendors. This policy has been communicated to all (100%) partners and vendors.

The procurement process falls under the responsibility of the Strategic Procurement & Admin Property Management (SPAPM) Unit, with support from the Legal, Finance, Operational Risk Management, and other relevant units. Since July 2023, Bank has integrated



sustainability aspects into the vendor selection criteria, ensuring that all new suppliers (100%) are assessed with environmental and social criteria. Sustainability aspects under considerations include commitments to net zero GHG emissions, disclosure of Scope 1 and 2 GHG emissions, any planning or ownership of resource efficiency initiatives, the availability of human rights policies, human rights due diligence, whistleblowing or grievance mechanisms, to promote diversity, equality, and inclusion. The assessment of these sustainability aspects carries a weight of 6% in the overall evaluation process.

50

New vendors have been evaluated using the SDD, with the result that no new vendors have environmental or social issues



119

Vendors have participated in the socialization of sustainability practices



02 Pillar Sustainable Business

Responsible Banking [POJK51-F.17; F.27; F-28] [GRI 2-27; 416-1; 416-2; 417-1; 417-2; 417-3; FS15]

CIMB Niaga is committed to provide equality towards its products and/or services in accordance with the Standard Guidelines for Summary of Information of Products and Services in the Financial Services Sector published by the Financial Services Authority (OJK). Bank also adheres to New Products and Activities Policy No. B.04 to ensure that all (100%) products and activities underwent a post-implementation review (PIR) phase, in alignment with the applicable laws and regulations, including consumer protection regulations. This review process is conducted by the responsible work unit to assess product safety for customers within 12 months prior to product launching. Bank ensures that information conveyed to customers is reliable, including details regarding product features, costs, benefits, and inherent risks. Additionally, throughout 2023, there have been no incidents of non-compliance with regulations related to product and service's information and labelling, as well as marketing communication.

Customer Data Security and Privacy Protection [POJK51-F.29] [GRI 206-1; 418-1] [FN-CB-230a.1; FN-CB-230a.2; FN-CB-510.a.1]

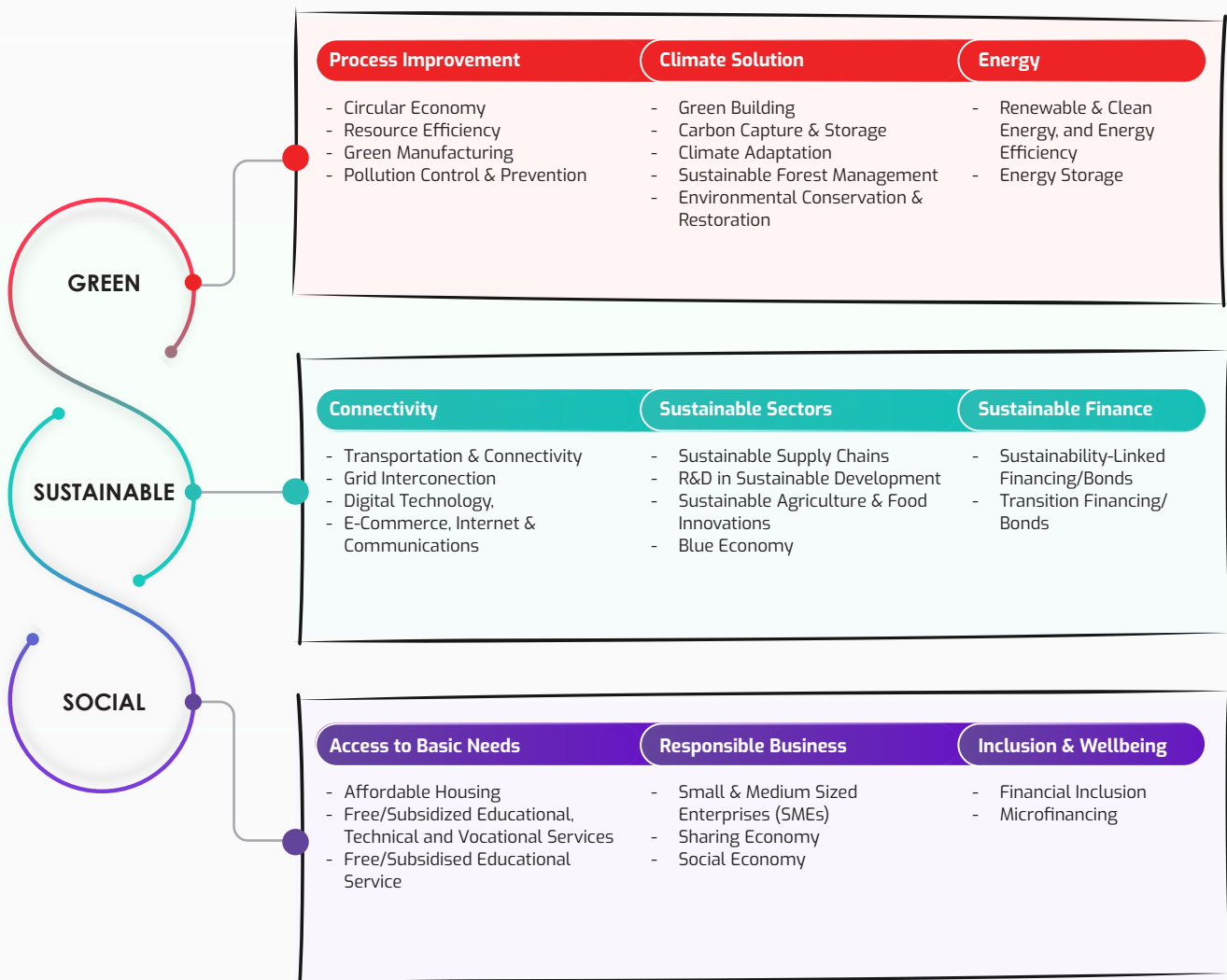
The rapid advancement of technology poses an escalating risk of cyberattacks and threats through online channels, particularly for financial institutions. As the Bank recognizing this risk, the Bank consistently strives to enhance control over data security and management, reinforcing systems, including aspects of risk control related to privacy and data quality.



Bank's commitment and efforts to safeguard customer data are evident through comprehensive control implementation – from data and information security governance to monitoring processes within the digital infrastructure, transactions, and customer data through the Cyber Security Operation Unit and the Data Protection Office under the Directorate of Operations and Information Technology. Beyond these measures, Bank proactively educates employees, customers, and partners to raise awareness about data security. According to the complaint reports received during 2023, no financial products or services were recalled/removed from the market. Furthermore, there have been no complaints or violations related to business competition, or data loss due to data theft (cybercrime). However, there were two complaints regarding customer security and privacy.

Sustainable Finance Product/Service/Program Innovation and Development [POJK51-F.26] [GRI FS7; FS14] [SUSBA 1.5.1.2]

Each year, Bank engages in the development and innovation of sustainable financial products/programs in alignment with the Bank’s sustainable finance framework, known as Green, Social, Sustainable Impact Products and Services (GSSIPS).



OCTO Card Digital Credit Card & Cardless Withdrawal/Deposit Feature on OCTO Mobile

Integrated in the OCTO Mobile application, customer may leverage the OCTO Card Digital Credit Card/Digital Octo Card Syariah Card feature without using a physical card. Customers may enjoy the convenience of digital transactions – from payment transactions using the QRIS Scan feature, e-Commerce shopping, checking the bank statements, to convert transactions into fixed installments of 3, 6, 12 and 24 months. The Bank

is also actively promoting cardless cash deposit and withdrawal features via OCTO Mobile. This feature is in line with the Central Bank Indonesia's vision to facilitate easier financial transactions, without using an ATM/debit card. In 2023, more than 4.5 million cardless deposit and cash withdrawal transactions carried out by loyal OCTO Mobile users.

Convenience in Opening a Foreign Currency Account & Foreign Currency Transactions with CIMB Niaga Debit Card

One of the main features in 2023 is the foreign currency (forex) account opening for existing users. Opening foreign account is doable in independent and paperless steps, only from the OCTO Mobile application. Users may leverage the foreign exchange account as their source of funds for debit card transactions. For instance, user may open a Singapore Dollar account then simply use their debit card in Singapore – withdrawing their account balance while avoiding the currency exchange fees & rate.

Giro Kartini

The Bank has launched 'Giro Kartini' account for Emerging Business Banking (EBB) customers, to support the national Sustainable Development Goals (SDGs) agenda, i.e. SDG 5 (gender equality and women's empowerment). This gender-responsive program share the advantages for female entrepreneurs in managing their savings in more effective ways, to further support their business development. Giro Kartini is also an environmentally friendly and paperless product, fitted with e-statement features. Giro Kartini also offers a range of interesting features such as account number selection, competitive account fees and rates, and transaction fee refunds pursuant to the ongoing program. This account eligible for both individual female customers and non-individual customers led by women. Furthermore, the Bank make donation for each Giro Kartini account opening to support traditional weaving training for women with disabilities in Sulawesi. As of 2023, Bank recorded a portfolio of Rp86.30 billion of Giro Kartini, spreading across various regions in Indonesia.



Sustainability-Linked Loan/Financing (SLL/F) and Sustainable Finance (SF) Programs

Bank continues its innovation in the SLL/F and SF programs by offering incentives for customers who achieved pre-agreed sustainability performance targets. The SF program is aimed to finance Bank's customers engaged in business activities aligned with KKUB. Bank successfully recorded SLL/F syndication transactions totaling Rp1.03 trillion for debtor in the cement and palm oil plantation sectors who aim to achieve sustainability performance targets of GHG emissions reduction. Furthermore, Bank has provided green financing to five customers through the SF program, totaling Rp2.74 trillion.

One House One Tree

Bank shares an opportunity for every CIMB Niaga mortgage customer to contribute for mother earth's sustainability through a tree planting initiative. In 2023, this program recorded positive contribution of 4,400 bamboo plants (*Bambusa* sp.), 1,000 coffee plants (*Coffea* sp.), and 550 nutmeg plants (*Myristica fragrans*).



Green Mortgage

Green Mortgage is a mortgage (KPR) facility for green-certified residences, for instance by Green Building Council Indonesia (GBCI) and/or Excellence in Design for Greater Efficiencies (EDGE). By the end of 2023, financing for green certified residences recorded transaction value of greater than Rp273 billion.

Green Auto or Environmentally-Friendly Vehicle Financing

Green Auto Loan is a financing facility accustomed to electric-battery motorized vehicles as well as hybrid vehicles provided by our subsidiary CIMB Niaga Finance (CNAF). In 2023, CNAF recorded a total of 1,130 electric and hybrid vehicles financing, with transactions value exceeding Rp359 billion.

Solar Panel Financing x Housing Loan (KPR)

Bank provides solar panels financing using credit cards and EDC in registered green merchants. These green merchants are the solar panel and non-solar panel merchants. By the end of 2023, Bank facilitated more than Rp6 billion transactions for customers via green merchant partners.



Strengthening Digital Banking to Enhance Consumer and Emerging Business Banking (EBB) Segment Services

CIMB Niaga offers several digital banking services, including OCTO Mobile, OCTO Clicks, BizChannel@CIMB, and other e-channel services. Throughout 2023, one of our initiatives including the enhancement of OCTO Card digital credit card features within the OCTO Mobile app. Bank recorded nearly 470 million transactions in digital platform and branchless banking. Referring to the digital banking transaction volume in 2023, there is a potential GHG emissions avoidance of approximately 120 thousand tonnes CO₂e. Additionally, to enhance the transactions and customer loyalty within the EBB segment, OCTO Clicks introduced merchant report as well as mass transfer feature to support EBB customers' daily transactions.

Total Digital Platform Transactions (millions transactions)

	2023	2022	2021
OCTO Mobile	217.00	175.60	112.31
OCTO Clicks	51.05	47.44	20.87
OCTO Pay	16.64	19.30	22.60
BizChannel@CIMB	90.97	96.57	64.35
ATM, MDM, and CRM	94.03	99.84	104.87



Financial Inclusion through Micro, Small, and Medium Enterprises (MSME) Financing

[POJK51-F.23] [GRI 203-2] [ACGS C.4.1]



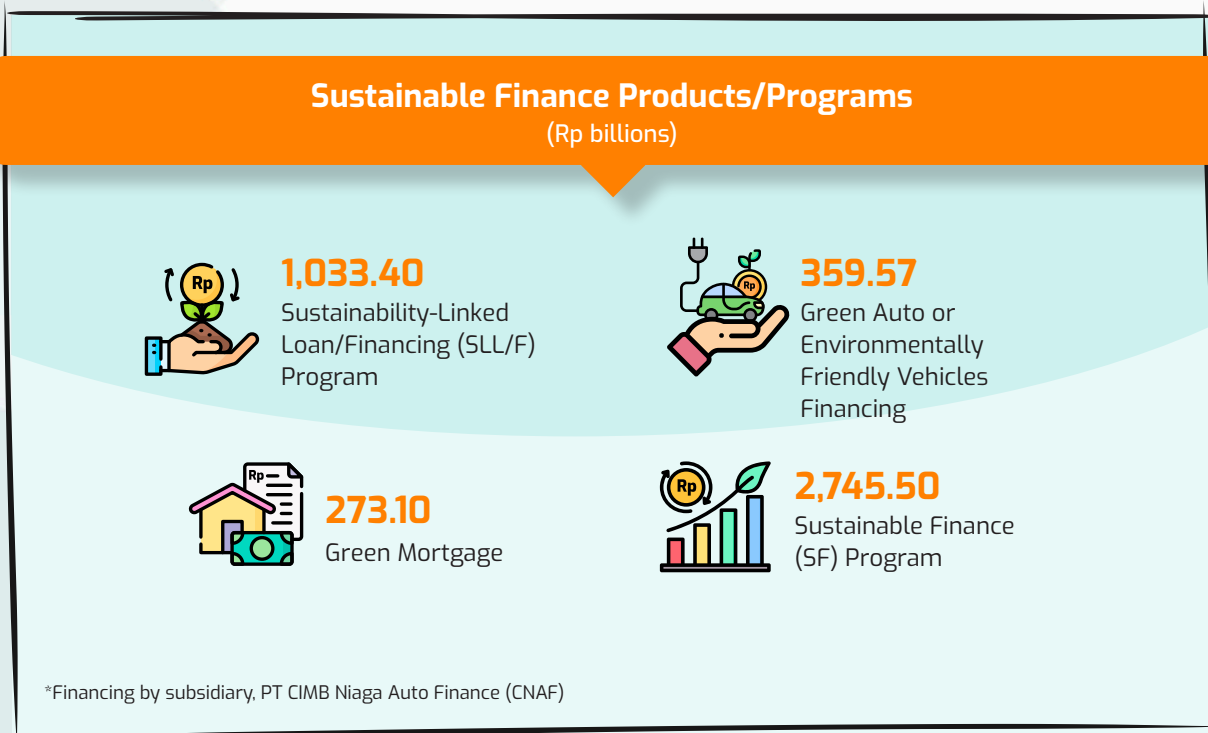
CIMB Niaga supports MSME sector business growth by offering three financing products: working capital financing, investment financing, and supply chain financing. MSME financing is channeled through two segments, namely:

1. Emerging Business Banking (EBB): Financing conducted through direct approach on small and medium-sized enterprises (SMEs) across Indonesia.
2. Micro Linkage is a program providing indirect financing through linkage schemes, including executing, channeling, and joint financing. In 2023, the Micro Linkage executing program focused on collaborations with Rural Development Bank (BPR) and Cooperatives (KUD) that leveraging palm oil plantation's core-plasma scheme. Currently the Bank has around 170 linkage partners across Indonesia, with majority of the partners utilizing the executing scheme. The program's schemes explained as follows:
 - a. Collaboration with BPR
BPR directed the Bank's funds to its fixed-income SME customers. From funding perspective, Bank provides digital cash management services to support BPR activities. In 2023, Bank recorded 139 debtors with total financing of Rp5.4 billion. Approximately 36% of the 139 debtors (or equivalent to Rp2.2 billion) are women entrepreneurs.
 - b. Collaboration with Palm Oil's Cooperatives (KUD) which leverages the Nucleus-Plasma (Inti Plasma) Scheme
Commercial Banking collaborates with KUD that are fostered by large and experienced palm oil companies. These cooperatives play a central role as the 'nucleus (inti)' of the scheme, i.e. utilizing funds from Bank to support smallholders in developing their plantations.



As of 31 December 2023, CIMB Niaga recorded a total of Rp22.8 trillion in MSME financing or almost 11% of the Bank's total financing portfolio.

Sustainable Finance



Sustainable Finance Implementation [GRI FS9] [SUSBA 1.3.1.3]

Bank actively participating to execute OJK programs, including the support towards Sustainable Finance Roadmap Phase II (2021-2025). Bank integrating sustainable finance to all its financing segments.

Bank own Sector Guidance which refer to the Sustainable Finance Policy. Bank conducts Sustainability Due Diligence (SDD) and Enhanced Sustainability Due Diligence (ESDD) for its debtors. The Internal Audit Unit conducts a coverage audit annually using a comprehensive risk-based assessment methodology as well as an internal control framework that refers to the international standards of the Committee of the Sponsoring Organization of the Treadway Commission (COSO) – Internal Control Integrated Framework.

Indonesia Green Taxonomy

In 2022, OJK issued the Indonesian Green Taxonomy (THI) to assist financial institutions in classifying green activities within their financial products and services portfolio, as well as to monitor the periodic implementation of credit/financing/investment disbursement to the green sector and prevent potential misleading green activities reporting (greenwashing). In 2023, THI reporting was conducted in quarterly basis. The identification results for December 2023 indicate that 18% of the top 450 debtors fall into the green or yellow category, equivalent to Rp31.78 trillion based on the outstanding balances.

KKUB or Environmental and Social Sector Financing (GRI FS1)













Description	Unit	2023	2022	2021
Total Products that Meet the KKUB Criteria				
a. Sustainability -Linked Loan/Financing Program (SLL/F)		1,033,450	686,024	-
b. Sustainable Finance Program (SF)		2,745,466	2,282,269	332,331
c. Green Auto or Environmentally Friendly Vehicles Financing	Rp millions	359,571	83,458	28,053
d. Green Mortgage		273,095	141,549	85,316
Total Productive KKUB Assets				
a. Total KKUB Financing	Rp millions	55,451,296	51,444,423	45,068,614
b. Total KKUB Non Financing – Green Sukuk Investment**	Rp millions	32,987	-	-
	US\$ millions	-	-	75
c. Total KKUB Non Financing – Green Bond Investment **	Rp millions	548,007	32,990	-
Percentage of KKUB Financing to Total Loans	%	26	26	25

*Financing by subsidiary, PT CIMB Niaga Auto Finance (CNAF);

** The Government of Indonesia issued the Green Sukuk/Bond globally to fund climate change mitigation and adaptation projects.



Composition and Quality of KKUB Loans (GRI FS8)

No	Sustainable Business Activities Category (KKUB)	Non-MSME (Rp trillions)	MSME (Rp trillions)	Total (Rp trillions)	NPL (%)*
1.	 Renewable Energy	-	-	-	0.00%
2.	 Energy Efficiency	0.46	-	0.46	0.00%
3.	 Pollution Prevention and Control	-	-	-	0.00%
4.	 Management of Natural Resources and Sustainable Land Use	5.80	0.72	6.52	0.01%
5.	 Conservation of Land and Water Biodiversity	-	-	-	0.00%
6.	 Environmentally Friendly Transportation	2.83	-	2.83	0.00%
7.	 Sustainable Water and Waste Water Management	0.19	-	0.19	0.00%
8.	 Climate Change Adaptation	-	-	-	0.00%
9.	 Products that Help Conserve Resources and Contribute to Less Pollution	6.35	0.13	6.48	0.00%
10.	 Environmentally Friendly Buildings that Meet National, Regional, or International Recognized Standards/Certification	1.06	-	1.06	0.08%
11.	 Other Environmentally Friendly Business and/or Other Activities	15.96	-	15.96	0.02%
12.	 MSME Activities	-	21.95	21.95	5.64%
Total		32.65	22.80	55.45	2.24%

*The NPL percentage (gross) is calculated based on the total portfolio of each KKUB.

Products/Programs that Support Sustainable Finance

No	Product/Program Name	Unit	Total
1.	iB Mapan Savings with Waqf		203.48
2.	Credit card financing via Green Merchant		
	a. Solar panel financing	Rp billions	0.63
	b. Non-solar panel financing		5.99
3.	Giro Kartini		86.30
4.	One House One Tree	Account	9,546

In 2023, the Bank support inclusive financing towards the low-income individuals (PBR) according to the definition of Central Bank of Indonesia (BI) for affordable housing, affordable personal loan, and affordable auto amounting to Rp1.61 trillion.

Challenges, Developments, and Impacts of Sustainable Finance Implementation (POJK51-E.5)

One of the challenges in implementing sustainable finance in 2023 was the limited knowledge and human resources competency. Therefore, the Bank is actively collaborating with various stakeholders to provide more education on sustainable finance, Indonesian Green Taxonomy (THI), transition financing, and many more. Bank also encourages its customers to engage in environmentally friendly business practices to enhance their efficiency, productivity, and sustainability. In addition, the Bank also starting to assess its climate risks through methodologies of Climate Scenario Analysis (CSA) and/or Climate Risk Stress Test (CRST). Going forward, the integration of the International Financial Reporting Standards Climate-related Disclosure Framework (S2) issued by The International Sustainability Standards Board (ISSB) and biodiversity aspects based on The Taskforce on Nature-related Financial Disclosures (TNFD) are also rising as sustainability hot topics.



Financing High Sustainability Risk Sectors (SUSBA 111.2; 1.6.2.6) [FN-CB-410a.2; FN-CB-550a.2]

Throughout the financing disbursement process, Bank consistently identifies potential negative impacts of each existing or potential customer's business activities on the environment and society. Therefore, Bank conduct mapping on sectors that pose ESG high risks. Customers/

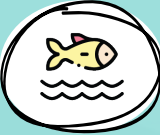

potential customers in the corporate banking segment and several commercial banking segment are required to conduct the SDD, while those with high ESG risks are required to carry out the ESDD process.



Bank also own Sector Guidances outlining the mandatory minimum ESG performance requirements, prohibited activities, and encouraged aspects for sustainable practices. The sector guidance covers the Agriculture, Forestry, Other Land Use and Land Use Change (AFOLULUC) sectors, which include palm oil, coal, oil and gas, forestry and natural rubber, construction services and infrastructure, mining and quarrying, as well as manufacturing. The Sector Guidance summary are accessible in the Bank's website.

KKUB Financing for Land-based Sectors

Bank finance land-based sectors such as AFOLULUC. As identified in the Bank's financing portfolio, there are 8 clients who obtained sustainability certifications, totaling Rp2,612 billion in financing.

Sector	Certification	Total Clients	Total Financing (Rp trillions)
 Fishery	Best Aquaculture Practice Aquaculture Stewardship Council Good Agriculture Practice Good Fish Hatchery Methods (CPIB) and Good Fish Farming Methods (CBIB)	1	260.56
 Forestry	Timber Legality Verification System (SVLK) FSC COC & SVLK	5 2	2,315.78 35.64



KKUB Financing for Oil Palm Plantations

(POJK51-F.3) (GRI F58) (SUSBA 1.2.1.4; 1.2.1.5; 1.5.1.3)(ACGS C.1.4; C.1.5)

Bank encourages borrowers in palm oil plantations sector to adopt sustainability principles and commitments, such as to obtain certifications of Indonesia Sustainable Palm Oil (ISPO), Roundtable on Sustainable Palm Oil (RSPO), and/or International Sustainability and Carbon Certification (ISCC). In addition, Bank apply the No Deforestation, No Peat, No Exploitation (NDPE), Free, Prior and Informed Consent (FPIC), and High Conservation Value (HCV) and/or High Carbon Stock (HCS), as well as various sustainability commitments. KKUB's financing target for oil palm plantations during 2023 has exceeded the initial target, i.e. 17% (from target 5%).

Sustainability Commitments of Oil Palm Clients

Commitment	Total Debtors	Financing (Rp trillions)
NDPE	29	13.31
FPIC	46	8.58
HCV and/or HCS	19	6.73

NDPE = No Deforestation, No Peat, No Exploitation, FPIC = Free, Prior and Informed Consent; HCV = High Conservation Value; HCS = High Carbon Stock

Financing based on ISPO, RSPO, and ISCC Certifications (as per 2023)

Certification	Total Clients	Amount Financed (Rp trillions)
RSPO* and ISPO**	15	6.7
RSPO*	4	0.03
ISPO**	27	1.84
In the ISPO process**	5	0.45
In the RSPO process*	4	0.45
ISCC***	5	5.58

RSPO = Roundtable Sustainable Palm Oil; ISPO = Indonesia Sustainable Palm Oil; ISCC = International Sustainability and Carbon Certification; *As per national interpretation of the RSPO Principles and Criteria (2018), oil palm plantations that have obtained an RSPO certificate have complied with the No Peat principle within the principles of No Deforestation, No Peat, and No Exploitation; **ISPO is an oil palm plantation sustainability standard in Indonesia according to applicable laws and regulations; ***ISCC is one of the leading certification systems for sustainability and greenhouse gas emissions. In July 2011, ISCC recognized by the European Commission as one of the first certification schemes capable of demonstrating compliance with the EU's Renewable Energy Directive (RED) requirements.



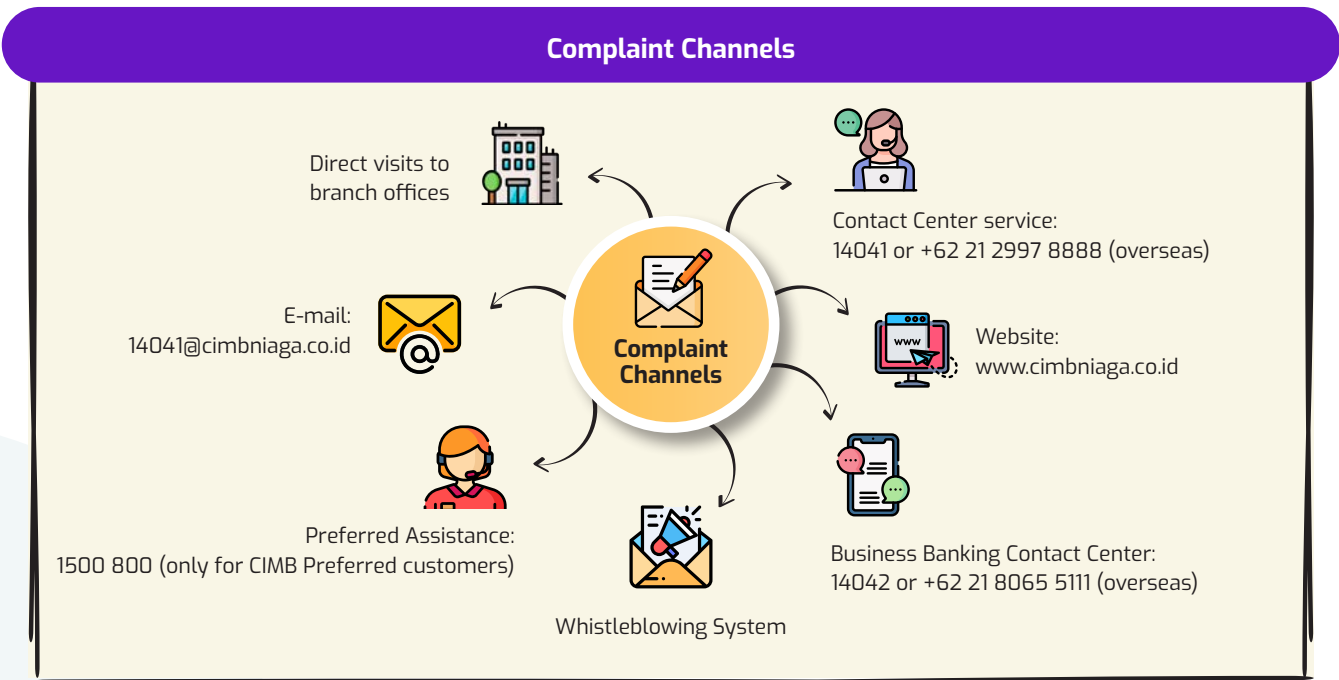
Thermal Coal Financing Phase-Out Commitment by 2040

(SUSBA 1.2.1.3)

Bank is gradually reducing its financing for the coal sector and is having plan to entirely phasing out thermal coal financing by 2040. In alignment with this effort, Bank has set an interim target of 50% reduction in thermal coal mining financing from the 2021 baseline by 2030. This step is part of Bank's commitment to support a just transition towards low-carbon economy; cleaner and more environmentally friendly energy, in line with CIMB Group's commitment as a signatory of the United Nations Principles for Responsible Banking (UN PRB) and Collective Commitment on Climate Action (CCCA). Furthermore, Bank is no longer financing the expansion of thermal coal mines as well as the construction of coal-fired power plants (CFPP). Borrowers in the coal sector are also not allowed to use the Mountain Top Removal (MTR) mining method.

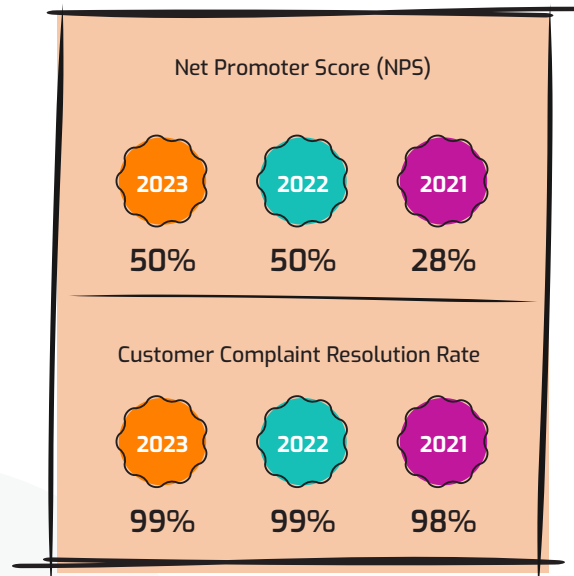
Customer Satisfaction Level and Complaint Resolution [POJK51-F.16; F.30] [GRI 2-25]

Bank provides access to customers, the public, and other stakeholders to submit their reports should there are complaints regarding Bank's products and services. Every complaint received will be a joint-responsibility among the relevant units.



Throughout 2023, Bank did not receive any complaints regarding regulatory non-compliance. Bank also did not receive significant complaints related to customers, including environmental concerns. For detailed information on the types of complaints and the resolution rates, please refer to the 2023 Annual Report.

Bank consistently strives to enhance customer experience by conducting an annual customer satisfaction survey. The survey focuses on product aspects, service channels, and service quality.





03

Pillar Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) Pillar

(POJK51-F.4; F.25) [GRI 413-1] [ACGS C.4.4]

CIMB Niaga has four Corporate Social Responsibility (CSR) pillars in implementing CSR activities. These pillars reflect Bank's commitment to advance the Sustainable Development Goals (SDGs).



CSR Pillar 1 Education

CSR focuses on increasing quality of access through financial literacy activities, scholarship programs, and assistance for educational support facilities.



CSR Pillar 4: Climate and Environment

CSR supports environmental conservation programs that provide added value to stakeholders.



CSR Pillar 2: Community Health and Well-Being

CSR supports programs to enhance community health and well-being.



CSR Pillar 3: Economic Empowerment

CSR supports programs that increase community empowerment with the aim of improving the economy

Realization of CSR Fund (Rp millions) (POJK51-F.4)

	2023	2022	2021
Education	8,440	8,077	8,329
Health & Community Well Being	1,956	5,042	14,593
Economic Empowerment	8,131	5,187	3,743
Climate & Environment	6,169	4,028	1,482
Others	250	1,912	4,218
Total	24,946	24,246	32,365

Employee Volunteer Program (EVP) [ACGS C.1.4; C.1.5]

Bank conducts an Employee Volunteer Program that aligns with the four pillars of CSR. The program mandates every permanent employee to engage in CSR activities for a minimum of 3 hours per year, which is counted as a Key Performance Indicator (KPI). As of 31 December 2023, Bank accumulated 50,884 voluntary working hours by employees, averaging 5.1 hours per employee (170% higher than the average target of 3 hours per employee).

Several Employee Volunteer Program activities include waste management, donations, teaching, and blood donation.



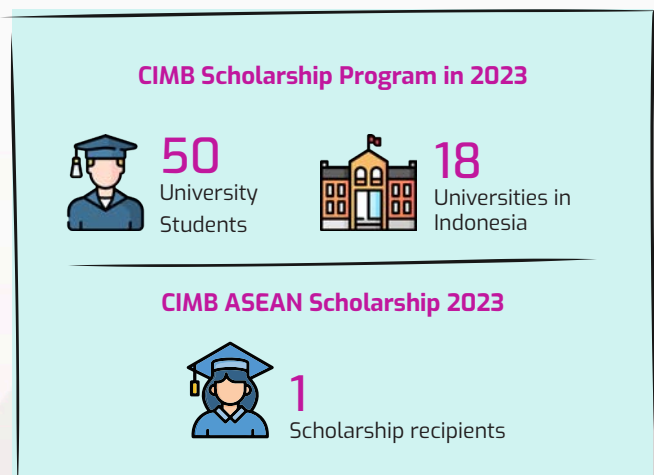
In 2023, the Bank conducted the **A Better Climate and Environment (ABCDE)** Challenge, a program that invites employees to participate in preserving the surrounding environment by collecting inorganic waste. The collected waste was then delivered to waste banks, waste collectors, and environmental non-governmental organizations (NGOs) nearest to the employees' residences. At the end of the program, a total of 2,227 kg of waste was gathered, consisting of paper waste (1,462 kg), plastic (416 kg), and used cooking oil (349 kg). This effort signifies Bank's commitment in implementing sustainability practices internally, aiming to minimize household waste towards final landfill.



Pillar 1: Education [SUSBA 1.6.2.10]

Scholarship Program

Bank is committed to realizing Indonesian next generation's dreams to access quality education through a scholarship program. This initiative aims to enhance the overall quality of education in Indonesia, and to shape a successful youth generation. Additionally, Bank provides self-development opportunities to scholarship recipients through financial literacy activities, volunteering, sharing inspirations, social media campaigns, and voluntary activities focusing on health and the environment in Kupang, East Nusa Tenggara (NTT) in November 2023.



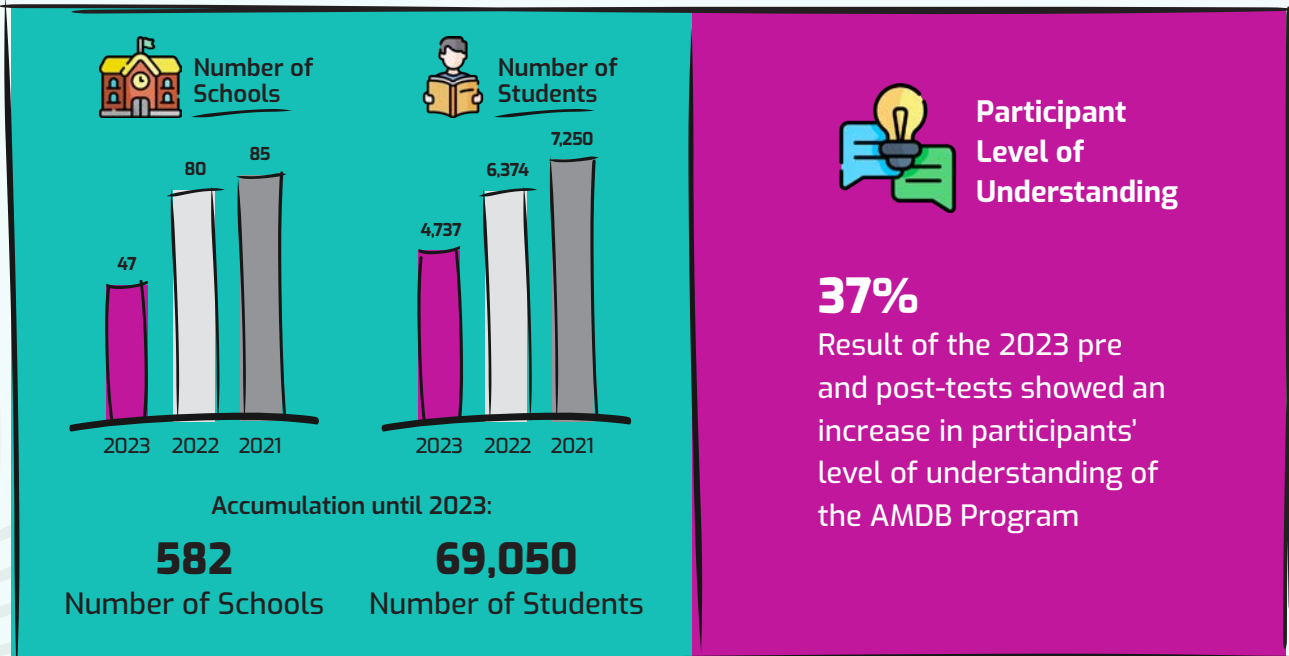
Savings and Investment Program (GRI FS16) (FN-CB-240a.3; 240a.4)

Every year, Bank conducts financial education and literacy programs through initiatives such as Ayo Menabung dan Berbagi (AMDB), Tour de Bank (TDB), and Be Smart Program in several locations in Indonesia, including the Bank's operational areas. These programs signify Bank's support for achieving the government's targets, as outlined in Presidential Regulation No. 114 of 2020 concerning the National Strategy for Financial

Inclusion (SNKI), which aims for a 90% increase in financial inclusion by 2024. Additionally, Bank aligns with the Financial Services Authority (OJK) regulations, such as POJK No. 3 of 2023 concerning Improving Literacy and Financial Inclusion in the Financial Services Sector for Consumers and the Community, as well as participating in the Financial Inclusion Month (BIK) program and the One Account One Student Program (KEJAR).

Ayo Menabung dan Berbagi (AMDB)

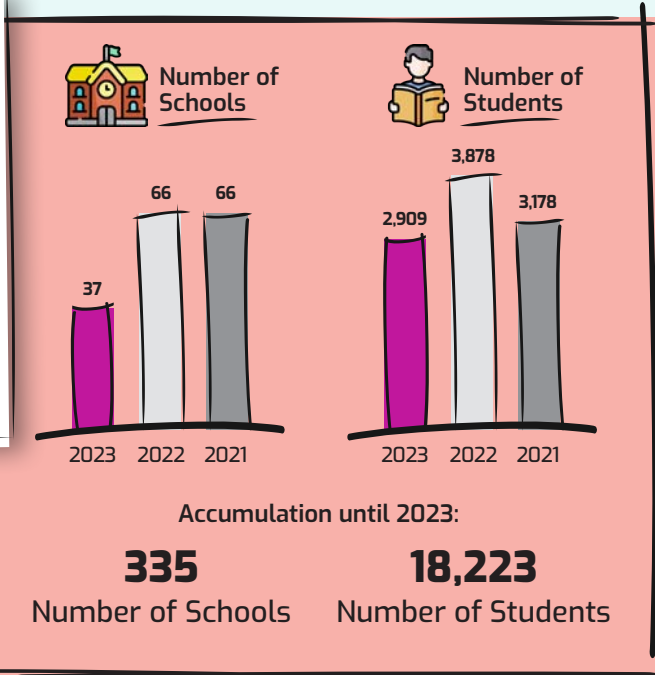
Bank recognizes that financial intelligence is one of the crucial asset for the younger generation to attain better economic livelihoods. This awareness is manifested in the commitment to organizing the AMDB Program, which has been running for 13 years, by consistently aligning the program according to government and regulatory guidelines. The program is designed for students in Junior High School (SMP), Senior High School (SMA), and Vocational High School (SMK), providing insights into banking and financial planning. In 2023, the AMDB program focused on introducing the benefits of saving, the financial services industry, and digital banking.





Tour de Bank (TDB)

TDB is a financial literacy initiative aimed at introducing various banking tools and functions to elementary school students. In 2023, leveraging technological advancements, TDB activities were conducted both offline and online. Educational content was delivered through informative videos covering the world of banking and the benefits of saving.



Participant Level of Understanding



28%

There was an increase in the level of understanding of TDB 2023 Program participants in the post-test results compared to the pre-test.

Smart Ways to Achieve Financial Freedom (Financial Literacy for Teachers)

Bank initiated a financial literacy webinar themed "Smart Ways to Achieve Financial Freedom." The webinar was attended by 148 educators representing schools involved in the AMDB and TDB Programs. The webinar covered financial management methods and the analysis of participants' financial well-being.

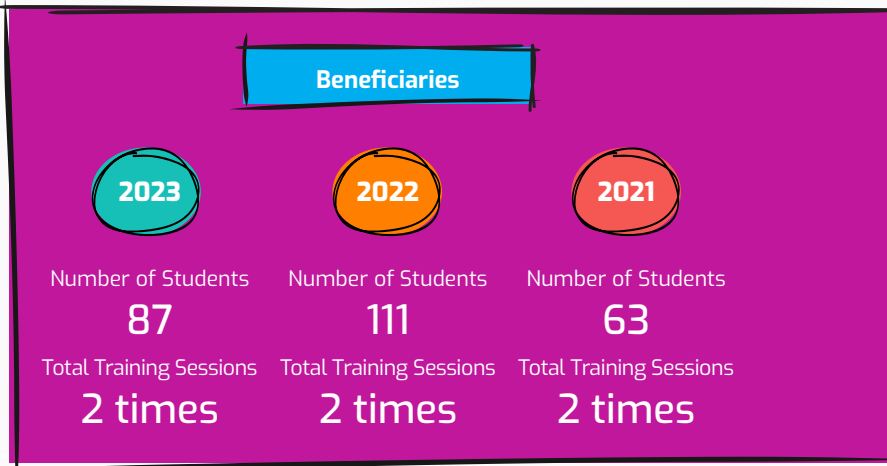


Savings for Students

Through the AMDB and TDB Programs, Bank actively promotes special savings products for student in various regions of Indonesia. This initiative is a testament to Bank's support for the KEJAR Program (One Account One Student) initiated by OJK. In 2023, there were 1,954 new savings accounts with donation of Rp195.4 million.

Be Smart Program

Be Smart program is designed to empower the millennial generation with knowledge about financial management, various types of investments and their risks, as well as digital banking technology. This program is offered to CIMB Niaga scholarship recipients as a way to enhance their personal development.



Participant Level of Understanding



42% for advance materials & **29%** for basic materials

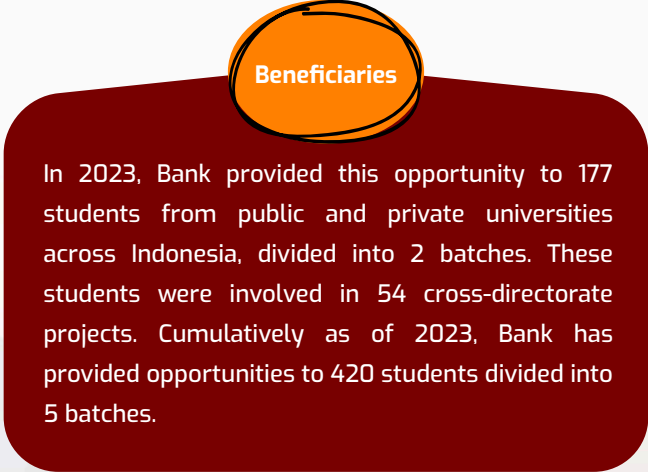
There was an increase in the level of understanding of Be Smart 2023 program participants in the post-test results compared to the pre-test.

Provision of Education Facilities

Bank provides support for the provision of educational facilities, in form of 15 printers, and the provision of teaching staff from Bank employees at the Mini Banking Laboratory of the Vocational Program at the University of Indonesia (UI) and the Bourse Game Laboratory at the Master of Management Program at UI. Bank also runs the Sejuta Buku Program, distributing knowledge and educational books to 192 students in Cirebon, West Java and Palembang, South Sumatera. Additionally, Bank contributes educational facility support donations to schools participating in the AMDB and TDB Programs.

The Complete Intern Kampus Merdeka

Bank actively participates in supporting the government's Kampus Merdeka program. This program is designed to provide opportunities for students to develop skills based on their talents and interests through direct working experience. In addition to gaining work experience, students also participate in character-building, volunteering, and team-building programs.



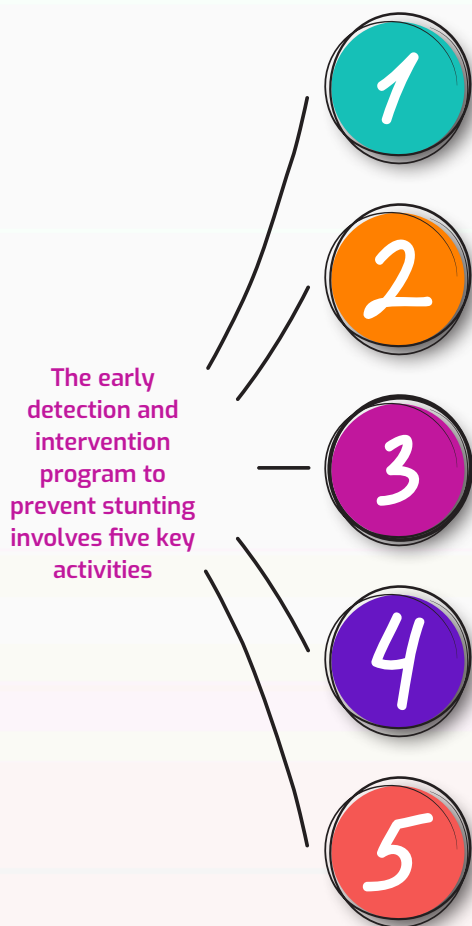


Pillar 2: Health and Community Well-Being

[GRI 203-1] [SUSBA 1.6.2.10]

Peduli Gizi Anak #CegahStunting

Bank, in collaboration with the United Nations Children's Fund (UNICEF), has initiated an early detection and intervention program for tackling malnutrition to prevent stunting, which was officially launched on 20 November 2023, with a cooperation period extending from 2023 to 2026. Bank also encourages active participation from the community to make donations through the CIMB Niaga Cares account. The funds raised through the donation drive are aimed at benefitting 1,000 malnourished children across 22 regencies/cities in East Nusa Tenggara (NTT).



FIRST

enhancing the capabilities of caregivers, integrated health post cadres, and Early Childhood Education (PAUD) teachers for early detection of undernutrition & malnutrition.

SECOND

Mid-Upper Arm Circumference (MUAC) tapes are provided to measure the MUAC of toddlers for early detection at home, PAUD, and Integrated Health Post (Posyandu).

THIRD

strengthening the capacity of health services for the treatment of malnourished children according to nutritional medication protocols.

FOURTH

conducting parenting classes for caregivers/parents of PAUD children related to prevention, early detection, and referral for children at risk of wasting (malnutrition).

FIFTH

supporting the provision of nutritious local supplementary food for PAUD children.



Pillar 3: Economic Empowerment [SUSBA 1.6.2.10]

[ACGS C.4.4]

The CSR activities of Bank have yielded positive impacts on economic growth. This is evidenced by the growth of various products initiated by the beneficiaries. These products are introduced to the community through events organized by Bank.

Community Link Program

Bank continues to provide the best services for the Indonesian community through the Community Link Program, prioritizing environmental, economic, and social (EES) aspects. Bank actively engages the participation of customers and/or the community to contribute in addressing environmental, economic, and social issues in Indonesia. The Community Link Program is divided into three categories: #JadiPeduli, #JadiNyata, and #JadiBerkelanjutan.

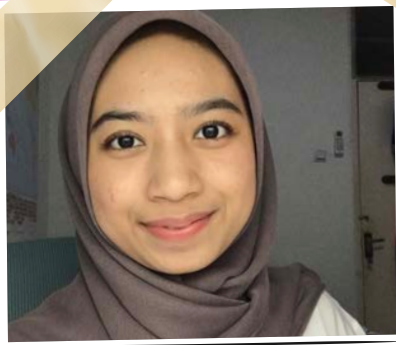


Community Link #JadiPeduli Program

The Community Link #JadiPeduli program involves Bank employees actively participating in organizing social activities aligned with the four pillars of CIMB Niaga's CSR. As of 2023, 52 branch offices and work units participated in the #JadiPeduli Program. The activities conducted encompass financial literacy, tree planting action, beach cleanup action, school renovation, and efforts to prevent and mitigate stunting, with a total of 3,818 beneficiaries.

Community Link #JadiNyata Program

The Community Link #JadiNyata program represents Bank management's aspiration to have a program that encourage active community involvement to collaborate in addressing environmental, economic, and social (EES) issues in Indonesia. In 2023, Bank once again conducted the #JadiNyata program, attended by 405 participants with 3 winners for the best ideas, namely:



Amanda Prita (DitReveille)
South Tangerang, Banten

Focusing on the reconstruction/processing of plastic waste into furniture by involving communities in every step of the business process.



Irfan Nur Ikhsan (Tanigo)
Majelengka, West Java

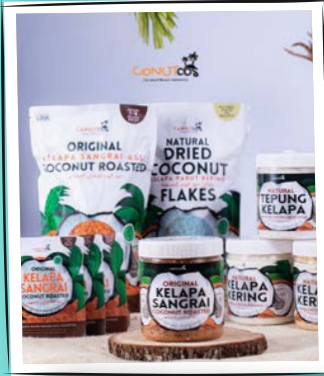
The conceptual idea is Zero Waste Agriculture for Talas Beneng, with a focus on utilizing every part of the Talas Beneng plant to create economically valuable products while empowering farming communities.



Betsy Yolanda (Nutrils)
Kubu Raya, West Kalimantan

The conceptual idea revolves around the utilization of paper waste and activated charcoal as nutrient hydrogel cellulose through processing paper and activated charcoal waste into gel fertilizer or growing media. This innovative approach can last until harvest time and has high water retention capabilities, proving highly beneficial for agricultural land.

In 2023, Bank provided mentoring and development support to the three winners of the Community Link #JadiNyata Program in 2022, resulting in the following progress:



Ananda Dzikman AZ (Conutcos) – Gowa, South Sulawesi

Ananda Dzikmah successfully transformed coconut into various processed products, including serundeng, packaged coconut water beverages, coconut flour, and more, under the brand name Conutcos. Conutcos products are available on e-commerce platforms and social media such as Instagram. Through Bank’s support, there has been an increase in production capacity and the empowerment of the local community, specifically to woman.



Khomsin (Arthup) – Blitar, East Java

Khomsin empowers people with mental illness in Bacem Village by processing their artistic works such as drawings/paintings into artistic T-shirts under the brand Arthup. Additionally, Arthup will expand the processed art into tote bags and other products while increasing brand awareness through art exhibitions, offline promotions, and utilizing utilization social media. Currently, Arthup’s products are available on e-commerce platforms.



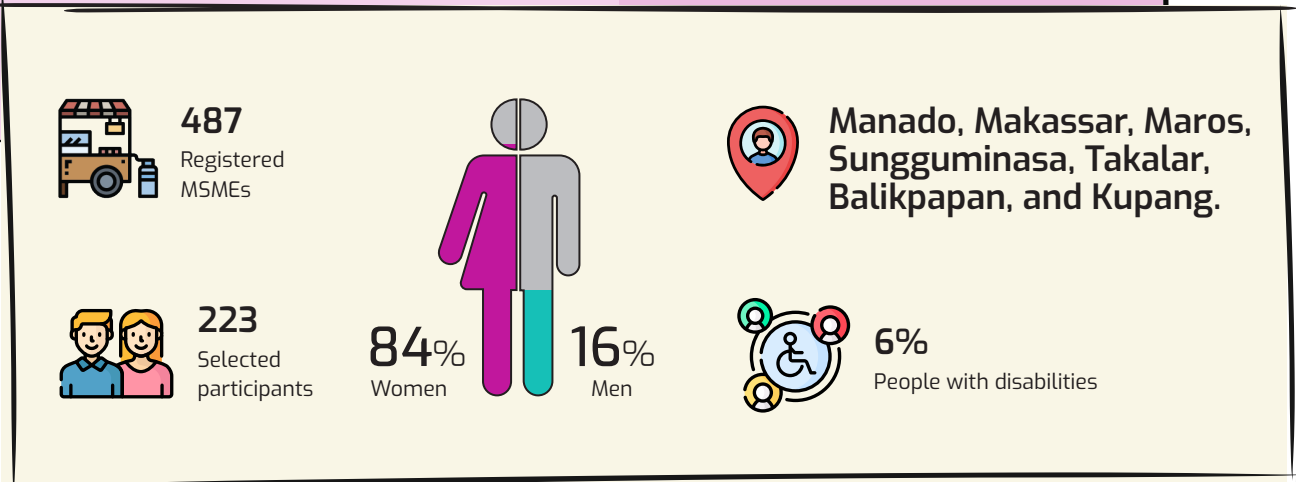
Gabriel Sebastian (Ecoplast) – Majalengka, West Java

Gabriel Sebastian utilizes straws as a substitute for single-use plastic or Styrofoam under the brand Ecoplast. Through this innovation, Ecoplast empowers the local community, especially women and rice farmers. Currently, Ecoplast products are available on e-commerce platforms and social media.

Community Link #JadiBerkelanjutan Program

Bank continued to provide a series of financial literacy training for MSMEs in eastern Indonesia, targeting women entrepreneurs and people with disabilities. The training focused on entrepreneurship training, digital access, social media marketing, as well as provisions of interest-free working capital loans to 50 selected MSMEs in each batch to support their business development.

In 2023, Bank conducted the second batch of financial literacy training with a total of 223 MSME participants (a total of 423 MSME participants accumulated since 2022). The participants consist of 187 female and 36 male by which 14 of them are people with disabilities.



Empowerment for People with Disabilities

Bank employs 7 people with disabilities as outsourcing employees stationed in the Contact Center unit.



People with Disability Training

Bank collaborates with Alunjiva Indonesia to implement the Entrepreneurship Training and Partnership Program for 30 people with disabilities. The goal of the program is to empower participants to become culinary entrepreneurs.

Empowerment Training for Bamboo Farmers

Bank collaborates with the KEHATI Foundation to provide capacity building for farmers, farmer groups, and local communities in Central Lombok, West Nusa Tenggara (NTB), and Flores, East Nusa Tenggara (NTT), with a total of 172 participants. The training sessions include processed bamboo shoot production, basic weaving, advanced weaving, cooperative institutional training, bamboo product manufacturing, eco-tourism cooking class training, as well as briquette and bamboo tea production.



Pillar 4: Climate And Environment

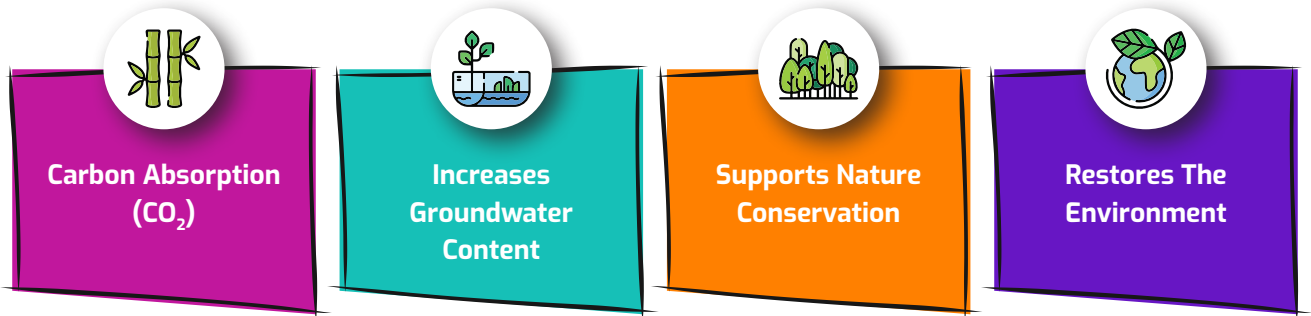
[POJK51-F.10] [SUSBA 1.6.2.10]

Bamboo Conservation

Over the past 12 years, Bank has been actively engaged in bamboo conservation programs in collaboration with the Biodiversity Foundation (KEHATI) and various partners. Together, we have planted a total of 49,400 bamboo saplings, including Black Bamboo (*Gigantochloa atrovioleacea*), Tabah Bamboo (*Gigantochloa nigrociliata* Buse-Kurz), and Betung Bamboo (*Dendrocalamus asper*) in regions such as Lombok – West Nusa Tenggara, Tabanan and Gianyar – Bali, Flores – East Nusa Tenggara, and Magelang – Central Java. However, in 2023, the bamboo planting activities were postponed due to the impact of El Niño which cause a delay in rainy season.



Bank also conducts periodic analyses of the potential carbon absorption of the planted bamboo. Estimation in 2023 shows that the bamboo has potential absorption exceeded 1,700 tonnes CO₂e, with accumulated absorption from 2019 reaching 7,600 tonnes CO₂e.



Inorganic Waste Management

Bank implements waste management initiatives by adhering to the principles of reduce, reuse, and recycle (3R) in collaboration with third parties. This approach is integrated into various Bank programs and activities, including the ABCDE Challenge, Paper Upcycling, the Experiential Learning Workshop, the Zero Waste to Landfill initiative at CIMB Niaga Olympic, and the Conserving the Earth with Waste Sorting event during the Year-End Celebration. In 2023, an estimated 4.6 tonnes of waste were collected for processing by third-party entities.



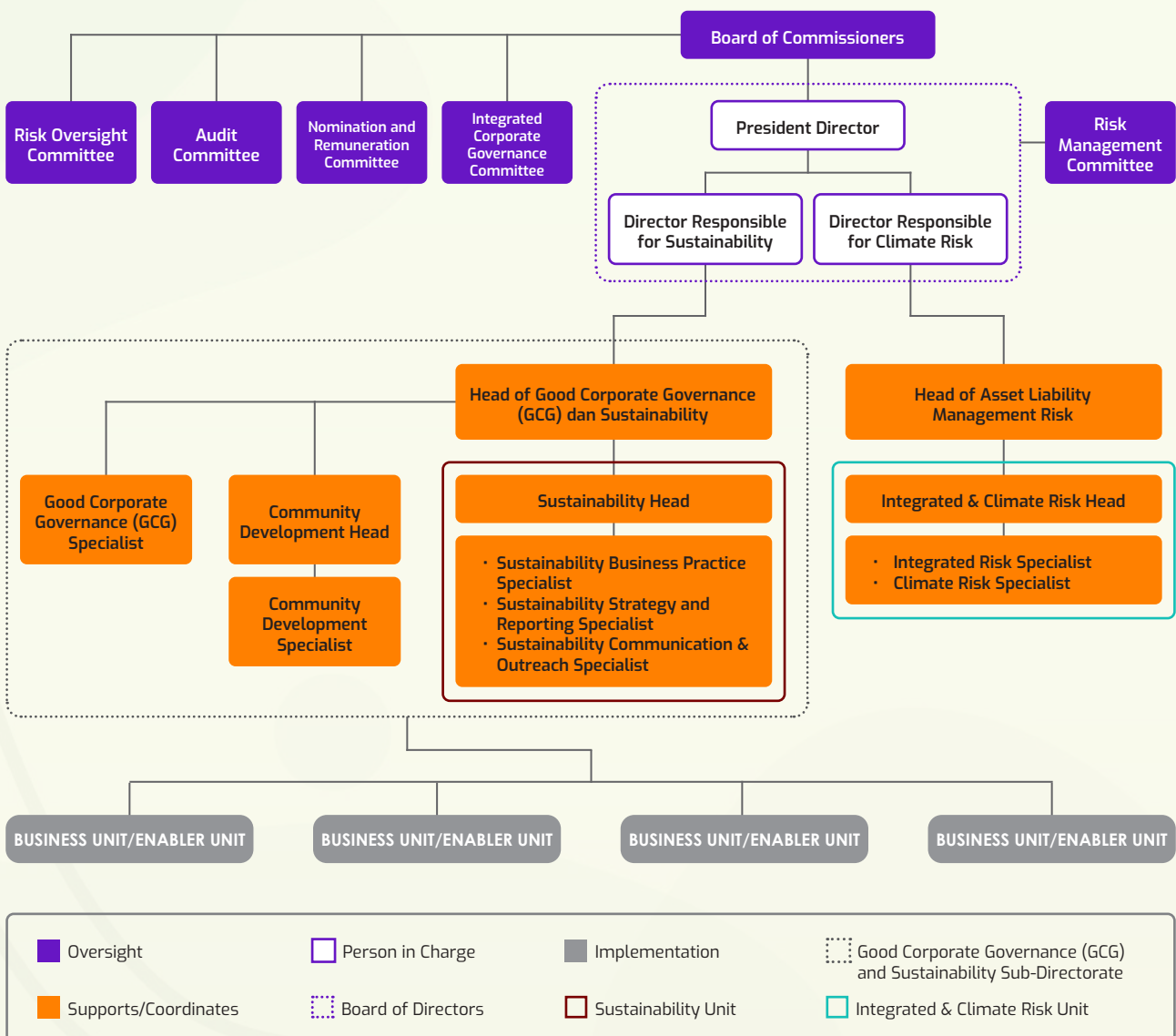
04 Pillar Governance and Risk

Sustainability Governance [POJK51-E.1] [GRI 2-9] [SUSBA 1.4.1.7] [ACGS (B).C.1.4]

CIMB Niaga plays a crucial role in supporting efforts for climate change mitigation and adaptation. Bank have seamlessly integrated climate risk aspects into its operations through Bank's sustainability governance. Following the guidance of the Taskforce for Climate-related Financial Disclosure (TCFD) framework, Bank aims to achieve overall net zero GHG emissions (Scope 1, 2, and 3) by 2050. To ensure a well-defined roadmap towards organizational net-zero emissions with

measurable strategies and targets, Bank has initiated the Net Zero Strategy & Climate Risk Management project. Moreover, Bank is in the process of constructing a model and methodology for climate scenario analysis (CSA) and actively participates in the pilot project for climate risk stress testing (CRST) mandated by the Financial Services Authority (OJK). This climate risk framework and approach are adopted and implemented through the Sustainability and Integrated & Climate Risk Units.

Sustainability Governance Body at CIMB Niaga [POJK51-E.1] [SUSBA 1.4.1.7]



The Board of Commissioners serves as the highest governance body, followed by the Board of Directors chaired by the President Director. The Board of Directors is in charge of and jointly responsible for implementing sustainability principles, sustainable finance, climate action, and mitigation, with direct supervision of the Board of Commissioners, aided by the Audit Committee and the Risk Monitoring Committee. Specifically, the

Director of Compliance, Corporate Affairs & Legal serves as the Director in charge of Sustainability, and the Director of Risk Management serves as the Director in charge of Climate Risk. The overall coordination of sustainability performance is overseen by the Board of Commissioners through the Audit Committee in accordance with the Audit Committee Charter. [\[GRI 2-11: 2-14\]](#) [\[SUSBA 1.4.1.7\]](#) [\[ACGS C.1.6: \(B\).C1.5\]](#)

Duties and Responsibilities of the Highest Governance Body for Sustainability and Sustainable Finance

[\[GRI 2-12; 2-13; 2-14; 2-19\]](#) [\[SUSBA 1.1.2.2; 1.4.1.1; 1.4.1.2; 1.4.1.3; 1.4.1.6; 1.4.1.7\]](#) [\[ACGS \(B\).C1.5\]](#)

Bank has integrated tasks and responsibilities that support sustainability principles, sustainable finance, and the Sustainable Finance Action Plan (RAKB) into the Charter of the Board of Commissioners, Board of Directors, Audit Committee, and the Nomination and Remuneration Committee. A comprehensive explanation regarding the tasks and responsibilities of the Audit Committee and the Nomination and Remuneration Committee related to sustainability implementation can be found in Appendix Pillar 4.

Duties and Responsibilities of the Sustainability Governance

<p>Board of Commissioners</p>	<ol style="list-style-type: none"> 1. Ensure the alignment of environmental, social, and governance (ESG) aspects in the business strategies development and business activities by the Board of Directors as a means of implementing sustainable banking business 2. Approve RAKB and monitoring its implementation
<p>Board of Directors</p>	<ol style="list-style-type: none"> 1. Ensure the alignment of sustainability strategy with Bank's overall strategy 2. Approve Policies and Procedures regarding sustainability and sustainable finance 3. Review and approve RAKB and ensure its implementation upon approval from the Board of Commissioners 4. Conduct periodic reviews to evaluate sustainability and sustainable finance performance
<p>Director of Compliance, Corporate Affairs, and Legal as Director in Charge of Sustainability</p>	<ol style="list-style-type: none"> 1. Lead and ensure the development of RAKB is in line with the vision and mission 2. Coordinate, evaluate, and periodically follow up the implementation of RAKB 3. Ensure the implementation of frameworks, policies, methodologies, and procedures to mitigate sustainability risks (environmental, social, and human rights risks) 4. Ensure the implementation of sustainability activities/initiatives aligns with Bank's strategy 5. Review and provide input on sustainability reports
<p>Director of Risk Management as Director in Charge of Climate Risk</p>	<ol style="list-style-type: none"> 1. Lead the Bank's climate risk management strategy and ensure adequate supervision by the Board of Directors and Board of Commissioners 2. Develop knowledge & understanding of climate risks and effectively integrate these risks into Bank's internal controls to safeguard Bank's resilience against climate change impacts in accordance with regulatory requirements and best practices

Sustainability Unit
(GRI 2-13) [SUSBA 1.4.2.1]

1. Propose and ensure the sustainable finance vision and mission are regularly reviewed and aligned with Bank's vision and mission
2. Develop the Sustainability Policy, Sustainable Finance Policy, and Human Rights Policy
3. Develop RAKB and submit it to regulators
4. Supervise the RAKB implementation, including the development of sustainable finance products/ services, capacity building, and Bank's internal adjustments
5. Map business segments with climate change-related risks and assign the financing categories into high, medium, or low risk
6. Implement and oversee the implementation of sustainability initiatives within the Bank's internal environment, including corporate social responsibility (CSR)
7. Raise the awareness of sustainable finance practices and culture
8. Ensure that stakeholders are well-informed on sustainable finance implementation

Integrated & Climate Risk Unit

1. Develop and implement climate risk management framework
2. Integrate climate risk into the overall Enterprise-Wide Risk Management Framework
3. Develop methodologies for climate scenario analysis (CSA) and/or climate risk stress tests (CRST) to assess the impact of climate risks on Bank and its interrelation with other risks (such as credit risk, market risk, operational risk), as well as Bank's capital and liquidity conditions

Community Development Unit

1. Plan and coordinate the implementation of CSR programs
2. Ensure the execution of CSR programs aligns with the Sustainable Finance Vision and Mission, as well as key focus determined by the management
3. Manage the Bank's CSR budget
4. Foster a CSR-oriented behavior and culture within CIMB Niaga by collaborating on CSR program implementation with the working units or actively engaging employees in organizing CSR activities across all working units
5. Take part in the responsibility of managing Bank's reputation risks

The Bank's capital requirements are periodically planned, discussed, and monitored by the Board of Directors and the Board of Commissioners, supported by data analysis. Management has prepared a foundation for establishing capital structure policies based on several factors, including economic forecasts, business growth potential, risk appetite, stress test results, and capital ratio targets.

Through these efforts, CIMB Niaga will be able to survive the economic cycle, capitalize on growth and strategic opportunities, maximize shareholder returns, and conduct business within the risk appetite corridor while complying with applicable regulations. Detailed description and disclosure of information regarding Corporate Governance; nomination and remuneration criteria for Board of Directors (BoD) and Board of Commissioners (BoC); authorities of the General Meeting of Shareholders (GMS); duties and responsibilities of Board of Directors and Board of Commissioners; as well as Audit Committee and Nomination and Remuneration Committee Charter are presented in 2023 Annual Report, which is prepared separately from this Report but is complementary. [GRI 2-9; 2-10; 2-15; 2-17; 2-18; 2-19;2.20] [SUSBA 1.4.1.5; 1.4.1.6; 1.4.1.7] [ACGS C.3.1]

**VISION for Sustainable Finance:**

[POJK51-C.1] [SUSBA 1.1.1.1]

To be the leading ASEAN company that embraces the harmony of economic, social, and environmental aspects

**MISSION for Sustainable Finance:**

[POJK51-C.1]

Conduct sustainable business activities that results in continuous and integrated growth

Management Review of Sustainability Performance

[GRI 2-12; 2-13] [SUSBA 1.4.1.1; 1.4.1.2; 1.4.1.3; 1.4.1.6; 1.4.1.7; 1.4.2.1; 1.6.1.2] [ACGS C.1.6; (B).C.1.5]

The Director of Compliance, Corporate Affairs, and Legal is responsible for the implementation and evaluation of the Sustainable Finance Action Plan (RAKB). This includes receiving and reviewing reports on the Sustainable Business Activity Category (KKUB) portfolio, reports based on the Green Social Sustainability Impact Products & Services (GSSIP5) framework, and risk management reports based on business sectors within the Indonesian Green Taxonomy (THI). In 2023, Bank starting to studying and providing feedback on the concept of the Indonesian Sustainable Finance Taxonomy (TKBI), (previously referred to as the Indonesian Sustainable Taxonomy or TBI), an evolution from the THI.

Bank's sustainability performance report is presented regularly, at least twice a year, to the Board of Directors, the Audit Committee, and the Board of Commissioners. The report includes monitoring the achievement of current-year sustainability targets, the realization of strategies and RAKB, sustainable finance risks, and various sustainability initiatives implemented by Bank. Additionally, periodic reporting on sustainability risk identification results in Bank's financing portfolio and various sustainability recommendations to debtors is provided to the Risk Management Committee and the Risk Monitoring Committee. In addition, Risk Hotspots & Emerging Risks, including transition risks due to climate change, are also reported to the Risk Management Committee.

Regular reviews of RAKB implementation are conducted, and the results are presented to the Board of Directors and

Board of Commissioners. The Board of Commissioners, through the Audit Committee, continue to review of RAKB results presented by the Board of Directors. Meanwhile, the Board of Commissioners, through the Risk Monitoring Committee, review the identification of high sustainability risks sectors, sustainable finance risks, human rights risks, and climate change aspects (physical and transition risks). With the assistance of this evaluation process, the Board of Directors and the Board of Commissioners ensure that the implementation of sustainability strategies, the performance growth of the Sustainable Business Activity Category (KKUB) portfolio, and financial risk mitigation are carried out purposefully. Furthermore, Bank has formulated a five-year RAKB (2024-2028) and reviewed the 2023 RAKB realization. The review indicates that there are no significant issues related to RAKB implementation that need to be specifically reported to the Board of Commissioners. The sustainability performance report, RAKB, and its realization receive approval from the Board of Directors and the Board of Commissioners before being submitted to OJK.

The review conducted by the Board of Directors and the Board of Commissioners is part of their responsibility to ensure that the sustainability strategy implementation, KKUB portfolio growth, portfolio based on the Green Social Sustainability Impact Products & Services (GSSIP5) framework, and financial risk management have been performed optimally. The review of RAKB implementation highlighted that Bank achievements are in line with the annual plan.

Sustainability Risk Approach Framework [POJK51-E.3]

1 Sustainability Policy

- 2
- Sustainable Finance Policy
 - Exclusion List
 - High Sustainability Risk Sector List
 - Sector Guidance
 - Human Right Policy

3 Integration of Sustainability Aspects in Bank's Policy

Company Charter

- Company Policy Manual
- Board of Commissioners
- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee

Operational Risk

- Whistleblowing Policy
- Anti-fraud Policy
- Anti-Bribery and Corruption Policy
- Anti-Bribery Management System Policy
- Anti-Money Laundering, Counter-Terrorism Financing, and Prevention of Proliferation of Weapons of Mass Destruction Policy (AML, CTF, and PPPWMD)
- Risk and Credit Management
- Commercial Credit Policy

Risk and Credit Management

- Commercial Credit Policy

Strategic Procurement & Admin Property Management

- Goods and Services Procurement Policy and Procedure
- Inventory Procedures and Carbon Emission Methodology

Human Resources

- Company Code of Ethics and Code of Conduct

Finance

- Smart Spending Policy

Corporate Social Responsibility (CSR)

- Corporate Social Responsibility Policy

4 Sustainability Scope

Business Relations

- Bank subsidiaries
- Corporate Social Responsibility (CSR) partner or non-individual beneficiary
- Suppliers, vendors, merchants and outsourcing partners
- Business partners
- Members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors and Independent members of Bank's Board of Commissioners Committee

Non-Individual Financing

- Corporate banking segment
- Commercial banking segment

ENVIRONMENTAL AND SOCIAL RISK APPROACH

[SUSBA 1.1.1.5; 1.1.1.6; 1.1.1.10; 1.2.1.4; 1.2.1.6; 1.2.1.8; 1.2.1.10; 1.2.1.12]

Bank acknowledges and recognizes the importance of various environmental, social, and economic risks that negatively impact various aspects, including but not limited to climate change, environmental degradation, biodiversity loss, deforestation, water, sea, air, human rights, local communities/indigenous peoples, and labor. Moreover, the activities of debtors through Bank's financing portfolio may also have impacts on these various aspects. Bank consistently mitigates risks through Sustainability Due Diligence (SDD) and promotes sustainable best practices through Sector Guidance. This aims to ensure that Bank and its borrowers consistently contribute positively to the environment and society.

Key Environmental and Social Considerations for Risk Assessment

[POJK51-F.9; F.23] [GRI 201-2; 304-1; 304-2; 304-4] [SUSBA 1.2.1.1; 1.2.1.6; 1.2.1.7; 1.2.1.11; 1.2.2.2; 1.2.2.3; 1.5.1.1; 1.6.1.1; 1.6.1.3]



Bank acknowledges the significance of sustainability risks related to deforestation, water, marine issues, land use, community social aspects, employment, and human rights. Therefore, Bank's risk assessments on sustainable finance implementation are regularly discussed and evaluated within the Sustainability Due Diligence (SDD) and Enhanced Sustainability Due Diligence (ESDD), which includes Sector Guidance. This involves utilizing comprehensive data and information to identify and address potential sustainability risks.

A comprehensive description and disclosure of information regarding environmental and social risks can be found in Appendix Pillar 4 and on Bank's website.

Bank's Strategy to Address Environmental Risks

Environmental Risks



Climate Change
(physical and
transitional risk)



Deforestation



Biodiversity
Loss



Inland and
Marine
Environment



Energy
Use



Water
Scarcity



Waste and
Pollution

1. Bank has a long-term commitment to become a Net Zero Emission organization by 2050.
2. Bank has a Sustainability High Risk Sector List by identifying sectors with potential to be affected by climate change, including the Agriculture, Forestry, Other Land Use and Land Use Change (AFOLULUC). The document was prepared based on the scientific method and refers to several international literatures, including the Intergovernmental Panel on Climate Change (IPCC), the United Nations Framework Convention on Climate Change (UNFCCC), and the Science Based Target Initiative (SBTi).
3. Bank has implemented No Deforestation, No Peat, and No Exploitation (NDPE) policy, particularly in AFOLULUC sectors. This NDPE commitment is attained by imposing the High Conservation Value (HCV) method for land clearing; prohibiting the use of the burning method (zero burning policy), and prohibiting damage to cultural heritage, national and/or international protected areas, including peat conservation and the wetland area at the Ramsar site.
4. Through Bank's 'Exclusion List,' Bank has committed to not finance the expansion of thermal coal mines and coal-fired power plants (CFPP), including opening mines utilizing the Mountain Top Removal (MTR) technique.
5. Bank has started a study on establishing baseline for climate financing based on the GHG sector:
 - a. The results of the interim study demonstrate that coal and industries are the primary sectors requiring joint efforts to reduce greenhouse gas emissions.
 - b. Based on the results of the study, Bank has set interim targets for 2030, including:
 - reducing the thermal coal sector financing portfolio to 50% from the 2021 baseline.
 - reducing the emissions intensity of cement production to 0.46 tonnes of CO₂e/tonnes of cement produced when compared to the 2021 baseline (0.72 tonnes of CO₂e/tonnes of cement produced).
 - reducing emissions intensity in palm oil production to 1.52 tonnes of CO₂e/tonnes of palm oil when compared to the 2022 baseline (1.81 tonnes of CO₂e/tonnes of palm oil)
 - reducing emissions intensity in electricity production to 272 kg CO₂e/MWh compared to the 2022 baseline (439 CO₂e/MWh)
 - c. In the future, in addition to conducting Sustainability Due Diligence (SDD), Bank will also include GHG emission factors generated by the financed sector as part of its consideration of sustainability factors.
6. Through the Sector Guidance, Bank consistently encourages and advocates for its borrowers, especially in sectors that are prone to environmental or social issues, to adopt sustainable best practices within their respective industries. This includes, but is not limited to, implementing principles from organizations such as the Marine Stewardship Council, Alliance for Water Stewardship, and others.
7. Bank has several policies regarding energy and greenhouse gas emissions. These policies include:
 - a. Green Office policy that promotes responsible energy consumption in Bank's operations.
 - b. GHG Emissions Inventory Procedure covering Scopes 1 and 2.
 - c. Technical Guidelines for Calculating Scope 3 GHG Emissions.
8. Bank has begun identifying Scope 3 greenhouse gas emission sources used in various studies.
9. Bank has begun the 'Carbon-Offset Scheme' study and acquired 'carbon units' from Indonesia Carbon Exchange (IDXCarbon) as well as 'Renewable Energy Certificate' from State Electricity Company (PLN) to mitigate risks associated with GHG emissions caused by Bank's operations.
10. Bank ensures that no operational activities directly disturb or affect biodiversity, including rare flora and fauna protected by the International Union for Conservation of Nature and Natural Resources (IUCN).

Bank's strategy to address Social & Human Risks

Social & Human Risks



1. Bank has already adopted a Human Rights Policy and has integrated these social risk aspects into the Sustainability Due Diligence.
2. Bank has adopted the best sustainability practices from the NDPE commitment, specifically No Deforestation, and has incorporated them into the SDD when conducting a sustainability study. Additionally, banks require clients in particular sectors to practice Free Prior Informed Consent (FPIC) in their social approach.
3. Through Bank's 'Exclusion List,' Bank is committed to prohibiting financing for debtors directly or indirectly involved in activities related to human rights violations and labor laws. It also prohibits financing activities that have a negative impact on UNESCO World Heritage Sites, such as damaging sites, resources, habitats, or landscapes with global or national significance, or those important to local communities/indigenous peoples as identified by their involvement. This includes but is not limited to cultural heritage sites, national and/or international protected areas, including peatland conservation areas and wetland areas under Ramsar sites.
4. Through the Sector Guidance, Bank requires clients to have policies/commitments related to human rights, including but not limited to grievance mechanisms and Occupational Health and Safety (OHS) policies, and respect for human rights principles aligned with the pillars of the United Nations Guiding Principles (UNGP) on Business and Human Rights.
5. Through the Sustainability Pillars, specifically the Corporate Social Responsibility (CSR) Pillar, Bank endeavors to always make a positive contribution to the surrounding community through its four CSR pillars.

The environmental and social risks that clients and their operations are exposed to, such as the nature of its activities, geographical location, supply chain, and raw material production impacts, among others. A key aspect of consideration includes climate-related physical and transition risks and mitigation.



The environmental and social risks arising from financial activities. This include specific project-related risks and related landscape impacts, and assessment of the client's sustainability commitments, policies, performance, track record, reputation.



Risk Approach and Strategy towards Climate Change [GRI 201-2] [SUSBA 1.1.5; 1.1.2.1; 1.2.1.8; 1.2.2.2; 1.6.1.2; 1.6.2.8]

In its effort to address climate change risks, Bank is developing its business strategy by considering core elements based of the Taskforce for Climate-related Financial Disclosure (TCFD). Additionally, Bank is studying the International Financial Reporting Standards Climate-related Disclosure (IFRS S2) framework published by The International Sustainability Standards Board (ISSB) and biodiversity aspects based on The Taskforce on Nature-related Financial Disclosures (TNFD). Bank has also develop a 'High Sustainability Risk Sector List,' identifying sectors vulnerable to the impacts of climate change, including AFOLULUC. These documents are crafted in reference to various international literature, such as the IPCC, the UNFCCC, and the SBTi.

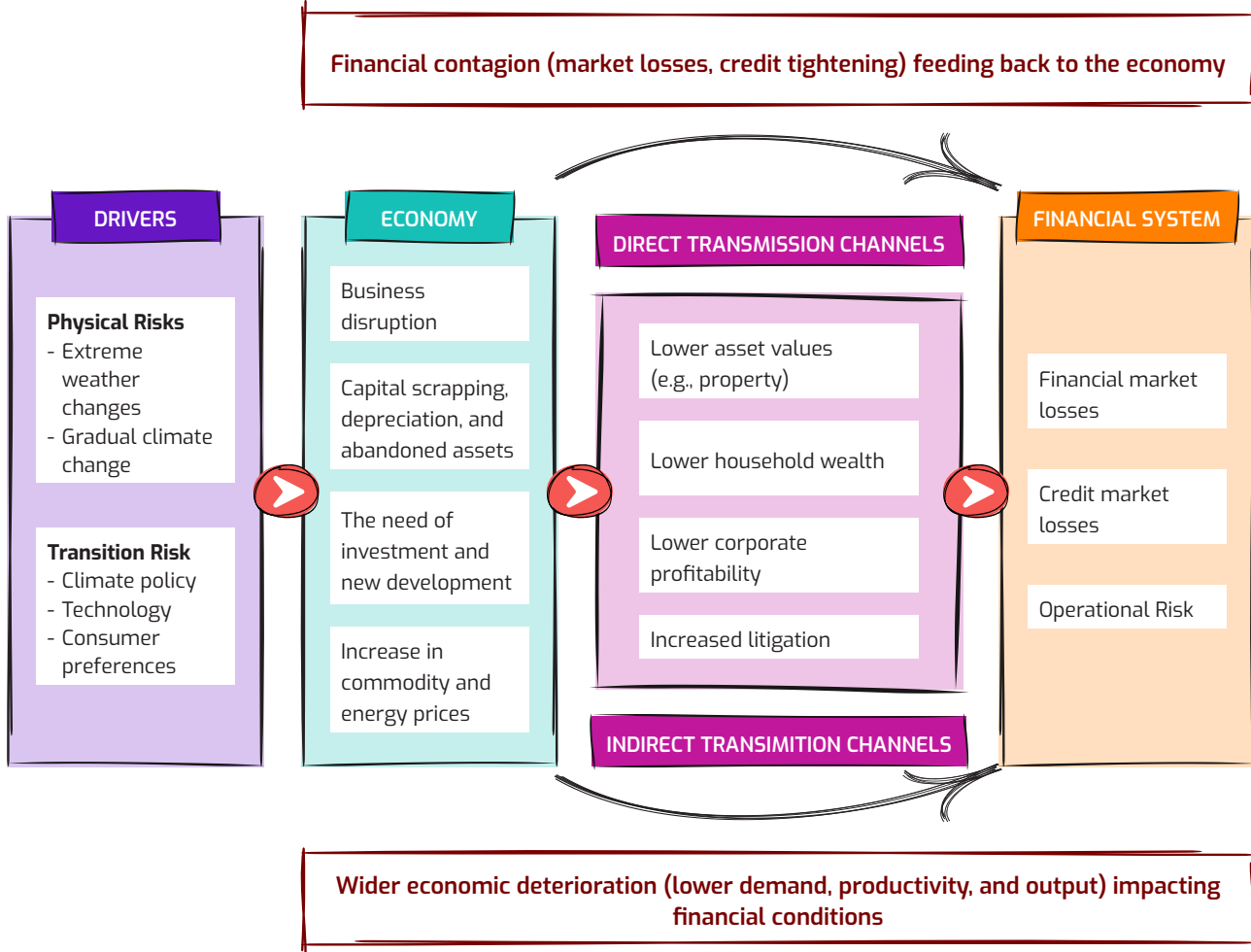
In 2023, CIMB Niaga analyzed the various disasters that occurred in Indonesia, including earthquakes, volcanic eruptions, extreme weather events, floods, landslides, droughts, tidal waves, and abrasion. While the financial impact of these disasters was not significant and did not disrupt Bank's business processes, the overall losses incurred were substantial. In the long term, the influence of extreme weather events could lead to even more significant losses if not properly addressed. Therefore, Bank continues to focus on financial literacy education, including climate actions, and allocating a dedicated budget to finance climate change adaptation and mitigation activities through the Sustainability-linked Loan/Financing (SLL/F) and Sustainable Finance (SF) programs.



Climate Change Issues [SUSBA 1.6.1.2]

The impact of climate change risks can potentially affect the financial position and performance of the Bank, including customers' material cash flow through the microeconomic and macroeconomic transmission channels. Consequently, Bank places significant emphasis on addressing climate change issues and implementing action steps and mitigation measures.

Further information regarding the definition and climate risks aspects, please refer to Bank's website.



Developing Sustainability Policy and Strategy [GRI 2-23; 2-24; FS1] [SUSBA 1.2.1.12; 1.2.1.13; 1.2.1.14; 1.2.2.1; 1.2.2.2; 1.2.2.4; 1.3.2.6]

Aligned with the vision and mission of sustainable finance, Bank is committed to support the Sustainable Development Goals (SDGs) by developing policies and procedures harmonious with the five pillars of sustainability. These pillars serve as the foundation for formulating Bank's sustainability roadmap towards achieving overall net zero GHG emissions (Scope 1, 2, and 3) or net zero emissions (NZE) organization by 2050. This roadmap establishes a framework, strategy, and implementation methods to ensure effective management of environmental, social, and governance (ESG) risks. These risks include both credit and non-credit aspects, including but not limited to financing and business relationships.

Sustainability Policy No. M.08 and Sustainability Procedure No. M.08.P.01

Sustainability policy and procedure concerning non-financial activities, including business relations: a) Bank Subsidiaries; b) Partner or beneficiary of Corporate Social Responsibility (CSR) programs; c) Suppliers, vendors, merchants, and outsourcing partners; d) Business Partners; e) Members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, and Independent Party members of the Board of Commissioners Committees; and f) Nonindividual financing customers. Sustainability Policy and Procedure, specifically the 'Exclusion List,' have been 100% implemented in Bank business operations.

Sustainable Finance Policy No. M.10 and Sustainable Finance Procedure No. M.10.P.01

Sustainable Finance Policy serves as the foundation for Sustainable Business (Pillar 2). Bank compliments this policy with two documents, the 'Sustainability High Risk Sector List' and 'Sector Guidance'. Sustainable Finance Procedure serves as a guide for performing 'Sustainability Due Diligence' and 'Enhanced Sustainability Due Diligence', by which Bank identify, quantify, monitor, and control environmental, social, and governance (ESG) risks. Both Sustainable Finance Policy and Procedure are updated at least every two years, in line with Bank's Manual Framework Policy.

Human Rights Policy No. M.13

This policy reflects Bank's commitment in recognizing all human rights principles and other issues related to these rights are inseparable and inalienable. In addition to these principles, Bank supports and strives to prioritize and uphold the principles outlined in the United Nations Global Compact (UNGC), the International Labor Organization (ILO), and applicable human rights laws and regulations. Bank has an SDD mechanism to identify and investigate social and human rights risks associated with its customers and business

relationships. Bank is committed to always respond promptly to human rights violations in operational activities. Bank provides a whistleblowing system (WBS) managed by a third party that is both independent and professional. In case when any human rights violation occurs, Bank will transparently inform stakeholders about the case's progression and resolution through various channels, including Bank's Sustainability Report. Currently, in alignment with United Nations Guiding Principles (UNGP) on Business and Human Rights, Bank plan to commence studying Human Rights Due Diligence (HRDD).

Manufacturing Sector Guidance

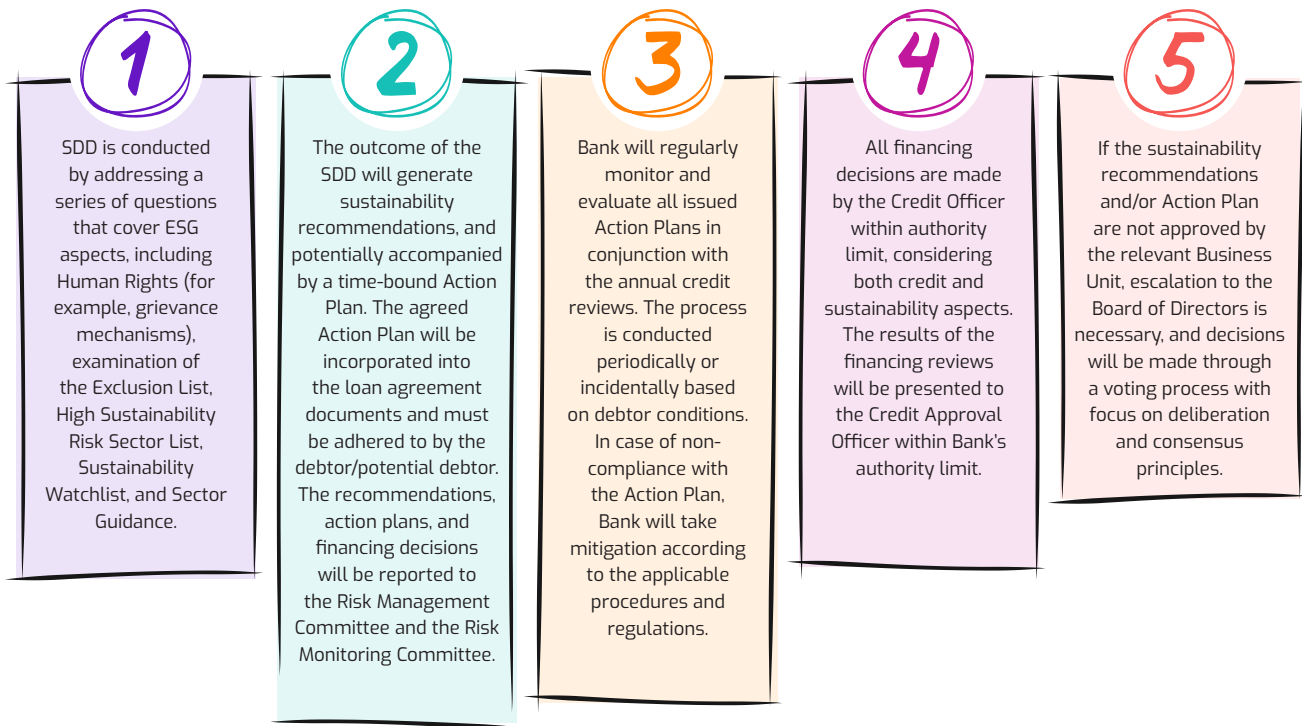
Bank requires manufacturing companies to meet minimum sustainability criteria, which include having an Environmental Impact Document and prioritizing Occupational Health and Safety (OHS) principles. Debtors are also urged to consistently prioritize Human Rights principles. Bank continually encourages debtors to adopt best sustainability practices in the manufacturing sector, including but not limited to committing to carbon emission reduction plans in line with the Enhanced Nationally Determined Contribution (ENDC).



Sustainability Due Diligence Mechanism (GRI 2-16; FS2; FS3; FS10; FS12) [SUSBA 1.2.1.1; 1.2.1.2; 1.2.1.10; 1.2.1.12; 1.2.1.13; 1.2.2.3; 1.3.1.1; 1.3.1.2; 1.3.1.4; 1.3.1.5; 1.3.2.1; 1.3.2.2; 1.3.2.3; 1.3.2.4; 1.3.2.5; 1.6.1.1; 1.6.2.4; 1.6.2.5; 1.6.2.8]

SDD has been fully implemented (100%) in the corporate banking segment since 2020. Starting from 2023, Bank is gradually expanding its scope to various sectors within the commercial banking segment.

Sustainability Due Diligence Mechanism



SDD Results Summary and Categories of Sustainability Risks in the AFOLULUC Sector*

Recommendation	AFOLULUC			Outside the AFOLULUC sector		
	Sustainability Risk					
	Low	Medium	High	Low	Medium	High
Recommended	1%	50%	0%	10%	28%	0%
Recommended with Action Plan	0%	9%	0%	0%	2%	0%
Not Recommended	0%	0%	0%	0%	0%	0%

*Findings based on the number of proposals assessed through SDD and/or ESDD.

Some examples of sustainability Action Plans include, but are not limited to, obtaining the ISPO and/or RSPO certifications for palm oil debtors, improving the rating in the Public Disclosure Program for Environmental Compliance (PROPER), aligning with the emission reduction targets of the Paris Agreement, and supporting Indonesia's ENDC.

Further information regarding the Sector Guidance and Exclusion List can be accessed via our website. [SUSBA 1.2.1.7]

Sustainability Risk Management (POJK51-E.3) [SUSBA 1.4.1.4; 1.4.1.8]

Bank adopts a proactive and forward-looking Enterprise-Wide Risk Management (EWRM) framework to manage risks and achieve optimal performance levels. Within the EWRM context, risk management aligns risk appetite with business strategy. The implementation of good governance allows for an adequate four-eyes principle and transparency in all risk management processes. Risk management is an integral part of operational

activities, culture, and decision-making processes. At the daily operational level, the concept of the three lines of defense is applied, encompassing environmental and social risks involving the entire Board of Directors, senior management, and employees. Moreover, to ensure the implementation of Sustainable Financial Policies and Procedures, Bank conducts internal audits and control effectiveness testing (CET) periodically on relevant units.

Comprehensive information regarding risk management can be found in the 2023 Annual Report.

Sustainability Governance Approach Based on International Financial Reporting Standards (IFRS) and Task Force for Climate-related Financial Disclosures (TCFD)

		IFRS S1	IFRS S2	TCFD
Governance	1. Bank has Sustainability Unit overseen by the Director in Charge of Sustainability.	+	+	+
	2. Bank has an Integrated & Climate Risk Unit supervised by Risk Management Director.	-	+	+
	3. Bank executes RAKB	+	-	+
	4. Bank has Sustainability Policy, Sustainable Finance Policy, and Human Rights Policy.	+	-	+
	5. Bank implements SDD.	+	-	+
	6. Periodic reviews of sustainability and climate change-related opportunities and risks are presented to relevant parties within the Sustainability Governance Body.	+	-	+
Strategy	1. Bank implements the SDD mechanism.	+	+	+
	2. Bank has a strategy to identify opportunities and challenges arising from climate change through studies on internal carbon pricing (ICP).	-	+	+
	3. Bank is currently applying to the Green Climate Fund to become a National Accredited Entity for the Green Climate Fund (GCF) in Indonesia.	-	+	+

		IFRS S1	IFRS S2	TCFD
Risk Management	1. Incorporating sustainability and climate change risks as considerations in assessing both financial and non-financial risks.	+	+	+
	2. Incorporating sustainability and climate change aspects into SDD.	+	+	+
	3. Identifying potential climate change risks in oil plantations through case studies.	-	+	+
	4. Enhancing literacy on sustainability and climate change risks.	+	+	+
	5. Develop financing risk profile scenarios on climate change impacts.	+	+	+
	6. Monitoring and evaluating sustainability and climate risks.	+	+	+
Matrix and Target	1. Identifying portfolios/groups of debtors that have sustainability and climate change impacts.	+	+	+
	2. Conducting SDD on Bank's portfolio.	+	+	+
	3. Sustainability commitments.	+	+	+
	4. Climate financing commitments such as: a. Achieving net zero GHG emissions by 2050 and setting sectoral targets by 2030. b. Phasing out thermal coal financing by 2040.	-	+	+
	5. Increasing sustainable financing to RM100 billion or equivalent to IDR 208 trillion by 2024.	-	+	+

Description: symbol '+' = applicable; '-' = not applicable.

Scope 1 & 2 GHG Emissions (Absolute) (ACGS C.1.4; C.1.5)

	2030	2029	2028	2027	2026	2025	2024	2023	2022
Reduction target compared to 2019 baseline study	100%	90%	85%	75%	65%	50%	35%	22%	13%
Achievement	In progress							Achieved 24%* of the target	8% or target not yet reached

*Scope 1 and 2 GHG emissions with climate change mitigation initiatives through Renewable Energy Certificate.

Adaptation Action

	2024	2023	2022	2021
Target of debtor evaluation using SDD with adjustments to climate change aspects	Corporate and Commercial Banking	Corporate and Commercial Banking	Corporate and Commercial Banking	Corporate Banking
Achievement	Full implementation in the corporate banking segment and gradual implementation in the commercial banking segment (including expanding the sector scope).	Full implementation in the corporate banking segment and gradual implementation in the commercial banking segment	Start implementation	

Ethical Business

Bank has Code of Ethics and Code of Conduct Policy No. A.07.01, as a guidance for all CIMB Niaga employees to interact professionally and perform their duties with high integrity. The Code of Ethics and Code of Conduct CIMB Niaga can be found in the 2023 Annual Report.

Anti-Fraud (GRI 205-1; 205-2; 205-3) (FN-CB-510.a.1)

The Bank has an anti-fraud policy which is part of the Bank's internal control system in building a culture of compliance and creating risk awareness of potential fraud risks and the consequences that may arise. In accordance with Financial Services Authority Regulation (POJK) No.039/POJK.03/2019, regarding the Implementation of Anti-Fraud Strategies for Commercial Banks, the Bank has formed a special Anti-Fraud Management (AFM) unit to carry out the implementation of anti-fraud strategies in banks wide which includes 4 pillars, namely fraud prevention,

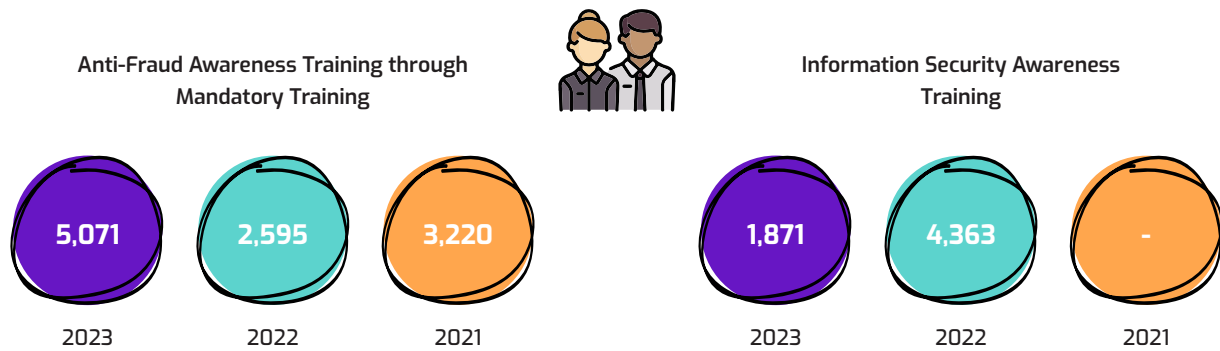
detection, investigation and monitoring. The Bank also submits an Anti-Fraud Strategy Implementation Report to the OJK every semester through the APOLO system as regulated in the POJK mentioned above. In order to build an anti-fraud culture or work culture with integrity, the Bank is consistently committed to implementing the principle of zero tolerance for fraudulent acts and perpetrators (zero tolerance to fraud) where every perpetrator of fraud at CIMB Niaga will be dealt with firmly, without exception, including criminal prosecution.

Bank upholds its anti-fraud commitment through various initiatives:

- » Developing Anti-fraud policies based on POJK No. 039/POJK.03/2019 concerning Anti-Fraud Strategies for Commercial Banks.
- » Signing of the Integrity Pact Declaration, Code of Ethics and Code of Conduct, as well as Anti-Bribery and Corruption Commitment by all members of the Board of Directors, Sharia Supervisory Board and Board of Commissioners on 22 May 2023, and published on the CIMB Niaga website.
- » Attestation of Integrity Pact, Code of Ethics and Code of Conduct, as well as Anti-Bribery and Corruption Commitment by all employees via the YODA platform.
- » 'Tonnes from The Top' commitment, reflecting the firm stance of CIMB Niaga's leadership to take strict action against any form of fraud, demonstrating Zero Tolerance to Fraud.
- » Anti-fraud awareness campaigns for through a 'speak up' culture, mandatory training, sharing sessions, e-Learning, and internal communications such as email blasts, internal bulletins, and posters.
- » Anti-fraud awareness campaigns for customers through social media (Facebook, Twitter, Instagram), WhatsApp, SMS, electronic letters, account/billing statements, and display screens on e-channels (ATM, CDM, CRM, Octo Mobile, Clicks), as well as IVR Call Center.

Based on the results of the Anti-Fraud Management (AFM) Unit's evaluation of fraud and corruption prevention, throughout 2023 there were eight fraud cases with losses exceeding Rp100 million per case committed by permanent employees. One case of fraud was reported to have ended up in the legal realm.

Anti-fraud Awareness Training for Employees (GRI 205-2; 205-3)



Anti-Bribery and Corruption Policy (GRI 205-1; 205-2) (ACGS C.4.5)

Bank's Anti-Bribery and Corruption Policy No. M.11 firmly asserts that bribery and corruption are forms of fraud. This policy applies to all employees, including the Board of Commissioners, the Sharia Supervisory Board, and members of Independent Committees. Bank conducts an assessment of bribery and corruption risks to anticipate and mitigate the potential impact of such risks proactively. The effectiveness of existing controls in reducing bribery and corruption risks is also evaluated. Each operational

unit, assisted by the Risk Control Unit (RCU) or Designated Compliance and Risk Officer (DCORO), undertakes the risk assessment process. This involves identifying risks, evaluating mitigating controls, and reviewing the bribery and corruption risk levels within their respective units annually.

Grievance Mechanism (POJK51-F.24) (GRI 2-26) (ACGS (B).C1.7)

Bank establish and implement whistleblowing system (WBS) in accordance with POJK No. 39/POJK.03/2019 concerning the Implementation of Anti-Fraud Strategies for Commercial Banks and the Whistleblowing Policy No. E.08. The WBS management is conducted in collaboration with a PT Deloitte Advis Indonesia as an independent and professional entity. This aims to provide protection and maintain the confidentiality of the whistleblower, allowing all internal and external parties to reports freely without fear or worry that their identity will be known.

Media for Submitting Violation Reports:
Communication channels managed by PT Deloitte Advis Indonesia:

- <https://idn.deloitte-halo.com/ayolapor/>
- ayolapor@tipoffs.info
- 14031
- +62 822 1135 6363
- +62 21 2856 5231
- Ayo Lapor PO BOX 3331 JKP 10033

Total Whistleblowing Reports Received and Handled (FN-CB-510a.2)

Whistleblowing System Performance	2023	2022	2021
Reports that are not submitted for investigation (preclosed)	82	88	85
Reports that have been investigated (closed)	146	52	36
Reports that are still open	35	24	12
Reports received	263	164	133
Percentage of WB reports that have been completely investigated from total complaints that are valid for investigation (as of the end of December)	83%	88%	82%

The scope of the Whistleblowing Policy covers reports regarding fraud, money laundering, and code of ethics/human resources. Every complaint report received will be reviewed and analyzed by the Whistleblowing Officer in line with the basic principle of the whistleblowing handling process. If the preliminary information in the received report is deemed invalid, then the report status will be closed. However, if the report is deemed sufficient and valid to be further investigated, then the report will be forwarded to the investigating officer.

If the report provided is irrelevant or out of the Whistleblowing System scope, the Whistleblowing Officer will forward it to the relevant party or unit for follow-up action. If additional information is deemed necessary, the Whistleblowing Officer will contact the whistleblower in a confidential manner to request the whistleblower's identity and a contact number/e-mail

address where they can be directly reached. If the whistleblower refuses to provide a contact number or e-mail address, PT Deloitte Advis Indonesia will send the whistleblower a request for additional information. Whistleblowers who provide their identity will receive updates, whether the report is deemed invalid and preclosed, under investigation, or already investigated and proven to be guilty or not proven to be guilty.

In 2023, the whistleblowing service received 263 reports, an increase of 60% compared to 2022. Comprehensive information regarding the complaint handling mechanism, whistleblowing system, as well as anti-money laundering, prevention of terrorism financing, and prevention of proliferation of weapons of mass destruction (AML, CFT, and PPM), can be found in the 2023 Annual Report.



05

Pillar Advocacy and Stakeholder Engagement

Stakeholder Engagement

[POJK51-E.4] [ACGS-C.2.1; C.2.2]

Stakeholders are defined as internal and external parties with an interest in and influence over the sustainability of CIMB Niaga and vice versa. Bank engages its stakeholders by exchanging views and gathering feedback to enhance ESG performance, ultimately impacting economic performance. Bank identifies stakeholders based on their proximity and power, allowing for mutual influence and collaboration .



Identification of Stakeholder Needs and Approach

[POJK51-E.4] [GRI 2-29] [SUSBA 1.1.1.7; 1.1.1.8; 1.1.1.9] [ACGS (B) C.1.3]

Approach Taken to Engage Stakeholders in Sustainable Finance Implementation



Customers

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Banking financial transaction security	Call center services, branch offices, phone banking, websites, and social media (Facebook, Instagram, and Twitter)	Any time	1. Enhancing data security and banking transactions
2. Product and service socialization and information			2. Receiving customer grievances/ complaints
3. Banking facilities and ease of access	Customer satisfaction surveys and internal surveys	Annually by Bank	3. Identifying customer satisfaction and required improvement aspects
4. Settlement of customer complaints in accordance with the Service Level Agreement (SLA)	External assessment of customer satisfaction	Annually by each surveyor	4. Banking finance education on banking products
	Information from website and frontliners	As needed	



Shareholders/Investors

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Financial and non-financial performance update, including sustainability issues and performance	» Performance reports » Analyst meetings	Quarterly	1. Presenting the Company's performance
2. Important activities/events, for example CSR activities	Public expose	At least once a year	2. Reporting year-end performance
3. Use of company profits	Reports to the Indonesian Stock Exchange (IDX)	As per IDX regulation	3. Implementing GMS decisions
4. Determination of salary or honorarium, bonuses, and other allowances for the Board of Commissioners, Board of Directors, and Sharia Supervisory Board	General Meeting of Shareholders (GMS)	At least once a year	
5. Appointment of public accounting firms			



Regulator

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Compliance with laws and regulations	Submission of Bank's Business Plan (RBB) and its realization to Central Bank of Indonesia (BI) and the Indonesia Financial Services Authority (OJK)	Twice a year	1. Company's plans and achievements in accordance with the laws and regulations
2. The precautionary principle in banking operations and services (conventional and sharia)	Submission of Bank's Sustainable Finance Action Plan (RAKB) to OJK	Once a year	2. Reporting the degree of compliance toward sharia principles
3. Sustainable Finance	Reporting sharia compliance to the National Sharia Board Other reports in accordance with applicable provisions to regulators	As per OJK regulations	



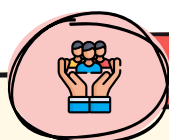
Suppliers

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Mutually beneficial relationships with suppliers	Policy dissemination and sustainability-related capacity building	At least once a year	Expanding cooperation with partners in Bank's procurement of goods and services
2. Fair and transparent procurement process for goods and services			
3. Sustainable supply chain practices			



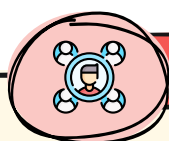
Employees

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Employee Health and Safety (OHS)	Internal media (HR Info, e-Manual, Digital Portrait Magazine)	1. Whenever there is information that needs to be conveyed to employees	1. OHS implementation
2. Employee Rights	Town Hall	2. Whenever policy changes occur	2. Socialization of employment policies and strategies
3. Equity, diversity, and career development opportunities			3. Application of human rights in employment relations
4. Recruitment process			4. Identifying employee satisfactions and expectations
5. Company performance updates	Employee Engagement Survey (EES)	Twice a year	
6. A valuable and enjoyable working experience			
7. The value and culture of Bank	Internal Customer Satisfaction (ICS)	Annually	



Local Communities

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Organizing community empowerment activities	Discussion with beneficiaries	1. Conducted during the initiation, implementation, and supervision of a program	1. Providing solutions to issues that arise
2. Measuring the impact of activities on the beneficiaries	Meetings with the Government, Foundations, or consultants as community development partners	2. Ad hoc, whenever an urgency arises that needs to be communicated	2. Conducting field visits to community program beneficiaries
3. Community, including local communities, indigenous people	Feedback on the sustainability report issued by Bank	Annually	Refinement of sustainability reports according to feedback received



Labor Unions

Topic	Engagement Method and/or Channels	Frequency of Approach	Company Response
1. Company employee management policies	Meetings and discussions	1. Any time as needed	1. Accommodating and identifying proposals and inputs from Labor Unions
2. Employee-related issues that have been conveyed to Labor Unions as employee representatives		2. In 2023, 9 meetings were held with Labor Unions to discuss good working relationships	2. Communicating in the event of an industrial relations dispute
3. Organizing Company industrial relations			3. Conducting formal and informal approaches, as well as designing a good cooperation concept between management and Labor Unions, to foster harmonious industrial relations
4. Discussion of the Collective Labor Agreement (CLA)			
5. Input from Labor Union management on management issues involving the rights and obligations of employees and the Company			

Building a Culture of Sustainability and Sustainable Finance [POJK51-F.1]

Sustainability Leadership Program [GRI 2-17, FS4]

The CIMB Sustainability Academy is designed to assist both Bank and its customers in transitioning towards a sustainable future. This academy aims to facilitate sustainability-related learning tailored to each employee's level. In 2023, the CIMB Sustainability Academy collaborated with the University of Cambridge Institute for Sustainability Leadership (CISL) to organize the CIMB-CISL Sustainability Leadership Program.

The program, held from January to May 2023, aimed to facilitate learning and support our efforts and ambitions to be a leading organization in sustainability implementation. The program was

tailored to address the specific needs of CIMB Group and targeted members of the Board of Commissioners, Board of Directors, and senior staff across CIMB Group, including CIMB Niaga. A total of 149 participants from CIMB Niaga took part in this initiative.



Sharia Sustainability Initiatives

The Syariah Business Unit (SBU) consistently raises awareness regarding sustainability implementation. Employees are actively engaged in various activities and training sessions, including the adoption of a sustainable lifestyle and work ethic. This initiative aims to enhance employee awareness regarding the Sustainable Development Goals (SDGs), with SBU actively participating in the Employee Volunteer Program. This program exemplifies CIMB Niaga Syariah's commitment to creating a positive impact on the surrounding

community. SBU also conducts donation programs where employees contribute to support communities in need.

Furthermore, SBU consistently enhances employees' knowledge of sustainability through the Sustainability News Program, delivered via email to every CIMB Niaga Syariah employee. Each week, various sustainability topics are covered, accompanied by quizzes to assess awareness and understanding of the presented content.

Sustainable Lifestyle & Work Ethic

- Conduct 3 Employee Volunteer Program & Awareness Campaign Collaborate with third party
- Held sustainability week donation program for internal staffs
- Launched weekly sustainable newsletter for internal awareness
- Sustainability Initiative Webinar about Carbon Emission & Achieving Sustainability through Social Impact
- The targeted average of Employee Volunteer Program hours for each employee is 3 hours and achievement recorded at 4.5 hours
- The targeted average hours of sustainability training for each employee is 3 hours. Achievement recorded at 3.5 hours



Webinar Events

- Carbon Emission
- Achieving Sustainability through Social Impact



Employee Awareness Program

- Nine Volume of Sustainability News
- Quiz and Reward Program
- Initiate Ideas on Sustainability
- Employee Volunteer Program
- Sustainability Dashboard
- Sharia Sustainability Week



Narasumber



Dr. Syed Marwan Mujahid bin Syed Azman
Asisten Profesor di
Universitas Islam Internasional Malaysia &
Institut Perbankan dan Keuangan Islam




Webinar Sustainability

**Banking on Sustainability:
What Can You Do?**

Perbankan Bekerlanjutan:
Apa yang bisa kita lakukan?

Rabu, 15 November 2023
16:00 – 17:30 WIB

Informasi lebih lanjut, klik di sini 

The Sustainability Webinar is one of the sustainability knowledge development activities organized by Bank. Through this webinar, CIMB Niaga Syariah employees learn about Bank's role and challenges in sustainability

implementation, considering environmental, social, and governance (ESG) aspects in decision-making and measuring the sustainability initiatives undertaken.

In building a culture of sustainability, the Bank has carried out various initiatives, including integrating sustainability principles into the Charter of the Board of Commissioners and Directors, the Code of Ethics & Code of Conduct, and the Bank's internal policies. CIMB Niaga also socializes responsibilities via email and employee activities related to sustainability aspects, as well as implementing the Sustainability and Sustainable Finance Policy by implementing SDD in the Bank's business activities.

Employee Professional Development [POJK51-E.2; F.22] [GRI 404-1; FS4] [SUSBA 14.2.2; 14.2.3]

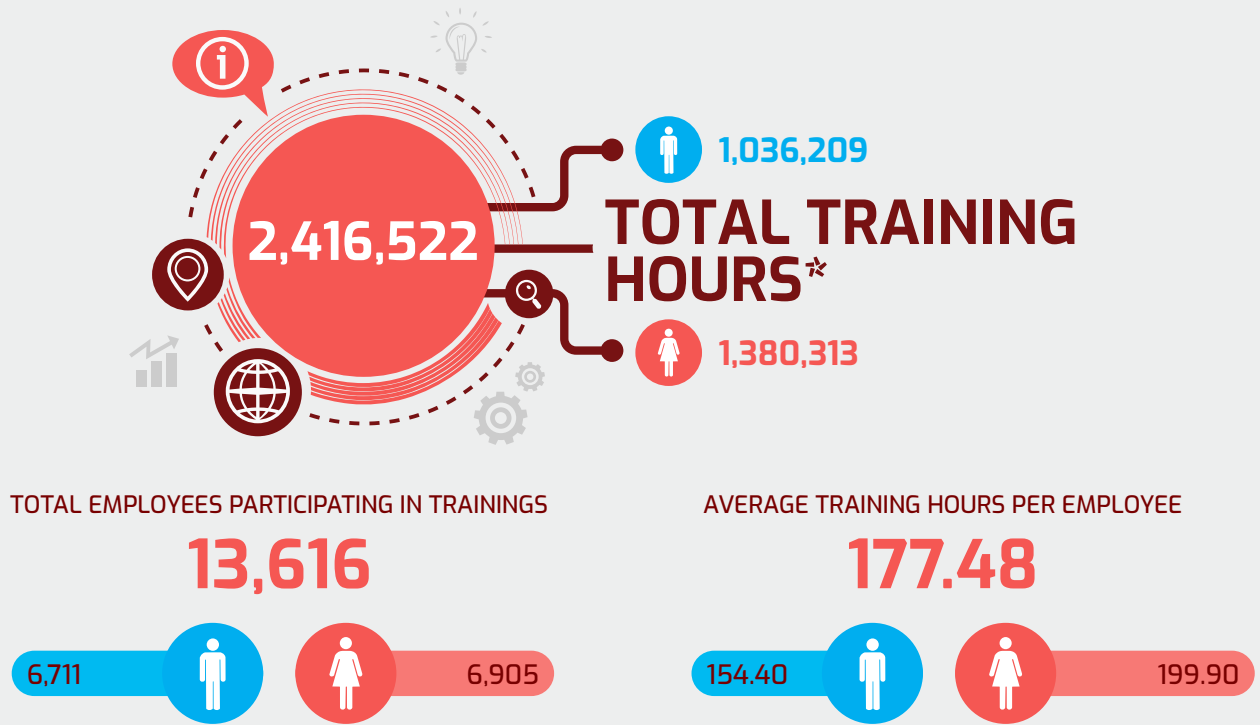
CIMB Niaga is committed to enhancing the competence and capabilities of its employees through comprehensive training initiatives. In 2023, alongside the collaboration with CISL, CIMB Niaga conducted progressive leadership training through the CIMB Signature Leadership Program and Compact Digital Leadership Program in partnership with renowned global institutions. To strengthen credit processes, sales, and service, Bank developed the Credit Academy, Sales and Wealth Academy, as well as the Service Leadership.



Innovative learning is also pursued through Virtual Reality Learning. As of 2023, Bank has developed 21 Virtual Reality (VR) learning modules and sub-modules. These materials have been actively utilized by over 20,000 participants across 6 VR Corners, 3 VR Hubs, and 325 VR devices strategically positioned in 95 cities across Indonesia.

Bank actively conducted competence development for the Board of Commissioners and Board of Directors members, employees, and officials and/or working units responsible for implementing sustainable finance, through offline, online, and e-learning training, including:

1. Cambridge Institute for Sustainability Leadership (CISL)
2. Certified Sustainability Reporting Specialist (CSRS)
3. Diversity, Equality, and Inclusion (D&I) Series 2023
4. Diversity Equality Inclusion at the work by Momenta
5. Diversity Inclusion at the workplace
6. Environmental and Social Risk Analysis (ESRA) by UNEP FI
7. From Policy to Field: Sustainability Due Diligence
8. Inclusive Leadership
9. ESG Socialization by PwC
10. Sustainability Insights Series - Building a Sustainable Future – Trends, Developments, and Strategies for Green Building Projects
11. Sustainability Reporting: IFRS S1 & S2 Update
12. Sustainability Training for Junior & Middle Level Employee
13. The Cooler Earth Sustainability Summit 2023
14. Sustainable Finance Training by OJK
15. The Role of Governance, Risk, and Compliance (GRC) in Supporting Financial Sector Performance
16. Webinar : Banking on Sustainability: What Can You Do?
17. Webinar: Innovation in Emission Sequestration, Now for the Future



*Including employees who have resigned and those who have participated in multiple learning modules

External Initiatives and Association Memberships [POJK51-C.5] [GRI 2-28]

In 2023, Bank actively participated in and became active member of 14 organizations, with total membership fee of Rp1,189 million. Additional information regarding Bank's roles and involvement in associations is provided in the Appendix of Pillar 5 Advocacy and Stakeholder Engagement.

CIMB Niaga Collaboration with The Employers' Association of Indonesia (APINDO)

CIMB Niaga's Corporate Banking celebrated its inaugural collaboration with the Indonesian Employers' Association (APINDO) during the APINDO Monthly Member's Gathering in October 2023, where CIMB Niaga introduced the theme of "Transitioning Strategy towards Sustainable Business & Economic Outlook." Mika Martumpal (Economist CIMB Niaga), Rizkiasari Yudawinata (Sustainable Finance Lead at WWF Indonesia & Focal Point, Indonesia Sustainable Finance Initiative Secretariat), and Lina (Head of Good Corporate Governance & Sustainability CIMB Niaga), shared valuable insights on sustainability policies and issues. The event also delved into discussions on the Q4 2023 & 2024 Economic Outlook, global targets related to greenhouse gas emissions and climate change, and introduction of Sustainability Linked Loans and/or Sustainable Finance.

Sustainable Finance Advocacy for Stakeholders

[GRI F55] [SUSBA 1.5.1.4]

CIMB Niaga's Contribution as Organizer and Participant in Sustainable Finance Events

Event	Organizer
The Cooler Earth Sustainability Summit 2023	CIMB Niaga
CIMB Niaga's role in supporting Energy Efficiency and Renewable Energy project financing	Directorate of Energy Conservation, Ministry of Energy and Mineral Resources, Republic of Indonesia
Transitioning Strategy Towards Sustainable Business & Economy Outlook	The Employers' Association of Indonesia (APINDO) & CIMB Niaga
Kejar Mimpi Actionation 2023 Media Gathering	CIMB Niaga
Capitalizing Sustainability Megatrend Opportunities	National Bank Association (PERBANAS)
Taxonomy Criteria for Supply Chain Activities Supporting the Energy Transition	Financial Service Authority (OJK)
Indonesian Sustainable Taxonomy (TBI) Public Consultation	Financial Service Authority (OJK)

CIMB Niaga's Role as Speaker in Sustainable Finance Events

Event	Organizer
Sustainable Finance Sharing Session	A national bank
Sustainability Finance and ESG Initiative Sharing Session	PT Penjaminan Infrastruktur Indonesia (Persero)
Sharing Session on CIMB Niaga's Sustainability Practices	A national bank
Sharing Session on the Industry's Success Story of Implementing a Net Zero Emission Strategy	Financial Service Authority (OJK)
Climate Risk Disclosure & Sustainability Initiatives	A regional development bank
Financing in Renewable Energy Sector – Opportunity and Risk Management	Indonesian Banking Development Institute (LPPI) – SESPIBANK Program

Sustainability Activities

The Cooler Earth Sustainability Summit 2023



Bank hosted The Cooler Earth (TCE) Sustainability Summit 2023 under the theme "Sustainability in Action: Opportunities for a Better Tomorrow in Indonesia," attracting over 3,900 combined virtual and onsite participants. The event aimed to bring together experts, stakeholders, and the wider community for discussions and exchanges to create a better future. The Deputy Minister of Finance of Indonesia was present as a guest speaker, and the summit was concluded by the Coordinating Minister for Maritime Affairs and Investment of the Republic of Indonesia. TCE Sustainability Summit 2023 adopted a hybrid format, coinciding in Malaysia, Indonesia, Singapore, Thailand, and Cambodia from 11 to 21 September 2023. This event demonstrates Bank's support for the government's targets in addressing climate change and reducing Greenhouse Gas (GHG) emissions.

As part of this year's initiatives, Bank partnered with Liberty Society to enlighten the public on waste conversion into value-added products. This was achieved through experiential learning activities centered around the theme "Embracing Nature and Sustainable Innovations." The educational program involved training on waste sorting and transforming organic waste, such as coffee grounds, fruit peels, and used cooking oil, into natural soap. Through this initiative, Bank has made a positive impact on participants, empowering them through the knowledge to transform waste into higher-quality products.

The program successfully recycled 2.55 kg of organic waste. At the end of this program, Bank provided participants with tokens of appreciation, including recycled paper notebooks derived from Bank's activities.

Kejar Mimpi Cerita Kita

Launched in early 2023, the YouTube travel vlog series "Kejar Mimpi Cerita Kita" undertakes a meaningful mission to raise public awareness of CIMB Niaga's dedication to sustainability, starting with small yet impactful actions. Each episode of the "Cerita Kita" series highlights different commitments by CIMB Niaga towards the realization of the Sustainable Development Goals (SDGs), with a particular focus on the empowerment towards education, the economy, and community welfare throughout Indonesia.



Kejar Mimpi Actionation

In 2023, for the second time, the Kejar Mimpi Actionation Festival, initiated by the Kejar Mimpi social movement from CIMB Niaga, returned to Pos Bloc, Jakarta. Themed "Festival Penuh Aksi untuk Kejar Mimpi" (Action-Packed Festival for Pursuing Dreams), this annual event serves as CIMB Niaga's tangible support to inspire communities to take the bold innovative steps in pursuing their dreams and making positive contributions to Indonesia.

Throughout the day, Kejar Mimpi Actionation provided a diverse array of captivating activities. These included talk shows and workshops exploring interesting themes, a display of local products from sustainability-focused MSMEs, exclusive promotions, and a musical performance by Indonesia's top bands, RAN and UCUPOP. In contrast to the previous year, this year's Kejar Mimpi Actionation seamlessly integrated with the CIMB Niaga Career Fair, offering the community a chance to consult and explore various career prospects within CIMB Niaga.

Sustainability Media Gathering



The launch of the Sustainability Media Gathering program aims to spotlight CIMB Niaga's endeavors in shaping sustainable actions for a brighter future. In this program, CIMB Niaga is committed to providing a unique experience for media partners through a fashion show featuring local MSMEs affiliated with CIMB Niaga, known for their high environmental awareness. The event welcomed 50 local media representatives and influencers with a focus on sustainability.

Response to Feedback (POJK51-G.2: G3)



We extend our sincere appreciation to stakeholders who shared their feedback through the Feedback Form on the 2022 Sustainability Report. The insights and suggestions we received primarily centered on enhancing information related to our endeavors in reducing Greenhouse Gas (GHG) emissions and financing in the Sustainable Business Activity Category (KKUB). In response to this valuable feedback, Bank has enhanced details on financing sectors with high ESG risks and reaffirmed its commitment to reaching net-zero GHG emissions targets.

We welcome your feedback and suggestions,
which can be conveyed through:

Sustainability Work Unit

E-mail: sustainability@cimbniaga.co.id

Feedback Form: [https://investor.cimbniaga.co.id/
sr_feedback_form.html](https://investor.cimbniaga.co.id/sr_feedback_form.html)



Appendix, References & Index

Appendix

Organization Scale [POJK51-C.3]

Categories	Units	2023	2022	2021
Total Employees	People	11,116	10,936	11,194
Net Profit	Rp millions	6,551,401	5,096,771	4,098,604
Operating Income	Rp millions	18,785,520	18,865,721	17,567,517
Total Loans	Rp millions	213,369,870	196,611,014	181,613,420
Total Third-Party Funds	Rp millions	235,861,670	227,188,557	241,348,510
Total Capitalization				
Equity	Rp millions	49,337,371	45,276,263	43,388,358
Payables/Liabilities	Rp millions	285,031,862	261,478,036	267,398,602
Total Assets	Rp millions	334,369,233	306,754,299	310,786,960
Branch Networks	Office	412	417	427
Number of Products and Services	Product/Service	175	195	194



Pillar 1: Sustainable Action

Employees Based on Employment Status [POJK51-C.3] [GRI 2-7; 2-8]

Status	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Permanent Employees	4,811	5,181	4,700	5,119	4,735	5,231
Contract Employees	660	464	679	438	742	486
Total	5,471	5,645	5,379	5,557	5,477	5,717
	11,116		10,936		11,194	

Notes: Bank does not have any employees categorized as casual workers

Employees by Region [GRI 2-7]

Region	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Jakarta Region	3,516	3,056	3,542	3,186	3,544	3,241
Sumatera Region	473	563	455	540	482	566
West Java Region	363	515	272	329	293	362
Central Java and DIY Region	325	510	323	500	354	536
East Java, Bali, and Nusa Tenggara	544	732	550	733	569	741
East Indonesia Region	250	269	237	269	235	271
Total	5,471	5,645	5,379	5,557	5,477	5,717
	11,116		10,936		11,194	

Notes: Bank does not have any employees categorized as casual workers

Management by Gender and Position Level [GRI 2-7; 405-1]

Position Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Senior Management	166	89	156	82	145	68
Middle Management	896	634	878	628	828	575
Junior Management	3,524	3,982	3,416	3,835	3,438	3,828
Non-Management	885	940	929	1,012	1,066	1,246
Total	5,471	5,645	5,379	5,557	5,477	5,717
	11,116		10,936		11,194	

Employees by Working Unit

Working Unit	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Business Unit	3,645	4,546	3,663	4,581	3,707	4,738
Business Enabler	1,826	1,099	1,716	976	1,769	980
Total	5,471	5,645	5,379	5,557	5,476	5,718
	11,116		10,936		11,194	

Employees by Age Group (GRI 2-7)

Age	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
< 25 years	230	295	218	342	257	470
> 25–30 years	1,096	1,424	1,095	1,407	1,169	1,510
> 30–35 years	1,249	1,263	1,214	1,222	1,240	1,238
> 35–40 years	1,101	1,070	1,155	1,080	1,202	1,077
> 40 years	1,795	1,593	1,697	1,506	1,609	1,422
Total	11,116		10,936		11,194	

Employees Based on Education Level (GRI 2-7)

Education Level	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Up to High School	185	75	236	87	302	129
Diploma 1	3	24	11	15	13	19
Diploma 2	1	0	1	0	1	2
Diploma 3	512	689	515	708	507	776
Diploma 4	21	27	2	25	3	10
Bachelor's degree	4,315	4,496	4,172	4,406	4,194	4,480
Master's degree	429	332	436	314	450	300
Doctoral degree	5	2	6	2	7	1
Total	11,116		10,936		11,194	

Management and Employees by Citizenship of 2023 (GRI 2-7: 405-1)

Position Level	Indonesian	Non-Indonesian	Total
Board of Commissioners	6	1	7
Board of Directors	9	1	10
Senior Management	254	1	255
Middle Management	1,529	1	1,530
Junior Management	7,506	0	7,506
Non-Management	1,825	0	1,825
Total	11,129	4	11,133

Employees Based on Nationality

Nationality	2023	2022	2021
Asian	11,116	10,936	11,194
American Indian or Alaska Native	0	0	0
Black or African American	0	0	0
Native Hawaiian or Other Pacific Islander	0	0	0
White	0	0	0
Hispanic or Latino	0	0	0
Total	11,116	10,936	11,194

New Employees Placement Location by Region (GRI 401-1)

Region	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Jakarta Region	325	257	598	470	296	194
Sumatera Region	129	90	91	85	40	34
West Java Region	302	234	46	31	28	21
Central Java and DIY Region	44	55	33	29	19	28
East Java, Bali, and Nusa Tenggara	70	76	85	76	32	41
East Indonesia Region	61	51	58	53	17	27
Total	931	763	911	744	432	345
	1,694		1,655		777	

New Employees by Age Group (GRI 401-1)

Age Group/Year	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
< 31 years	504	501	533	476	270	248
31-40 years	386	225	334	242	153	84
41-50 years	39	36	43	25	9	12
> 50 years	2	1	1	1	-	1
Total	931	763	911	744	432	345
	1,694		1,655		777	

Employee Turnover by Region (GRI 401-1)

Region	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Jabodetabek Region	492	381	610	541	471	468
Sumatera Region	110	70	116	109	85	101
West Java Region	56	52	72	60	46	59
Central Java and DIY Region	49	48	56	58	58	72
East Java, Bali, and Nusa Tenggara Region	76	79	97	85	85	108
East Indonesia Region	46	51	56	53	37	56
Total	829	681	1,007	906	782	864
	1,510		1,913		1,646	

Number and Reason for Employees Leaving (GRI 401-1)

Reasons	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Normal Retirement	83	71	64	50	51	48
Early Retirement for Health Reasons	17	21	20	33	14	40
Resigned	455	437	656	608	524	566
Passed Away	6	4	6	1	25	11
Others	268	148	261	214	168	199
Total	829	681	1,007	906	782	864
	1,510		1,913		1,646	

Employees Leaving by Age Group (GRI 401-1)

Age	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
< 25 years	23	46	64	86	45	124
> 25–30 years	219	209	329	356	254	335
> 30–35 years	234	166	289	225	186	160
> 35–40 years	168	125	159	117	131	99
> 40 years	185	135	166	122	166	146
Total	829	681	1,007	906	782	864
	1,510		1,913		1,646	

New Employees Based on Entry Path (GRI 401-1)

Entry Path	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total through Staff Development Programs (PPS)	118	170	288	110	102	212	44	92	136
Total Marketers & Frontliners	337	292	629	359	324	683	105	112	217
Others	476	301	777	442	318	760	283	141	424
Total	931	763	1,694	911	744	1,655	432	345	777

Employee Turnover Rate (GRI 401-1)

Employee Turnover	2023	2022	2021
Employees Joining	1,694	1,655	777
Employees Leaving	1,510	1,913	1,646
Total Employees at the End of the Year	11,116	10,936	11,194
Voluntary Employee Attrition Ratio or Employee Voluntary Turnover	8.2%	11.6%	9.4%

Employee Performance Appraisal - Number of Employees Receiving Promotions (GRI 404-3)

Assessment Results	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Promotion	605	597	727	883	582	811
Total	1,202		1,610		1,393	
Percentage	11%		15%		12%	

Scope 3 GHG Emissions in Financing Portfolio Based on Sector - 2022

Sector	Scope 1 +2			Scope 3 (for Oil & Gas sector)		
	Emissions (thousands tCO ₂ e)	Intensity (tCO ₂ e/IDR bio)	Data Quality Score	Emissions (thousands tCO ₂ e)	Intensity (tCO ₂ e/IDR bio)	Data Quality Score
Agriculture	954.57	33.59	3.99	-	-	-
Cement	734.83	302.86	2.55	-	-	-
Coal	76.60	32.84	2.40	-	-	-
Iron & Steel	180.28	40.90	4.17	-	-	-
Aluminum	16.72	32.45	5.00	-	-	-
Oil and Gas	34.30	21.25	2.59	189.03	117.10	2.94
Utilities and Power Generation	670.87	132.88	2.24	-	-	-
Real Estate	158.02	2.64	4.27	-	-	-
Transportation	163.21	9.07	3.07	-	-	-

Scope 3 GHG Emissions in Financing Portfolio Based on Asset Class - 2022

PCAF Asset Classes	Scope 1 +2			Scope 3 (for Oil & Gas sector)		
	Emissions (thousands tCO ₂ e)	Intensity (tCO ₂ e/IDR bio)	Data Quality Score	Emissions (thousands tCO ₂ e)	Intensity (tCO ₂ e/IDR bio)	Data Quality Score
Listed Equity & Corporate Bonds	102.33	117.34	2.51	13.52	173.67	1.00
Business Loans and Unlisted Equity	2,676.61	36.81	3.95	175.51	114.24	3.04
Commercial Real Estate	30.87	16.80	4.01	-	-	-
Mortgages	90.71	2.39	4.00	-	-	-
Motor Vehicle Loans	88.87	9.65	2.59	-	-	-
Total	2,989.40	24.37	3.85	189.03	117.10	2.94



Pillar 2: Sustainable Business

Lending Based on Economic Sector (Rp millions) (GRI F56) (SUSBA 1.6.2.1) (FN-CB-410a.1)

Sectors	2023	2022	2021	Growth (%)	
				2023-2022	2022-2021
Housing	38,889,564	38,308,224	36,091,662	1.52	6.14
Industry	38,365,381	37,941,652	32,359,596	1.12	17.25
Trading, Restaurants, Hotels, and Administration	32,836,895	30,872,171	29,824,918	6.36	3.51
Business Services	24,252,082	17,186,361	15,853,506	41.11	8.41
Consumption	34,076,602	30,400,259	22,907,903	12.09	32.71
Agriculture	11,980,044	11,185,251	12,950,314	7.11	(13.63)
Others	32,969,302	30,717,096	31,625,521	7.33	(2.87)
Total	213,369,870	196,611,014	181,613,420	8.52	8.26

Lending Based on Geographical Location (Rp millions) (GRI F56)

Region	2023	%	2022	%	2021	%
Jakarta	153,322,585	73	140,799,448	72	134,227,223	74
Sumatera	14,588,662	7	13,062,339	7	11,590,203	6
East Java	13,556,931	6	12,439,098	6	8,993,574	5
Central Java	7,237,093	3	8,236,355	4	9,016,245	5
West Java	10,417,192	5	9,423,219	5	8,699,111	5
East Indonesia	6,794,087	3	6,731,731	3	4,631,506	3
Others	7,453,320	3	5,918,824	3	4,455,558	2
Total	213,369,870	100	196,611,014	100	181,613,420	100

Gross NPL Ratio per Segment (%) (FN-CB-240a.2)

Description	2023	2022	2021
Consumer Banking	1.7	2.0	2.1
Emerging Business Banking (EBB)	4.6	5.2	4.1
Commercial Banking	4.1	7.7	7.2
Corporate Banking	0.5	0.7	2.6
Total	2.0	2.8	3.5

Comparison of Production and Performance Targets, Portfolios, Financing or Investment Targets, Income, and Profit and Loss in 2023 [POJK51-F.2]

Description	2023 Target	2023 Realization
Operational and Financial Projections		
Net Interest Margin (NIM)	4.4%-4.8%	4.4%
Fee Income Ratio (FIR)	25.0%-29.0%	28.9%
Cost to Income Ratio (CIR)	43.0%-46.0%	44.8%
ROA	1.6%-1.9%	2.6%
ROE (Tier 1)	12.0%-14.0%	15.0%
Credit Growth	6.0%-8.0%	8.5%
Asset Quality (NPL)	2.7%-3.3%	1.96%
LLC	230.0%-250.0%	292.1%
LDR	85.0%-89.0%	89.3%
Growth in Customer Deposits	4.0%-7.0%	3.8%
CASA Ratio	63.0%-68.0%	63.9%
CAR	21.0%-23.0%	24.0%

Number of Customer in Current Accounts, Savings, and Deposit Accounts (Individuals and MSMEs) 2021-2023 [FN-CB-000.A]

Description	2023		2022		2021	
	Individual	MSME	Individual	MSME	Individual	MSME
Current Account	28,412	6,437	27,131	6,308	27,223	5,556
Savings	3,667,644	3,011	3,151,004	2,919	3,085,137	11,751
Deposit	77,151	394	70,815	378	74,117	509

Total Value of Current Accounts, Savings, and Deposit Accounts (Individuals and MSMEs) 2021-2023 (Rp millions) [FN-CB-000.A]

Description	2023		2022		2021	
	Individual	MSME	Individual	MSME	Individual	MSME
Current Account	1,675,613	1,572,208	1,934,443	1,141,359	1,861,470	919,099
Savings	73,359,072	775,661	67,707,136	858,580	66,881,527	956,395
Deposit	44,132,380	872,412	37,113,109	944,413	36,746,161	730,261

Comparison of Realized Economic Performance

Description	Unit	2023	2022	2021
Total Assets		334,369,233	306,754,299	310,786,960
Productive Assets		298,596,808	266,840,098	259,297,573
Bank Financing	Rp millions	213,369,870	196,611,014	181,613,420
Third-party Funds		235,861,670	227,188,557	241,348,510
Operating Income		18,785,520	18,865,721	17,567,517
Operating Expenses		8,604,706	8,722,538	8,324,007
Net Profit		6,551,401	5,096,771	4,098,604
Performance Ratios				
Minimum Capital Adequacy Ratio (MCAR)	%	24.02	22.19	22.68
Non-productive Problematic Earning Assets and Non-productive Assets to Total Earning Assets and Non-productive Assets	%	1.17	1.68	1.90
Non-Performing Earning Assets to Total Earning Assets	%	1.14	1.62	1.90
Allowance for Impairment for Financial Assets Against Earning Assets	%	4.14	5.11	5.20
NPL Gross	%	1.96	2.80	3.46
NPL Nett	%	0.71	0.75	1.17
Return on Assets (ROA)	%	2.59	2.16	1.82
Return on Equity (ROE)	%	15.02	12.59	10.44
Net Interest Margin (NIM)	%	4.40	4.69	4.86
Efficiency Ratio (BOPO)	%	71.47	74.10	78.97
Loan to Deposit Ratio (LDR)	%	89.30	85.63	74.35
Liquidity Coverage Ratio (LCR)	%			
a. Individual LCR		252.67	231.41	268.34
b. Consolidated LCR		249.58	230.92	263.99

Note: The explanation regarding the economic performance achievement for the implementation of sustainable finance can be found in the Sustainable Business Activities Category (KKUB) Financing section in this report

Economic Value Distribution to Stakeholders (Rp millions) (GRI 201-1)

Description	Reporting Period		
	2023	2022	2021
Direct Economic Value Received			
Interest and sharia income	22,306,000	19,114,194	18,862,951
Other operating income	3,154,830	2,413,405	2,266,284
Total economic value received	25,460,830	21,527,599	21,129,235
Economic Value Distributed			
Interest and sharia expenses	8,953,617	5,638,056	5,774,091
Other operating expenses (employment and general & administrative expenses)	9,003,351	8,150,448	7,995,492
Payments to shareholders (dividend payments)	2,871,842	2,345,686	1,098,577
Payments to the government (taxes, levies, and others)	1,805,871	1,482,561	1,092,494
Total Economic Value Distributed	22,634,681	17,616,751	15,960,654
Economic Value Withheld			
Economic Value Retained	2,826,149	3,910,848	5,168,581

Handling of Finance-Related Customer Complaints in 2023

Type of Financial Transaction	Completed		In Progress		Total Complaints
	Total	%	Total	%	
Bancassurance	-	0.00%	-	0.00%	-
Deposit	8	100.00%	-	0.00%	8
Direct Debit	93	100.00%	-	0.00%	93
Electronic Banking	29,119	99.95%	15	0.05%	29,134
ATM/Debit Card/ATM Machine	12,924	99.59%	53	0.41%	12,977
Credit Card	7,825	93.10%	580	6.90%	8,405
Remittance	-	0.00%	-	0.00%	-
Unsecured Credit	137	99.28%	1	0.72%	138
Motor Vehicle Financing	1	100.00%	-	0.00%	1
Working Capital Financing	-	0.00%	-	0.00%	-
Home/Apartment Ownership Financing	38	97.44%	1	2.56%	39
Other Fundraising	1,148	100.00%	-	0.00%	1,148
Other Fund	2	100.00%	-	0.00%	2
Mutual Fund	212	100.00%	-	0.00%	212
Savings	942	93.73%	63	6.27%	1,005
Wealth Management	39	100.00%	-	0.00%	39
Trade Finance/Letter of Credit	-	0.00%	-	0.00%	-
Total	52,488	98.66%	713	1.34%	53,201



Pillar 4: Governance and Risk

Duties and Responsibilities Related to Sustainability of Audit Committee and Nomination and Remuneration Committee

No	Charter Name	Description of Duties and Responsibilities
1.	Audit Committee	Audit Committee assists Board of Commissioners in reviewing and clarifying financial information, the selection, appointment, and supervision of the independent auditors, evaluating the effectiveness of the internal audit function and internal control mechanism. The Audit Committee also supervises CIMB Niaga's compliance with prevailing laws and regulations as well as the implementation of sustainability in the Bank
2.	Nomination and Remuneration Committee	<p>In the nomination function: Responsible to provide recommendations for prospective members who meet the requirements as members of the Board of Commissioners, Sharia Supervisory Board and Board of Directors to the Board of Commissioners, to be submitted for the General Meeting of the Shareholders' approval. Consideration made by the committee in providing recommendations include identifying candidates for their awareness of the sustainability principles and considering the result of candidate's Sustainability Due Diligence (if any).</p> <p>In the remuneration function: Responsible to compile all the structure, policies, and amount of remuneration for the Board of Commissioners, Sharia Supervisory Board, and Board of Directors to be submitted to the GMS, as well as providing evaluation results and recommendations to the Board of Commissioners regarding the remuneration policy for Executive Officers and employees, as well as the Committee of the Board of Commissioners. One of the considered factors in running the remuneration function is the performance target of the Bank or Board of Commissioners, Board of Directors, and Committee of the Board of Commissioners individual performance, including sustainability related performance.</p>

Number of Fraud Training Participants by Bank Operational Region (GRI 2-24; 205-2)

Region	2023			2022			2021		
	Management	Employees	Business Partners	Management	Employees	Business Partners	Management	Employees	Business Partners
Jakarta Region	0	1,455	0	0	1,526	0	0	1,093	13
Sumatera Region	0	664	0	0	42	0	0	119	1
West Java Region	0	365	0	0	-	0	0	65	3
Central Java and DIY Region	0	635	0	0	53	0	0	86	3
East Java Region	0	849	0	0	261	0	0	47	1
East Indonesia Region	0	363	0	0	42	0	0	60	1
Training in modules held by HR	0	2,611	0	0	671	0	0	1,750	0
Total		6,942			2,595			3,242	

Note: Management includes the Board of Commissioners and Board of Directors

Fraud Case Settlement (GRI 205-3) (FN-CB-510.a.1)

Internal Fraud Case	Number of Cases		
	2023	2022	2021
Completed	7	3	3
In Internal Settlement Process at the Bank	0	0	2
Not Yet Resolved	0	0	0
Followed Up Through Legal Process	1	1	0
Total Fraud	8	4	5

Information in the table shows cases with nominal irregularities >Rp 100 million



Pillar 5: Advocacy and Stakeholder Engagement

Total Training Participants by Position Level and Gender* (GRI 404-1)

Description	2023		2022		2021	
	Male	Female	Male	Female	Male	Female
Senior Management	3,648	2,216	3,100	1,759	2,286	1,207
Middle Management	21,200	16,609	21,058	16,350	12,567	9,350
Junior Management	111,490	135,989	102,739	131,540	62,863	68,486
Non Management	30,202	28,800	26,127	35,565	17,222	20,306
Total	166,540	183,614	153,024	185,214	94,938	99,349

*Including employees who have resigned and who participated in the learning modules

Number of Training Hours by Position Level in 2023* (GRI 404-1)

Position Level	Total Training Hours	Number of Individuals	Average Hours of Training
Senior Management	21,973	272	80.78
Middle Management	114,071	1,680	67.90
Junior Management	1,965,312	9,374	209.66
Non-Management	315,165	2,290	137.63

* Including employees who have resigned

Number of Training Hours by Type of Training* [GRI 404-1]

Type of Training	2023	2022	2021
Managerial, Leadership & Soft Skills	124,867	97,823.94	69,801.75
Development Program & TCB	1,452,312	1,062,232.00	378,302.00
Risk, Corporate Assurance & Compliance	233,062	176,542.00	138,201.00
3D (Include IT Upskill & Reskills)	53,691	185,595.00	122,738.50
Sales	84,531	101,799.38	94,044.90
Service	102,201	102,380.00	107,662.30
Treasury, Finance & Tax	5,769	5,206.02	8,548.50
Credit	26,996	36,452.00	19,649.50
Operations & IT	65,246	249,805.99	68,142.50
Syariah	44,521	60,322.90	24,876.56
Transaction Banking	2,369	1,685.90	1,320.00
Culture	15,422	57,783.15	25,665.55
Purnabakti	896	1,544.00	2,316.00
Sustainability Finance	51,288	11,223.50	28,754.50
Team Building	18,352	19,978.00	920.00
Others	-	-	867.00
Total	2,416,522	2,170,373.78	1,091,809.56

*Including employees who have resigned and who participated in the learning modules

Number of Participants by Type of Training* [GRI 404-1]

Type of Training	2023	2022	2021
Managerial, Leadership & Soft Skills	37,878	35,409	18,248
Development Program & TCB	2,531	1,456	600
Risk, Corporate Assurance & Compliance	98,855	51,752	45,749
3D (Include IT Upskill & Reskills)	25,347	70,375	21,402
Sales	22,492	25,081	20,937
Service	35,138	39,350	26,771
Treasury, Finance & Tax	1,031	1,391	2,411
Credit	3,214	7,082	3,195
Operations & IT	24,747	53,969	26,664
Syariah	13,403	10,896	5,154
Transaction Banking	332	495	169
Culture	52,853	27,131	8,388
Purnabakti	28	55	102
Sustainability Finance	23,129	4,254	13,708
Team Building	9,176	9,542	460
Others	-	-	329
Total	350,154	338,238	194,287

*Includes employees who have resigned and who participated in the learning modules

Employee Competency Development Costs (Rp millions)

Type of Development	2023	2022	2021
Education Implementation	83,806	71,713	77,878
Domestic External Seminars & Courses	2,004	2,000	2,001
Overseas Internal Seminars & Courses	1,008	-	-
Corporate Culture	3,951	3,483	4,336
Training Center	12,654	12,651	19,919
Operational Training	75,451	62,583	42,455
Total	178,875	152,430	146,589

External Initiatives and Membership Associations (GRI 2-28; FS10) [SUSBA 11.2.1; 11.2.2]

No	Organization Name	Scope	Position/Involvement
1	ACI Financial Markets Association (ACI FMA)	International	Member
2	Indonesian Public Listed Companies Association (AEI)	National	Member
3	Indonesian Payment System Association (ASPI)	National	Member
4	Banking Compliance Director Communications Forum (FKDKP)	National	Director of Compliance, Corporate Affairs and Legal as Chairman
5	Indonesian Corporate Secretary Association (ICSA)	National	Director of Compliance, Corporate Affairs and Legal as Member
6	Indonesia Foreign Exchange Market Committee (I-FEMC)	National	Treasury & Capital Market Director as Management
7	Indonesia Sustainable Finance Initiative (IKBI)	National	Member
8	Alternative Agencies for Dispute Resolution (LAPS-SJK)	National	Director of Compliance, Corporate Affairs and Legal as Head of Supervisory Board
9	National Private Bank Association (PERBANAS)	National	Bank as member and several Directors as Management
10	Indonesian Bankers Association (IBI)	National	Member
11	Indonesian Chamber of Commerce and Industry (KADIN)	National	Member
12	Banking Operations Directors Communication Forum (FKDOP)	National	Operational & Technology Director as General Treasurer
13	Indonesian Employers Association (APINDO)	National	Member
14	Indonesian Credit Card Association (AKKI)	National	Member

POJK No. 51/POJK.03/2017 (SEOJK No. 16/SEOJK.04/2021), GRI Standards Content Index, Sustainability Accounting Standard Board (SASB), dan Sustainable Banking Assessment (SUSBA)

POJK No. 51/POJK.03/2017 (SEOJK No. 16/SEOJK.04/2021)

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GRI Standard Content Index

Statement of use	PT CIMB Niaga Tbk has reported the information cited in this GRI content index for the period January 1 to December 31, 2023 with reference to the GRI Standards.						
GRI 1 used	GRI 1: Foundation 2021						
GRI Standard	Disclosure	Page	Omission			No. GRI Sector Standard	
			Requirement(s) omitted	Reason	Explanation		
GRI 1: Foundation 2021							
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	2-1	Organizational details	4				
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	2-3	Reporting period, frequency and contact point	4, 35				
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	2-6	Activities, value chain and other business relationships	4-5, 10-11, 64				
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	2-8	Workers who are not employees	122				
	2-9	Governance structure and composition	92-94				
	2-10	Nomination and selection of the highest governance body	94				
	2-11	Chair of the highest governance body	93				
	2-12	Role of the highest governance body in overseeing the management of impacts	93-95				
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts	93-95				
	2-14	Role of the highest governance body in sustainability reporting	93-94				
	2-15	Conflicts of interest	94				
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	2-21	Annual total compensation ratio	50				
	2-22	Statement on sustainable development strategy	16-19				
	2-23	Policy commitments	101-102				
	2-24	Embedding policy commitments	101-102; 132				
	2-25	Processes to remediate negative impacts	78				
	2-26	Mechanisms for seeking advice and raising concerns	107				

GRI Standard	Disclosure	Page	Omission			No. GRI Sector Standard
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-27	Compliance with laws and regulations	66			
	2-28	Membership associations	116, 135			
	2-29	Approach to stakeholder engagement	110-112			
	2-30	Collective bargaining agreements	52-53			
GRI 3: Material Topic 2021	3-1	Process to determine material topics	36			
	3-2	List of material topics	36			
	3-3	Management of material topics	37-48			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	131			
	201-2	Financial implications and other risks and opportunities due to climate change	28-34, 97-101			
	201-3	Defined benefit plan obligations and other retirement plans	54-55			
	201-4	Financial assistance from government	35			
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	85			
	203-2	Significant indirect economic impacts	71			
GRI 205: Anticorruption 2016	205-1	Operations assessed for risks related to corruption	106-107			
	205-2	Communication and training about anti-corruption policies and procedures	106-107, 132			
	205-3	Confirmed incidents of corruption and actions taken	106-107, 133			
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	66			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	61			
	302-2	Energy consumption outside the organization	61			
	302-3	Energy intensity	61			
	302-4	Reduction of energy consumption	61			
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	62			
	303-5	Water consumption	62			
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed by, or adjacent to, protected areas or not, but that are high in biodiversity value	97-99			
	304-2	Significant impacts of activities, products and services on biodiversity	97-99			
	304-4	IUCN Red List species and national conservation list species with affected by operations	97-99			

GRI Standard	Disclosure	Page	Omission			No. GRI Sector Standard
			Requirement(s) omitted	Reason	Explanation	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	58-60			
	305-2	Energy indirect (Scope 2) GHG emissions	58-60			
	305-3	Other indirect (Scope 3) GHG emissions	58-60			
	305-4	GHG emissions intensity	58-60			
	305-5	Reduction of GHG emissions	15, 58-60			
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	58-60			
	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	62		
306-3		Waste generated	62			
306-4		Waste diverted from disposal	62			
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers using environmental criteria	64			
	308-2	Negative environmental impacts in the supply chain and actions taken	64			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	125-127			
	401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	54-55			
	401-3	Parental leave	52-53			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	56-57			
	403-2	Hazard identification, risk assessment, and incident investigation	56-58			
	403-3	Occupational health services	56-59			
	403-4	Worker participation, consultation, and communication on occupational health and safety	56-60			
	403-5	Worker training on occupational health and safety	56-61			
	403-6	Promotion of worker health	56-62			
	403-7	Prevention and mitigation of occupational health and safety impacts linked by business relationships	56-63			
	403-8	Workers covered by an occupational health and safety management system	56-64			
	403-9	Work-related injuries	56-65			
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GRI Standard	Disclosure	Page	Omission			No. GRI Sector Standard
			Requirement(s) omitted	Reason	Explanation	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	115-116, 133-134			
	404-2	Programs for upgrading employee skills and transition assistance programs	54-55			
	404-3	Percentage of employees receiving regular performance and career development reviews	52-53, 127			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	123-124			
	405-2	Ratio of basic salary and remuneration of women to men	50			
GRI 410: Security Practices 201	410-1	Human rights policy or procedure training for security officers	52-53			
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	80-90			
GRI 414: Supplier Social Assessment 2016	414-1	Social criteria for new supplier screening	64			
	414-2	Negative social impacts in the supply chain and actions taken	64			
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service	66			
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	66			
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	66			
	417-2	Incidents of non-compliance concerning product and service information and labeling	66			
	417-3	Incidents of non-compliance concerning marketing communications	66			
GRI 418: Customer Privacy 2016	418-1	Customer complaints related to customer privacy and loss of customer data	66			

GRI G4 Financial Service Sector Supplement

GRI G4 Financial Service Sector Supplement	Disclosure	Page Number
FS1	Policies with specific environmental and social components applied to business lines	101-102
FS2	Procedures for assessing and screening environmental and social risks in business lines	103
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	103
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	113, 115-116
FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities	117
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector	5, 128
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	68
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	74, 77
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	72
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	103, 135
FS11	Percentage of assets subject to positive and negative environmental or social screening	73
FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	103
FS13	Access points in low-populated or economically disadvantaged areas by type	10-11
FS14	Initiatives to improve access to financial services for disadvantaged people	68
FS15	Policies for the fair design and sale of financial products and services	66
FS16	Initiatives to enhance financial literacy by type of beneficiary	82-84

Sustainability Accounting Standard Board (SASB) – Financial Sector

Code	Disclosure	Page Number
FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	129
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal and (b) small business	5
Data Security		
FN-CB-230.a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	66
FN-CB-230.a.2	Description of approach to identifying and addressing data security risks	66
Financial Inclusion & Capacity Building		
FN-CB-240.a.1	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	13
FN-CB-240.a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	5
FN-CB-240.a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	82-84
FN-CB-240.a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	82-84

Code	Disclosure	Page Number
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis		
FN-CB-410.a.1	Commercial and industrial credit exposure, by industry	128
FN-CB-410.a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	75-77
Business Ethics		
FN-CB-510.a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	66, 106, 133
FN-CB-510.a.2	Description of whistleblower policies and procedures	108
Systemic Risk Management		
FN-CB-550.a.1	Global Systemically Important Bank (G-SIB) score, by category	35
FN-CB-550.a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis into capital adequacy planning, long-term corporate strategy, and other business activities	29-34, 75-77

Sustainable Banking Assessment (SUSBA)

	Disclosure	Page Number
1) Purpose - Sustainability Strategy and Stakeholder Engagement		
1.1.1	Is there a clear reference to sustainability in the bank's strategy and long-term vision?	6, 95
1.1.2	Does the bank clearly recognise that its ESG footprint extends to its business activities and portfolio?	75-77
1.1.3	Does the leadership statement make reference to the integration of ESG factors in the bank's business strategy?	16-19
1.1.4	Is there a clear reference to sustainable development goals (SDGs) in the bank's strategy or vision?	24-29
1.1.5	Does the bank explicitly acknowledge the societal and economic risks associated with climate change?	97-101
1.1.6	Does the bank explicitly acknowledge the societal and economic risks associated with environmental degradation?	97-99
1.1.7	Does the bank disclose the types of stakeholders it engages with on ESG issues?	110-112
1.1.8	Does the bank engage with civil society and/or non-governmental organisations to understand the ESG impacts of its business activities?	110-112
1.1.9	Does the bank disclose the frequency and mode of communication with stakeholders?	110-112
1.1.10	Has the bank identified responsible financing/lending and/or other key E&S issues as material	97-99
2) Purpose - Participation in Sustainable Finance Initiatives		
1.1.2.1	Does the bank participate in relevant commitment-based sustainable finance initiatives such as RSPO, PRB, EP, SBTi, or SBEFP?	100-101, 135
1.1.2.2	Does the bank engage with regulators and policy makers on ESG integration and/or sustainable finance topics?	93-94, 135
3) Policies - Public Statements on Specific ESG Issues		
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1.2.1.2	Does the bank require clients highly exposed to climate-related risks to develop a mitigation plan and ultimately align their activities to the objectives of the Paris Agreement?	103
1.2.1.3	Does the bank prohibit the financing of new coal-fired power plant projects?	77
1.2.1.4	Does the bank acknowledge biodiversity loss and/or deforestation risks in its clients' activities?	77, 97-99
1.2.1.5	Does the bank require clients in sectors highly exposed to deforestation (e.g. soft commodities, infrastructure, extractives industry) to adopt "no deforestation" commitments?	77
1.2.1.6	Does the bank recognise negative impacts on the marine environment as risks in client's activities?	97-99
1.2.1.7	Does the bank have a commitment not to provide financial products and services to projects or companies located in, or having negative impacts on, UNESCO World Heritage Sites?	97-99, 103

	Disclosure	Page Number
1.2.1.8	Does the bank recognize water risks (flooding, scarcity, and pollution) as risks in its clients' activities?	97-101
1.2.1.10	Does the bank recognize human rights risks, including those related to local communities, in its clients' activities?	64, 97-99, 103
1.2.1.11	Does the bank require clients to commit to respecting human rights, in line with the UN Guiding Principles on Business and Human Rights?	64, 97-99
1.2.1.12	Does the bank recognize labour rights violations as a risk across all sectors?	97-104
1.2.1.13	Does the bank require clients to adhere to international labour standards as outlined by the ILO Fundamental Conventions?	101-104
1.2.1.14	Are the bank's E&S requirements applicable to financial products and services beyond lending (i.e. capital markets, advisory)?	101-104
4) Policies - Public Statement on Specific Sectors		
1.2.2.1	Does the bank have sector policies or sector-specific requirements for environmentally or socially sensitive industries, e.g. agri commodities, energy, oil & gas, mining, seafood, infrastructure?	101-104
1.2.2.2	Does the bank disclose its requirements/policies for environmentally or socially sensitive sectors?	97-104
1.2.2.3	Do the bank's E&S policies include minimum requirements or recommendations based on internationally recognized standards for best E&S practices (e.g. IFC Performance Standards, RSPO, FSC, etc.)?	97-99, 103
1.2.2.4	Does the bank periodically review its E&S policies or stated that last date of review was within the past 2 years?	101-104
5) Processes - Assessing ESG Risks in Client & Transaction Approvals		
1.3.1.1	Does the bank use standardized frameworks for E&S due diligence (e.g. tools, checklists, questionnaires, external data providers) when reviewing clients or transactions subject to its policies?	103
1.3.1.2	Does the bank assess its clients' capacity, commitment, and track record as part of its E&S due diligence process?	103
1.3.1.3	As part of the approval process, does the bank classify its clients and transactions based on E&S risk assessment?	72-74
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1.3.1.5	Do the E&S risk assessment outcomes influence transaction and client acceptance decisions?	103
6) Processes - Client Monitoring and Engagement		
1.3.2.1	Does the bank seek the inclusion of clauses (e.g. covenants, representations & warranties) related to E&S issues in the loan documentation for bilateral and syndicated credit facilities?	103
1.3.2.2	Does the bank require clients that are not fully compliant with its E&S policies to develop and implement time-bound action plans?	103
1.3.2.3	Does the bank monitor its client's compliance with the agreed E&S action plan?	103
1.3.2.4	Does the bank perform periodic review or state how frequent it reviews its clients' profiles on E&S?	103
1.3.2.5	Does the bank disclose the process to address non-compliance of existing clients with the bank's policies or with pre-agreed E&S action plans?	103
1.3.2.6	Does the bank periodically review its internal E&S procedures or stated that the last date of review was within the past 2 years?	101-104
7) People - Responsibilities for ESG		
1.4.1.1	Is senior management responsible for the implementation of the bank's ESG strategy?	93-95
1.4.1.2	Do senior management's responsibilities include management of climate change risks and opportunities relevant to the bank's activities?	93-95
1.4.1.3	Does the bank describe the roles and responsibilities of the various departments, committees or teams involved in developing and implementing its E&S policies?	93-95
1.4.1.4	Has the bank put in place an internal control system with three lines of defence to manage E&S issues?	104

	Disclosure	Page Number
1.4.1.5	Do the terms of reference of the Nominating committee include sustainability-related criteria for the appointment of new Board members?	94
1.4.1.6	Do the terms of reference of the Remuneration committee include sustainability-related criteria for the assessment of performance and remuneration levels for senior management?	93-95
1.4.1.7	Do the terms of reference of the Audit committee require sustainability-related matters to be included in internal control and audit processes?	93-95
1.4.1.8	Does the bank implement periodic audits to assess implementation of E&S policies and procedures?	104
8) People - Staff E&S Training and Performance Evaluation		
1.4.2.1	Does the bank have a dedicated ESG team to implement E&S policies and procedures?	94-95
1.4.2.2	Does the bank train its staff on E&S policies and implementation processes?	115-116
1.4.2.3	Does the bank provide specific training for its senior management, covering sustainability issues?	115-116
1.4.2.4	Are sustainability-related criteria part of the staff appraisal process and/or integrated into KPIs for its staff?	51
9) Products - ESG Integration in Products and Services		
1.5.1.1	Does the bank proactively identify clients in environmentally or socially sensitive sectors to support them in reducing negative or enhancing positive impacts?	97-99
1.5.1.2	Does the bank offer specific financial products and services (e.g. green bonds, sustainability-linked loans, impact financing) that support the mitigation of E&S issues, e.g. climate change, water scarcity and pollution, deforestation?	67-69
1.5.1.3	Does the bank allocate specific pools of capital or set targets to increase the share of its financing that supports activities with a positive environmental or social impact?	77
1.5.1.4	Does the bank hold client outreach events to raise awareness and share on good E&S practices (e.g. through joint workshops)?	117
10) Products - ESG Integration in Products and Services		
1.6.1.1	Does the bank periodically review its portfolio exposure to E&S risks (e.g. deforestation, water scarcity, or human rights violations)?	97-99, 103
1.6.1.2	Does the bank periodically review its portfolio exposure to climate-related physical and/or transition risks, using scenario analysis, and disclose the results and methodology used?	95, 100-101
1.6.1.3	Does the bank have a strategy to manage and mitigate climate-related risks across its portfolio (e.g. energy sector)?	97-99
11) Portfolio - Disclosure of ESG Risk Exposure and Targets		
1.6.2.1	Does the bank disclose its credit exposure by industry sector?	128
1.6.2.4	Does the bank disclose statistics on the implementation of its E&S policies (e.g. number of transactions assessed, escalated, approved, declined, approved with conditions)?	103
1.6.2.5	Does the bank disclose the percentage of its soft commodities clients that have time-bound plans to achieve full certification of their operations against credible, multi-stakeholder sustainability standards?	103
1.6.2.6	Does the bank disclose the percentage of clients or total credit exposure covered by its E&S policies on sensitive sectors?	75-77
1.6.2.7	Does the bank have targets in place to reduce the negative E&S impacts associated with its business activities?	24-29, 37-48
1.6.2.8	Does the bank set or commit to set science-based targets to align its portfolio with the objectives of the Paris Agreement?	100-101, 103
1.6.2.9	Does the bank conduct external assurance of its ESG-related disclosures?	35
1.6.2.10	Does the bank disclose the positive and negative impacts associated with its business activities (based on widely-accepted impact reporting frameworks)?	81-90

Asean Corporate Governance Scorecard (ACGS)

Sustainability and Resilience

Indicator	Disclosure	Page
C.1	Sustainability-related disclosure should be consistent, comparable and reliable, and include retrospective and forward-looking material information that a reasonable investor would consider important in making an investment or voting decision	
<i>Material Sustainability-related information should be specified</i>		
C.1.1	Does the company identify/report ESG topics that are material to the organization's strategy?	37-48
C.1.2	Does the company identify climate change as an issue?	37-48
C.1.3	Does the company adopt an internationally recognized reporting framework or standard for sustainability (i.e. GRI, Integrated Reporting, SASB, IFRS Sustainability Disclosure Standards)?	36
<i>If a company publicly sets a sustainability-related goal or target, the disclosure framework should provide that reliable metrics are regularly disclosed in an easily accessible form</i>		
C.1.4	Does the company disclose quantitative sustainability target?	58-61,77, 81, 105
C.1.5	Does the company disclose sustainability-related performance progress in relation to its previously set targets?	58-61,77, 81, 105
C.1.6	Does the company confirm that its Sustainability Report / Reporting is reviewed and /or approved by the Board or Board Committee?	93, 95
C.2	Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters	
C.2.1	Does the company engage internal stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	37-48, 110-112
C.2.2	Does the company engage external stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?	110-112
C.3	The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks	
<i>Boards should assess whether the company's capital structure is compatible with its strategic goals and its associated risk appetite to ensure it is resilient to different scenarios</i>		
C.3.1	Does the company disclose that the board reviews on an annual basis that the company's capital and debt structure is compatible with its strategic goals and its associated risk appetite?	94
C.4	The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.	
<i>Does the company disclose a policy and practices that address :</i>		
C.4.1	The existence and scope of the company's efforts to address customers' welfare?	71
C.4.2	Supplier/contractor selection procedures?	64

Indicator	Disclosure	Page
C.4.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	64
C.4.4	The company's efforts to interact with the communities in which they operate?	80-90
C.4.5	The company's anti-corruption programmes and procedures?	107
C.4.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?	29-34
C.6 Mechanisms for employee participation should be permitted to develop		
C.6.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	51-55
Level 2 Bonus		
(B) C Sustainability and Resilience		
(B) C.1.1	Does the company disclose how it manages climate-related risks and opportunities?	29-34
(B) C.1.2	Does the company disclose that its Sustainability Report / Sustainability Reporting is externally assured?	35
(B) C.1.3	Does the company disclose the engagement channel with stakeholder groups and how the company responds to stakeholders' ESG concerns?	110-112
(B) C.1.4	Does the company have a unit / division / committee who is specifically responsible to manage the sustainability matters?	92
(B) C.1.5	Does the company disclose board of directors/commissioners' oversight of sustainability-related risks and opportunities?	93-95
(B) C.1.6	Does the company disclose the linkage between executive directors and senior management remuneration and sustainability performance for the previous year?	51-53
(B) C.1.7	Is the company's Whistle Blowing System managed by independent parties / institutions?	107

Independent Party Verification [POJK51-G.1] [GRI 2-5]



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Independent Practitioners’ Limited Assurance Report

No.: L.23-1000533473-24/002.01

The Shareholders,
Board of Commissioners and Board of Directors
PT Bank CIMB Niaga Tbk

Report on Selected Sustainability Information published in PT Bank CIMB Niaga Tbk’s Sustainability Report as of for the year ended 31 December 2023

Conclusion

We have performed a limited assurance engagement on whether selected sustainability information (the “Subject Matter Information”) published in PT Bank CIMB Niaga Tbk’s Sustainability Report as of and for the year ended 31 December 2023 (the "Sustainability Report") has been prepared in accordance with the Applicable Criteria.

The Subject Matter Information that was subject to limited assurance and the Applicable Criteria are:

Subject Matter Information	Applicable Criteria
Scope 1 - Greenhouse Gas (“GHG”) Emmissions (tonnes CO2e) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • GRI (Section 305: Emission, 305-1 Direct (Scope 1) GHG emissions) • TCFD • GISD
Scope 2 - GHG Emmissions (tonnes CO2e) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • GRI (Section 305: Emission, 305-2 Energy indirect (Scope 2) GHG emissions) • TCFD • GISD
Scope 3 – PAM (<i>Perusahaan Air Minum</i>) Water Consumption (m ³) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • GRI (Section 305: Emission, 305-3 Other indirect (Scope 3) GHG emissions) • TCFD • GISD



Subject Matter Information	Applicable Criteria
Scope 3 - Waste generated in operations and disposal (Ton) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • GRI (Section 305: Emission, 305-3 Other indirect (Scope 3) GHG emissions) • TCFD • GISD
Scope 3 - Business Travel - Land and Air Transportation (Tonnes CO2e) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • GRI (Section 305: Emission, 305-3 Other indirect (Scope 3) GHG emissions) • TCFD • GISD
Total Energy Use (GJ) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • GRI (Section 302: Energy, 302-1 Energy consumption within the organization, 302-2 Energy consumption outside the organization, 302-3 Energy Intensity, 302-4 Reduction of energy consumption) • TCFD
KKUB (<i>Kategori Kegiatan Usaha Keberlanjutan</i>) Financing (Billions of Rupiah) as of 31 December 2023	<ul style="list-style-type: none"> • POJK 51 • SUSBA • GISD
Financial Literacy Awareness from Corporate Responsibility Programmes (%) for the year ended 31 December 2023	<ul style="list-style-type: none"> • GRI-G4 FS • SASB – Financial Sector • SUSBA
Realization of Corporate Social Responsibility Fund (Millions of Rupiah) for the year ended 31 December 2023	<ul style="list-style-type: none"> • POJK 51

- *POJK 51: Regulation of Indonesian Financial Service Authority No.51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Companies, Issuers, and Public Companies (POJK 51) with reference to Financial Services Authority Circular Letter (SEOJK) 2022 No. 16/SEOJK.04/2021.*
- *GRI: GRI Sustainability Reporting Standards 2021 and GRI G4 Financial Services Sector Disclosure (GRI-G4 FS) issued by the Global Reporting Initiative.*
- *SASB – Financial Sector: Sustainability Accounting Standard for Commercial Bank (FN-CB) issued by the Sustainability Accounting Standard Board.*
- *SUSBA: Sustainable Banking Assessment issued by World Wildlife Funds (WWF).*
- *GISD: Global Investors for Sustainable Development issued by the Global Investors for Sustainable Development Alliance.*
- *TCFD: Task Force on Climate-Related Financial Disclosures created by the Financial Stability Board (FSB).*

Based on the procedures performed and the evidence obtained, nothing has come to our attention that cause us to believe that the Subject Matter Information published in PT Bank CIMB Niaga Tbk’s Sustainability Report as of and for the year ended 31 December 2023 is not prepared, in all material respects, in accordance with the Applicable Criteria.

Our conclusion on the selected sustainability information does not extend to information with respect to earlier periods or to any other information included in the Sustainability Report for the year ended 31 December 2023, including any images (hereafter referred to as “other information”). We have not performed any procedures with



respect to the other information, accordingly, we do not express an assurance conclusion on information with respect to earlier periods or to any other information included in the Sustainability Report as of and for the year ended 31 December 2023, including any images.

Basis for conclusion

We conducted our engagement in accordance with Standard on Assurance Engagements (SPA) 3000 (Revised 2022), “*Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*” and Standard on Assurance Engagements (SPA) 3410, “*Assurance Engagements on Greenhouse Gas Statements*” issued by the Indonesian Institute of Certified Public Accountants. Our responsibilities under those standards are further described in the “Our responsibilities” section of our report.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Indonesian Institute of Certified Public Accountants which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Standard on Quality Management (SPM) 1, “*Quality Management for Firms that Perform Audits or Reviews of Historical Financial Information, and Other Assurance or Related Services Engagements*” issued by the Indonesian Institute of Certified Public Accountants, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Restriction of use and distribution of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than PT Bank CIMB Niaga Tbk, for any purpose or in any other context. Any party other than PT Bank CIMB Niaga Tbk who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than PT Bank CIMB Niaga Tbk for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to PT Bank CIMB Niaga Tbk on the basis that it shall not be copied, referred to or disclosed, in whole (save for PT Bank CIMB Niaga Tbk ‘s own internal purposes) or in part, without our prior written consent.

Our conclusion is not modified in respect of this matter.

PT Bank CIMB Niaga Tbk’s Responsibilities for the Subject Matter Information

Management of PT Bank CIMB Niaga Tbk are responsible for:

- Designing, implementing and maintaining internal control relevant to the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- Making judgments and estimates that are reasonable in the circumstances;
- Selecting suitable criteria for preparing the Subject Matter Information and appropriately referring to the criteria used; and
- Preparing the Subject Matter Information in accordance with the Applicable Criteria.



Inherent limitations

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factor and the values needed to combine emissions of different gases.

Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Shareholders, Board of Commissioners and Board of Directors of PT Bank CIMB Niaga Tbk.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Subject Matter Information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Subject Matter Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- Evaluated the suitability in the circumstances of PT Bank CIMB Niaga Tbk's use of the Applicable Criteria, as the basis for preparing the Subject Matter Information;
- Through inquiries, obtained an understanding of PT Bank CIMB Niaga Tbk's control environment, key processes and information systems relevant to the preparation of the Subject Matter Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Evaluated whether PT Bank CIMB Niaga Tbk's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate PT Bank CIMB Niaga Tbk's estimates;
- Interviewed with management and relevant staffs in sites, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria;
- Considered the presentation and disclosure of the Subject Matter Information.
- Compared the Subject Matter Information presented in the Sustainability Report to corresponding information in the relevant underlying sources on a sample basis to determine whether all the relevant information has been included in the Sustainability Report;
- Evaluated the Subject Matter Information presented in the Sustainability Report to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of PT CIMB Niaga Tbk; and
- Read the remainder of the Sustainability Report to determine whether there are any material misstatements of fact or material inconsistencies based on our understanding obtained as part of our limited assurance engagement.



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Registered Public Accountants
Siddharta Widjaja & Rekan

A handwritten signature in black ink, appearing to be 'Angga Pujaprayoga'.

Angga Pujaprayoga, CPA
Public Accountant License No. AP. 1694

Jakarta, 5 March 2024

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