

INDONESIA BERDAYA



2022 Sustainability Report

PT Bank CIMB Niaga Tbk



#KEJARMIMPI **EMPOWERED INDONESIA**

Indonesia is a nation with great fighting spirit. Adaptability is key, because everything we do now is a legacy for future generations. Armed with tradition as identity, create a better future. Live your aspirations and make your dreams a reality with CIMB Niaga.

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.

Contents

2022 Sustainability Report

CIMB Niaga at a Glance	2
Sustainability Performance	10
Message from Board of Directors	12
Our Support to Sustainable Development Goals (SDGs)	16
Our Report	21
Independent Party Verification	88
Appendix, Reference & Index	97



Pillar 01 Sustainable Action

We Together with Employees	32
We and Green Office	36
We Together with Business Partners	40



Pillar 02 Sustainable Business

Responsible Banking	42
Sustainable Finance	46



Pillar 03 Corporate Social Responsibility (CSR)

Pillar 1 CSR: Education	56
Pillar 2 CSR: Health and Community Well Being	59
Pillar 3 CSR: Economic Empowerment	59
Pillar 4 CSR: Climate and Environment	62



Pillar 04 Governance and Risk




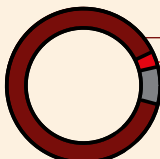





Sustainability Governance	64
Sustainability Risk Approach Framework	67
Environmental Risk Approach	68
Climate Change Risk Approach	70
Sustainability Policy and Strategy Development	71
Sustainability Due Diligence Mechanism	72
Sustainability Governance Approach Based on TCFD	74
Ethical Business	75



Pillar 05 Advocacy and Stakeholder Engagement

Stakeholder Engagement	80
Building a Culture of Sustainability and Sustainable Finance	83
External Initiatives and Association Memberships	85
Sustainable Finance Advocacy for Stakeholders	85
Sustainability Activities	87
Response to Feedback	88

CIMB Niaga at A Glance [POJK51-C.2; C.3.C.3] [GRI 2-1; 2-3; 2-6]

	Company Name PT Bank CIMB Niaga Tbk		Legal Entity and Share Ownership <ul style="list-style-type: none">Limited Liability CompanyListed on the Indonesia Stock Exchange (IDX) on 29 November 1989 with stock and bond code BNGAShare Ownership:
	Date and Year of Establishment 26 September 1955		91.48% CIMB Group Sdn. Bhd 1.02% PT Commerce Kapital 7.50% Other Public Shareholders:
	Field of Business Banking Services		Subsidiaries <ul style="list-style-type: none">PT CIMB Niaga Auto Finance (CNAF)PT CIMB Niaga Sekuritas (CNS)
			Head Office Graha CIMB Niaga Jl. Jend Sudirman Kav. 58 Jakarta 12190, Indonesia Telp: (+62-21) 250 5252, 250 5353 Faks: (+62-21) 250 5205
	Website www.cimbniaga.com		E-mail Address <ul style="list-style-type: none">Corporate Secretary: corporate.secretary@cimbniaga.co.idSustainability: sustainability@cimbniaga.co.idInvestor Relations: investor.relations@cimbniaga.co.id

Financing Portfolio Based on Business Segment [FS6][FN-CB-000.B]

Business Segment	2022		2021		2020	
	Rp trillions	%	Rp trillions	%	Rp trillions	%
Corporate	74.7	38.0	68.5	37.7	63.6	36.1
Commercial	31.6	16.1	31.8	17.6	35.9	20.8
Emerging Business Banking (EBB)	23.1	11.7	21.1	11.6	20.2	11.5
Consumer	67.2	34.2	60.1	33.1	55.1	31.6
Total	196.6	100	181.5	100	174.8	100

	2022	2021	2020
Non-Performing Loan (NPL) Rate) <small>[FN-CB-240a.2]</small>	2.8%	3.5%	3.6%

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

Significant changes were made to the Board of Directors of CIMB Niaga in 2022, as detailed below:

1. Rusly Johannes was appointed as Director of CIMB Niaga based on EGMS Decision dated 17 December 2021, effective 22 April 2022 following OJK approval;
2. Noviady Wahyudi was appointed as Director of CIMB Niaga based on an AGMS decision dated 8 April 2022, effective 16 August 2022 following OJK approval.

In addition, there has been a change in the priority order of material topics, the addition of a new material topic, and an expansion of the scope of the Global Reporting Initiative (GRI) indicators used to explain the material topics. More complete explanation refers to the Priority Material Topics section.

CIMB Niaga Vision, Mission, and Values [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 in empowering and developing every employee and to be the best place for the most talented individuals to work

Integrity & Accountability

Our commitment to act in accordance with ethics/norms, to be trusted, and to be responsible

Customer Centricity

Our commitment to always prioritize our customers and do the right thing for them



Passion

Our attitude in giving our all in everything we do and to achieve the highest possible results

Collaboration

Our commitment to prioritizing team success over individual success, as the success of CIMB Niaga is also mine and ours

Our Sustainability Approach

[POJK51-A.1] [SUSBA 1.1.1.7.]

#SekarangUntukMasaDepan is PT Bank CIMB Niaga Tbk's (hereinafter referred to as 'CIMB Niaga' or 'Bank') commitment to stakeholders that will not only create a positive impact from an economic aspect, but also on the environmental, social, and governance aspects. Bank provides equal and inclusive access to sustainable financial service in addition to Bank's efforts to improve operational sustainability. This sustainable financial service is one of the sustainable solutions for our stakeholders.

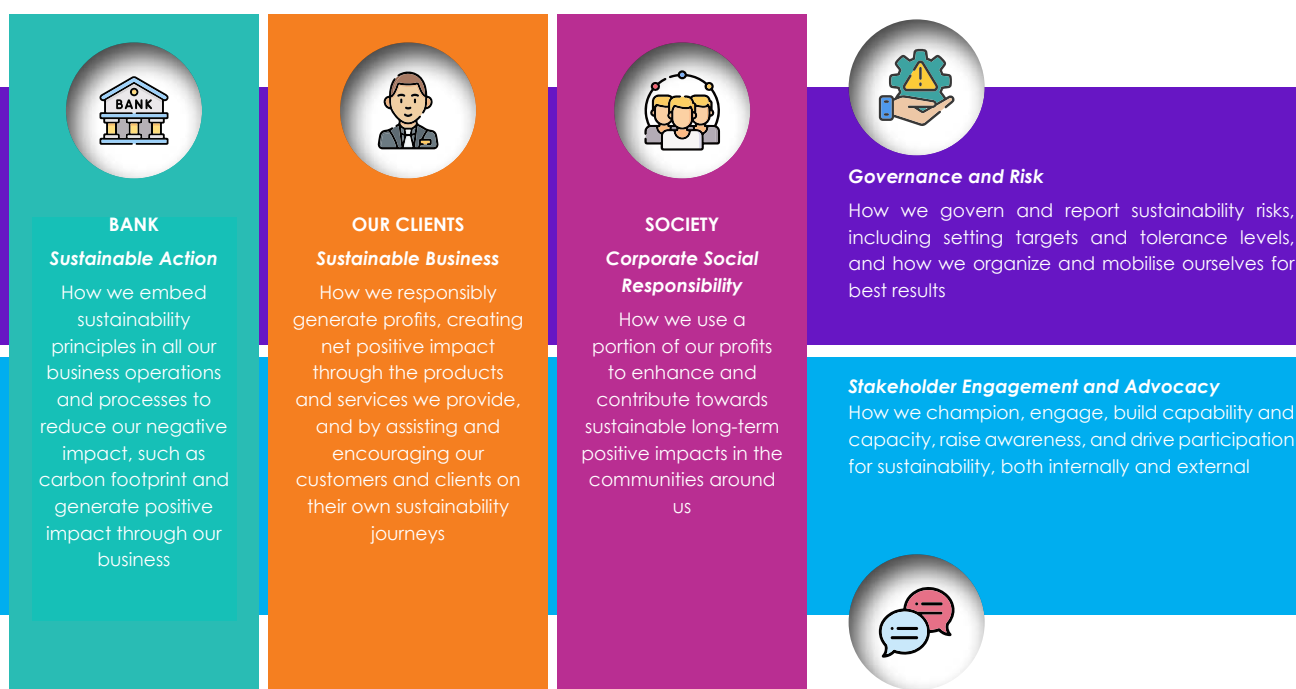
As a subsidiary of the CIMB Group, CIMB Niaga adopts the CIMB Group's 'Forward23+' sustainability

strategy, which emphasizes sustainability. This strategy has integrated elements of environmental risk mitigation, social economy, and governance (ESG), and CIMB Niaga is able to have a significant positive impact on its stakeholders as a result.

Core Sustainability Pillars

The commitment to integrate sustainability values into Bank's business strategy is based on five pillars of sustainability, namely Sustainable Action, Sustainable Business, Corporate Social Responsibility (CSR), Governance and Risk, and Stakeholder Engagement and Advocacy.

Sustainability Pillars



CIMB Niaga Sustainability Key Milestone



2018

Launching the 2019 - 2023 Sustainable Finance Action Plan (RAKB)



2019

- Formation of the Good Corporate Governance (GCG) & Sustainability Work Unit
- Formulation of Sustainability and Sustainable Finance Policy
- CIMB Niaga becomes member of the Indonesian Sustainable Finance Initiative (IKBI)

2021

- Commitment to achieve net zero GHG emissions for Scopes 1 and 2 in operations by 2030, and commitment to achieve net zero GHG emissions or reach carbon neutral for the entire organization by 2050 (Scopes 1, 2, and 3)
- Launch of the Sustainability-Linked Loan/Financing (SLL/F) and Sustainable Finance (SF) programs
- Apply in the Green Climate Fund (GCF) to be GCF Accredited Entity



2020

- Implementation of Sustainability Due Diligence (SDD)
- Formulation of the Sector Guidance



2022

- Formulation of Human Rights Policy
- Commitments to No Deforestation, No Peat and No Exploitation (NDPE) Implementation for 'new to bank' clients commence in January 2023 and for 'existing to bank' clients to be applied in December 2023
- Commitment to interim GHG emission reduction targets for sectors with high sustainability risks, such as coal and cement

Sustainability Awards & Ratings



Awards

- Investor Magazine Awards "Best Corporate Emissions 2022"
- 2022 Indonesia Green Awards by La Tofi School for CSR: Conservation & Utilization of Bamboo
- 2022 Nusantara CSR Award by La Tofi School for CSR: Empowerment of Disabled People
- Rating A for 2021 Sustainability Report by FIHRRST
- iNews Maker 2022 kategori innovation of Human Capital and Organization Development (HyWork initiatives)
- IDX Channel Indonesian Innovation Award 2022 internal process category through Hybrid Working Arrangement (HyWork) innovation
- IDX Channel Anugerah Inovasi Indonesia 2022 on Social Initiatives Development category
- CIMB Group Sustainable Finance Award for Corporate Banking and SME Financing

*More complete information on other awards can refer to 2022 Annual Report.

Ratings

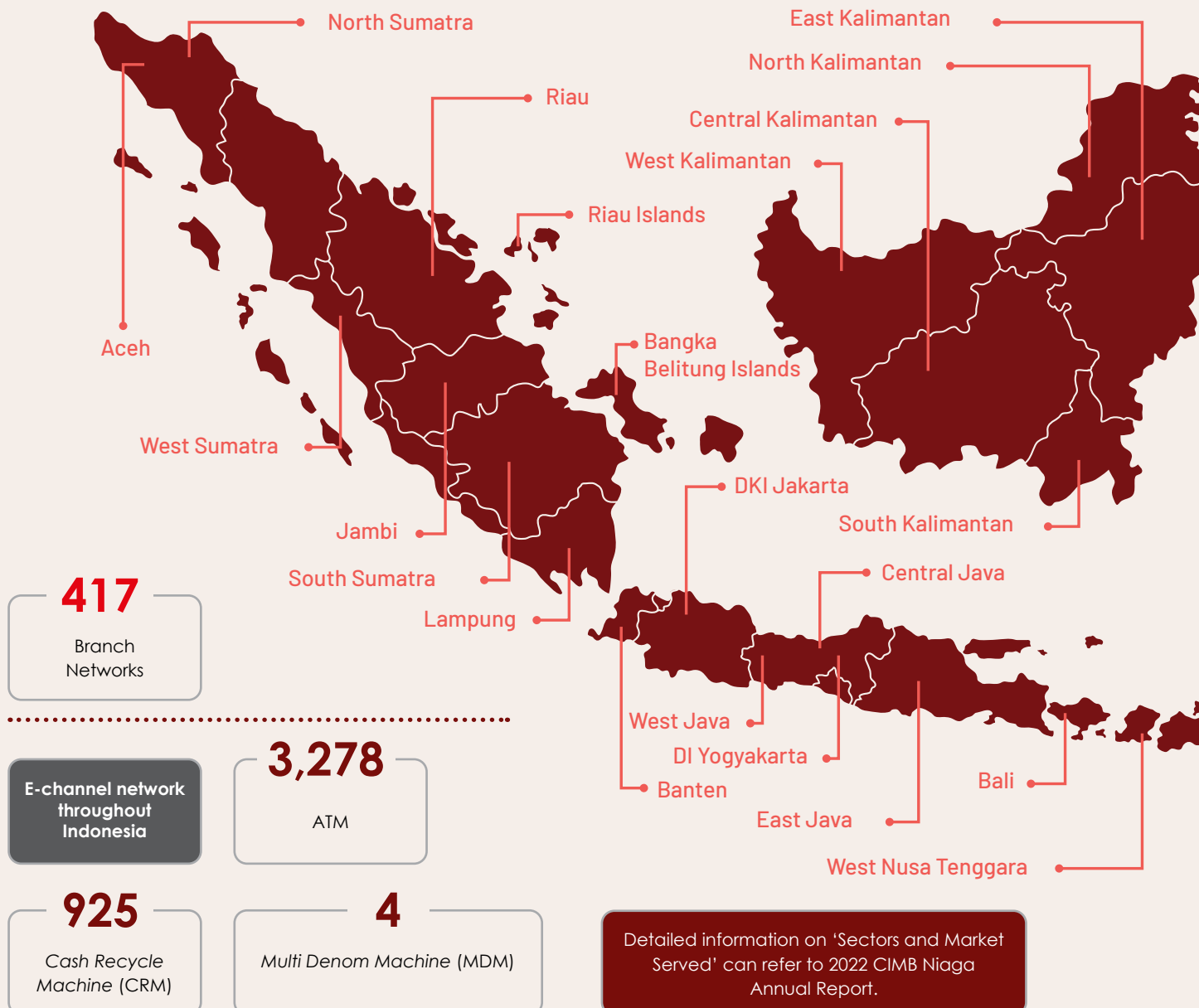
- **Sustainalytics**
25,7 (Medium Risk)
- **Moody's ESG Credit Impact Score**
CIS-2 (Neutral to Low)
- **S&P Global**
54
- **ASEAN Corporate Governance (ACGS) Scorecard**
ASEAN Top 20 PLCs
ASEAN Asset Class PLCs
Indonesia Top 3 PLCs

Market Served and Emissions Footprint

[GRI 2-6][POJK C.3.C.4]

Emissions Footprint (tonnes CO₂e)

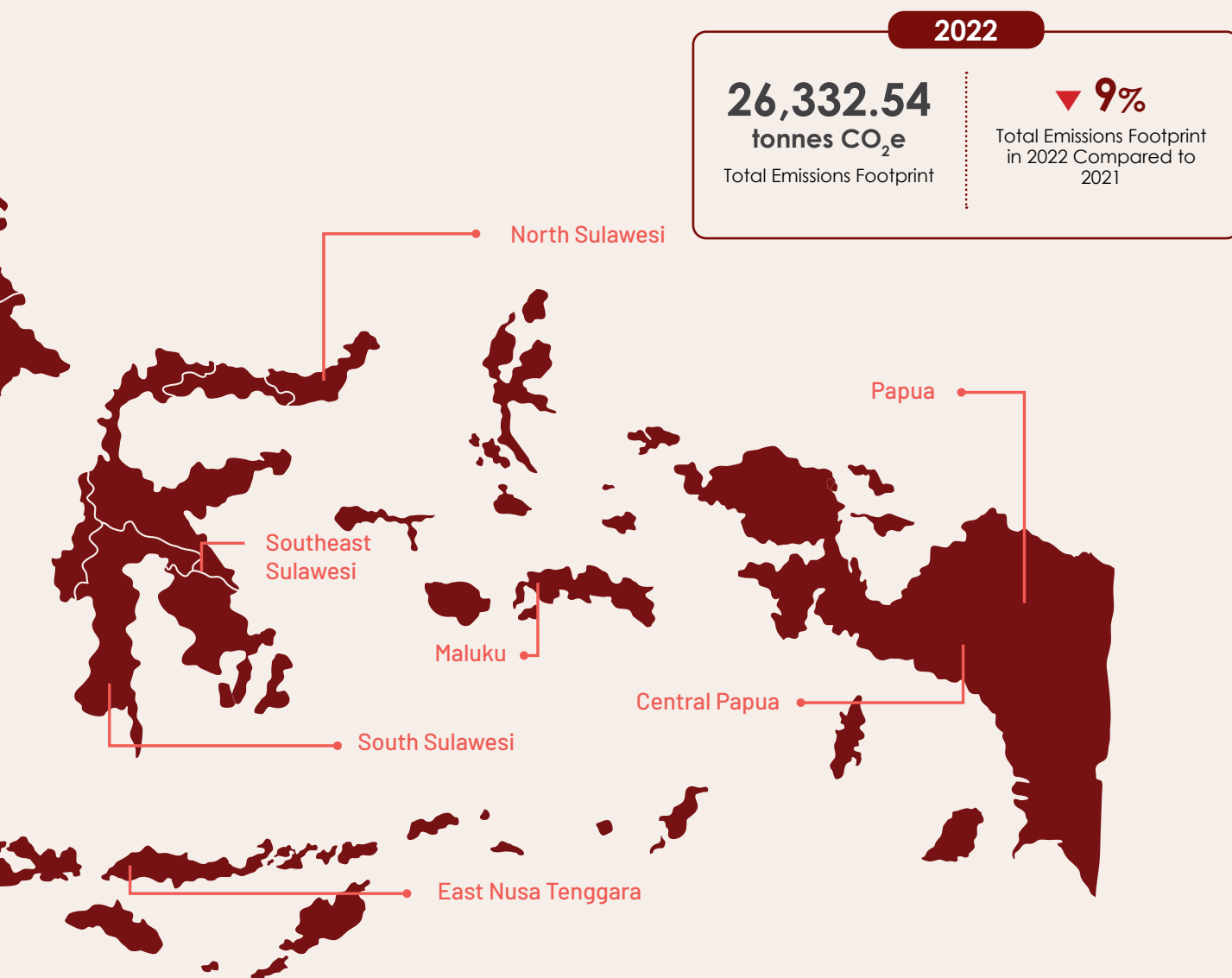
Aceh	67.04
North Sumatra	1,089.91
West Sumatra	179.68
Riau	289.29
Riau Islands	295.20
Jambi	86.13



South Sumatera	188.42
Bangka Belitung Islands	31.17
Lampung	163.50
Banten	8,129.87
West Java	2,904.38
DKI Jakarta	6,657.47
Central Java	1,841.87

DI Yogyakarta	642.42
East Java	2,065.46
Bali	397.54
West Nusa Tenggara	64.85
East Nusa Tenggara	35.24
North Kalimantan	36.37
West Kalimantan	162.54
Central Kalimantan	27.72

South Kalimantan	120.11
East Kalimantan	325.59
North Sulawesi	92.51
South Sulawesi	274.72
Southeast Sulawesi	38.94
Maluku	40.78
Papua	37.16
Central Papua	46.66



Sustainability Highlights



Sustainability Action

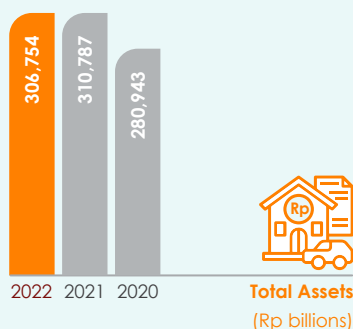
	2022	2021	2020
Environmental Performance [POJK51-B.2.B; B.2.B.1; B.2.B.2; B.2.B.3]			
Energy for Electricity and Fuel (GJ)	161,739.78	199,545.36*	156,798.74
GHG Emission (Scope 1 + Scope 2) (tonnes CO ₂ e)	26,332.54	29,000.29*	25,773.60*
GHG Emission (Scope 3) business travel and activities not included in Scope 1 or Scope 2 (tonnes CO ₂ e)	1,250.64	845.22**	-
GHG Emission (Scope 3) – investments (financing portfolio) (tonnes CO ₂ e)***	-	4,177,015.18	3,702,768.11
Water (m ³)	111,053	245,720	136,905
Paper (Rim)	14,467	13,433	18,406
Economic Performance [POJK51-B.1.A.5]			
Local Suppliers	529	416	399
Suppliers reviewed by Sustainability Due Diligence (SDD)	100%	100%	-
Social Performance [POJK51-B.3]			
Internal Customer Satisfaction Survey (Target >3)	3.19	3.11	3.07

* Restatement for Scope 2 Greenhouse Gas (GHG) emission information (emissions from electricity use), especially those caused by updating emission factors. ** Restatement for Scope 2 Greenhouse Gas (GHG) emission information (emissions from electricity use), especially those caused by updating emission factors. ***Restatement where business travel emissions calculation refers to Emission Factors for Greenhouse Gas Inventories (Environmental Protection Agency, 2022); Environmental performance data covering all branch offices in Indonesia, except paper usage data which only covers head offices. ***Financed emissions calculation covers nine high carbon intensive sectors referring to The Partnership for Carbon Accounting Financials (PCAF) standard method

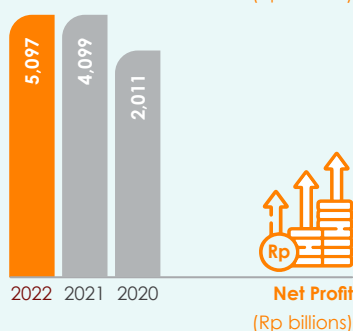


Sustainable Business

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



Total Assets
(Rp billions)



Net Profit
(Rp billions)

Number of Sustainable Business Activities Category (KKUB) Products

9

2021 **8** 2020 **3**

KKUB Financing

Rp51,444 billion

2021 **45,069** 2020 **50,120**

Number of Products and Services

195

2021 **194** 2020 **193**

Micro, Small, and Medium Enterprises (MSME) Financing

Rp21,383 billion

2021 **20,595** 2020 **21,112**

Operating Income

Rp18,866 billion

2021 **17,568** 2020 **16,359**



Corporate Social Responsibility

Social Performance [POJK 51-B.3; F.4]

Realization of CSR Fund



Environmental Performance - Biodiversity [POJK 51-B.2.B.4]

Number of Bamboo (Accumulated)



Governance and Risk

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

32%

2021 27% 2020 30%

Number of anti-fraud training participants

2,595 Participants

2021 3,220 2020 3,554



Stakeholder Engagement and Advocacy

Customer Complaints Resolved

99%

2021 98% 2020 99%

Customer Loyalty Level - Net Promoter Score (NPS)

50%*

2021 28% 2020 24%

* General banking NPS

Sustainable Finance Training for Board of Directors (Senior Executive) and Board of Commissioners

100%

2021 100% 2020 30%

Sustainability Performance

Sustainability Pillars in Numbers



PILLAR 1

SUSTAINABLE ACTION

25%

Decrease in energy intensity compared to 2021 [GRI 302-3]

.....

15%

Reduction in GHG emission intensity compared to 2021

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

.....

> 39,000 tonnes CO₂e

Potential Green House Gas (GHG) emissions that can be avoided through digital banking

.....

> 4.1 million tonnes CO₂e

GHG Emission (Scope 3) – investments (financing portfolio) in 2021

.....



PILLAR 2

SUSTAINABLE BUSINESS

26%

Percentage of Sustainable Business Activities Category (KKUB) financing as part of the Bank's total financing

.....

24%

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

.....

67%

Clients completed the sustainability action plan

.....



PILLAR 3

CORPORATE SOCIAL RESPONSIBILITY

> 1,170

Recipients of the CIMB Niaga scholarship program in 2006 – 2022

.....

> 380

Training participants with disabilities in 2020 – 2022

.....

5,900 tonnes CO₂e

Potential for carbon absorption from bamboo planting until 2022

.....



PILLAR 3

CORPORATE SOCIAL RESPONSIBILITY

> **42,240**

Total employee hours participating in the Employee Volunteer Program

> **79,000**

Students participating in AMDB and TDB financial literacy activities until 2022

> **830**

Schools participating in AMDB and TDB financial literacy activities until 2022



PILLAR 4

GOVERNANCE AND RISK

88%

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



PILLAR 5

ADVOCACY AND STAKEHOLDER ENGAGEMENT

> **Rp150 billion**

Funds allocated for employee training and development activities

> **90%**

CIMB Niaga employees, including the Board of Commissioners and Board of Directors, who have attended sustainable finance training

Message from Board of Directors

[POJK51-D.1]



CIMB Group adopted this spirit as the theme of The Cooler Earth (TCE) in 2022. TCE is CIMB Group, including CIMB Niaga, annual event since 2019. It represents our commitment and collective action to engage stakeholders in tackling the climate change, particularly on how to turn the challenge into opportunity of building low-carbon economy and business innovations for sustainable growth.

Dear Respected Stakeholders,

The G20 Bali Summit has been completed in November 2022 with agreements and commitments pledged from the global leaders. Among these commitments was to lessen the carbon footprint. Indonesia declared its Green House Gas (GHG) emission reduction target in the Enhanced Nationally Determined Contribution (ENDC) document submitted to the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC).

In the ENDC, Indonesia boldened its commitment to reduce GHG emissions unconditionally to 31.89% and conditionally (with international support) to 43.20%, respectively, by 2030. This target requires joint effort and synergy from all stakeholders, including the banks. To support the transition towards a low-carbon economy, achievement of the ENDC, as well as the Sustainable Development Goals (SDG), CIMB Niaga commits to actively engage in the sustainable ecosystem that prioritizes collaboration, transformation, and a just transition.

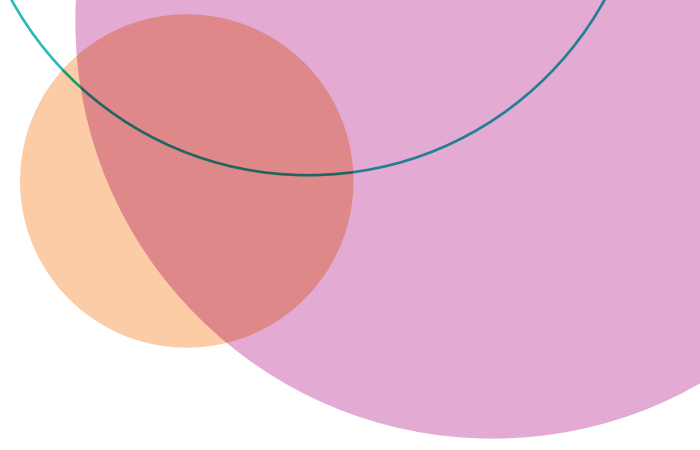
Policy in Responding to Challenges

Sustainability Values and Sustainable Finance

Continuous improvement and innovation is at the center of CIMB Niaga to better prepare for future challenges and opportunities. We are fostering cultural transformation that translated into a way of life, enhancement of performance, and the adoption of sustainable values into every product, service, and innovation delivered.

In 2022, CIMB Niaga's core values were transformed into Enabling Talent, Passion, Integrity & Accountability, Collaboration, and Customer Centricity (EPICC) to respond significant life challenges and way of living. Therefore, a massive technological advancement must go hand-in-hand with the improvement of human resource competency in efficiency, agility, and integrity.

Synergizing with the core values transformation, CIMB Niaga further committed to progressing our action plan with prioritization of employee's health post COVID-19 pandemic. Furthermore, we are also



continue to offer regular professional development opportunities for our employees. These activities signify our concrete sustainable performance in supporting human rights, particularly on equality, diversity, and inclusiveness.

Sustainable Finance Implementation Response and Challenges

Through Octo Mobile and Oct Clicks, CIMB Niaga is renowned for its leadership in digital services in Indonesia, which represents both opportunity and challenge for attaining sustainable performance. Moreover, to foster deeper relationship with customers, including micro, small, and medium-sized businesses (MSMEs), we engage in various sustainability initiatives, such as sustainability sharing via the Bank's webinars and social media. This essential initiative is in line with the CIMB Niaga's key objective to provide financing throughout 2022 towards sustainable finance implementation, sustainable business activities category (KKUB), and the Indonesian Green Taxonomy (THI).

Sustainable Finance Implementation, Commitments, and Performance

CIMB Niaga continues to support a just transition through the initiation of sustainable financing ecosystem. We launched several sustainable funding and/or financing products and/or programs such as Sustainability Market Linked Deposits, green mortgages, X-tra financing for electric motorbikes, Solar panel financing via credit cards, Sustainability-Linked Loan/Financing (SLL/F), and the Sustainable Financing (SF) program.

Sustainable Finance Implementation

Achievement of Sustainable Financial Performance

In 2022, CIMB Niaga's total financing was valued at Rp196.61 trillion, with KKUB accounted for 26% of the portfolio. Furthermore, CIMB Niaga disbursed Rp686 billion climate financing to cement sector through Sustainability-Linked Loan/Financing (SLL/F) with sustainable performance target of reducing Greenhouse Gas (GHG) emissions.

CIMB Niaga recorded a net profit of Rp5.10 trillion in 2022, a 24% increase from 2021's net profit of Rp4.10 trillion. Meanwhile, our operating income was reported at Rp18.87 trillion in 2022. All these economic performance achievements are our foundation to maintain a sustainable and just Environmental, Social, and Governance (ESG) performance.

Social aspect in the sustainability performance highlighted the significance of human resource (HR) quality that upholds the human rights. We recognize that all human rights principles and other issues related to these rights are inseparable and inalienable. CIMB Niaga is committed to prioritizing and upholding the principles outlined in the United Nations Global Compact (UNGC) meanwhile our Sustainability Due Diligence (SDD) has integrated and implemented human rights due diligence for debtors and vendors.

CIMB Niaga also requires debtors in Agriculture, Forestry, Other Land Use, and Land Use Change (AFOLULUC) sectors to commit to the "No Deforestation, No Peat, and No Exploitation" (NDPE) principles to preserve the cultural heritage, national and/or international protected areas, including peat conservation areas, wetland areas on Ramsar sites, biodiversity, and high conservation value (HCV) areas. Furthermore, this NDPE implementation is aligned with the Paris Agreement ratification and Indonesia's commitment through the 'FOLU Net Sink 2030', which encourages the achievement of GHG emission levels of -140 million tonnes CO₂e by 2030.

Significant Achievements

Furthermore, our sustainability performance strengthens us to further accelerating sustainable financing ecosystem by growing dependable, competent, and full of integrity human resources. In accordance with the new core values of EPICC, CIMB Niaga provide employees with opportunities for training, coaching, and mentoring, as well as facilitating them to join club activities, volunteering, and community service. A new work arrangement known as the Hybrid Working Arrangement (HyWork) embrace the option to work both from home and in the office. This innovation has awarded CIMB Niaga with the prestigious iNews Maker Award 2022 for best innovation.

Another remarkable innovations developed in 2022 is the virtual reality (VR) training, by which CIMB Niaga had five VR Corners through the end of 2022. While, VR Headsets are available at the 325 branch offices in 95 cities in Indonesia. More than 6,300 participants have completed various learning modules using these devices. Through this VR innovation, CIMB Niaga earned the title of "the first bank to organize learning with a virtual reality headset" from the Indonesian World Record Museum (MURI).

In 2022, CIMB Niaga launched our new Employee Volunteer Program (EVP). The EVP aims to raise awareness and make a positive contribution to society and the environment. Through the EVP, employees mandated to devote at least 2 hours per year towards corporate social responsibility (CSR) activities. Education, Economic Empowerment, Community Health, and Welfare, as well as Climate and Environment, are the four pillars of Bank's CSR. The EVP successfully clocked more than 42,000 hours of volunteer work in 2022 or an average of 4.37 hours per employee per year.

To celebrate CIMB Niaga's 67th Anniversary, all CIMB Niaga Directors and management, as well as CIMB Niaga subsidiaries, participated in the "Gerak Untuk Bumi" fun walk that positively contributes to climate change mitigation efforts, increases biodiversity, and strengthens employee synergies. Gerak untuk Bumi took place during the whole year of 2022, and for every 2 hours of physical activity performed by employees, CIMB Niaga donated 2 bamboo seedlings. Through this activity, CIMB Niaga collected 5,000 hours, which were converted into 10,000 bamboo seedlings. The bamboo seedlings were planted in Lombok, West Nusa Tenggara, in collaboration with the Biodiversity Foundation (KEHATI).

CIMB Niaga also has begun its transformation journey towards a carbon-neutral organization, with a net zero target by 2050. The goal will support the reduction of global and Indonesia's GHG emissions as well as to enhancing the Bank's environmental performance. By the end of 2022, the GHG emissions inventory in Scope 1, 2, and 3 revealed that there was 27.58 thousand tonnes CO₂e. Scope 1 and 2 GHG emissions decreased by 8.5% compared to 2019 GHG emissions. In addition to emission reduction, CIMB Niaga continues to protect the environment by using less paper and conserving energy and water.

Strategy for Target Achievement

Sustainable Finance Risk Management

CIMB Niaga utilizes the Enterprise Wide Risk Management (EWRM) framework to manage its business risks, including the ESG risk. Risk identification is conducted by analyzing the risk effect on financial and non-financial performance. CIMB Niaga periodically evaluates the relevance of assumptions, data sources, and procedures used to measure and achieve the predetermined risk mitigation target. Risk management are embedded in the responsibility of the Board of Directors, senior management, and all employees.

Sustainable Finance Opportunities and Business Prospects

The Financial Services Authority (OJK) has completed Phase II of the Sustainable Finance road map (2021-2025) to expedite the implementation of ESG performance and achievements in Indonesia. This accelerated target is an opportunity for CIMB Niaga to immensely implementing the sustainable finance in several sectors that contribute positively to the environment and society, such as renewable energy, clean energy, and carbon efficiency, while leveraging the concepts of "climate financing" and "nature-based solutions."

CIMB Niaga and CIMB Group are committed to disburse RM60 billion or approximately Rp208 trillion for sustainable financing activities by 2024 in line with the Green Social Sustainability Impact Products & Services (GSSIPS) framework. In 2022, CIMB Niaga contributed Rp8.22 trillion to support this accomplishment.

We recognize this endeavor requires the active involvement of all stakeholders, especially our clients, as our key partners to grow. We are hopeful the business community perceive this sustainable finance opportunity as an excellent potential to fulfill our commitment to reduce the GHG emissions, together.

External Environment Factors & Impact

The raise of national and international awareness and commitment in mitigating the climate risk and achieve the Paris Agreement will positively impact the Bank's implementation of sustainable finance, particularly towards the sustainable financing portfolio growth. CIMB Niaga will proactively responding this by expanding our sustainable financial products and/or programs, as well as its supporting policies.

Appreciation

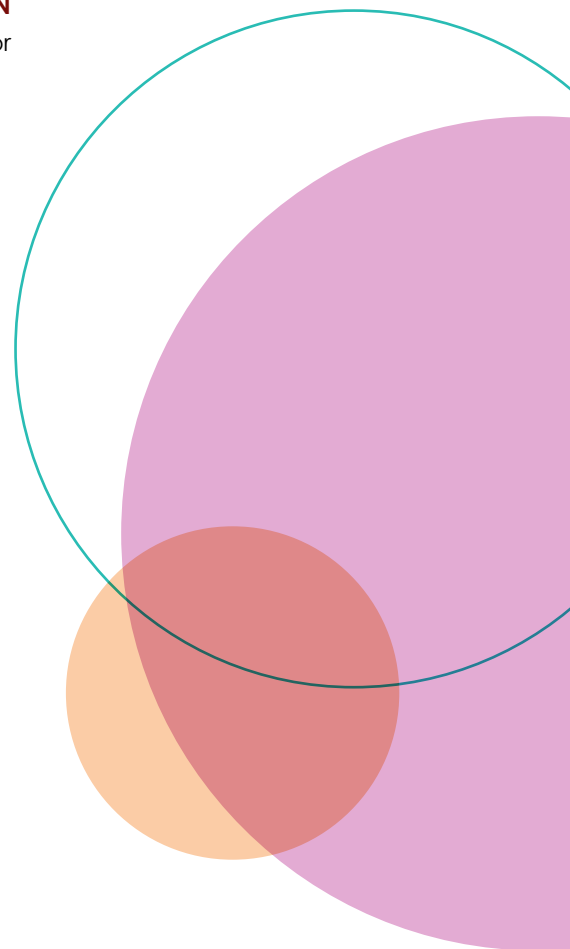
We are much honored to thank all stakeholders for all the support, partnership, and trust given to CIMB Niaga in continuing our endeavor for Indonesia. We sincerely hope that everyone will forward this steadfast work and lights in contributing to the success of 'Empowered Indonesia.'

#SekarangUntukMasaDepan

Jakarta, 10 March 2023

LANI DARMAWAN

President Director



BOARD OF COMMISSIONERS



Didi Syafruddin Yahya
President Commissioner



Glenn Muhammad Surya Yusuf
Vice President Commissioner (Independent)



Jeffrey Kairupan
Independent Commissioner



Sri Widowati
Independent Commissioner



Dato' Abdul Rahman Ahmad
Commissioner



Vera Handajani
Commissioner

SHARIA SUPERVISORY BOARD



Dr. Yulizar D. Sanrego, M.Ec
Member



Prof. Dr. M. Quraish Shihab, MA
Chairman



Prof. Dr. Fathurrahman Djamil, MA
Member

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

BOARD OF DIRECTORS



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



Noviadly Wahyudi
Director

As a form of support for MSME and sustainability, the clothing used by the Directors and Commissioners of CIMB Niaga uses products from ByBinzu which is an environmentally friendly product with natural dyes.

SUSTAINABILITY REPORT

RESPONSIBILITY STATEMENT

Board of Commissioners' Responsibility Statement for the 2022 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 2022 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.

10 March 2023



By the undersigned,



Didi Syafruddin Yahya
President Commissioner



Glenn Muhammad Surya Yusuf
Vice President Commissioner (Independent)



Jeffrey Kairupan^{*)}
Independent Commissioner

Sri Widowati
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 2022 Sustainability Report of PT Bank CIMB Niaga Tbk

We the undersigned, Board of Directors of PT Bank CIMB Niaga Tbk, hereby declare that all information in the 2022 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.

10 March 2023

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 Sulistyo
Director



Joni Raini
Director




Rusly Johannes
Director






Noviady Wahyudi
Director



Our Support to Sustainable Development Goals (SDGs)




[SUSBA 1.1.1.4; 1.6.2.7]

PILLAR 1: SUSTAINABLE ACTION		
SDG	SDG Indicator	Achievements
	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	Bank introduced the HyWork approach, which aims to promote workplace wellness to increase productivity, flexibility, and employee engagement while taking into account customer service, organizational and employee needs, operational risk, and information security. In addition, Bank provides CIMBians with training based on their individual potential and expertise. The training consists of Learning on the Go (LoG) that can be accessed via mobile devices and virtual reality (VR)
	8.4 Improve global resource efficiency in consumption and production progressively and endeavour to decouple economic growth from environmental degradation	The Bank through the Sustainable Actions Pillar managed to reduce energy intensity by 4% or -0.36 GJ/Rp billion when compared to 2021
	8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	CIMB Niaga provides equal career opportunities for men and women, as well as young people and individuals with disabilities. The employee recruitment process is conducted transparently and without discrimination based on ethnicity, religion, race, intergroup, status, gender, or any other factors that potentially violates Human Rights. As of December 2022, the composition of the Bank's employees is 51% women and 49% men
	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	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. This policy applies to Banks, customers and partners who work with the Bank
	8.8 Protect labour 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 for all of its employees in accordance with its Code of Ethics & Conduct Policy



SDG	SDG Indicator	Achievements
	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 indicator 8.5
	10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	Bank regulates the provision of benefits, health care, and life insurance in accordance with applicable regulations
	12.2 Achieve the sustainable management and efficient use of natural resources	Bank has committed to net zero GHG emissions for Scopes 1 and 2 in operations by 2030 and to net zero GHG emission, or carbon neutrality, for the entire organization (Scopes 1, 2, and 3) by 2050
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters	<ul style="list-style-type: none"> Reducing GHG emissions by 9% compared to 2021 The Building and Construction Authority (BCA) of Singapore has certified the CIMB Graha Building as a 'Platinum' green building for its reduction of greenhouse gas emissions

PILAR 2: SUSTAINABLE BUSINESS


SDG	SDG Indicator	Achievements
	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	In 2022, Bank channeled Rp21.38 trillion in financing to the MSME sector
	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 indicator 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	Through the Sustainability-Linked Loan/Financing (SLL/F) and Sustainable Finance (SF) programs, Bank provides financing services for industries that support sustainable actions



SDG	SDG Indicator	Achievements
	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 regardless of their ethnicity, religion, race, class, social status, or gender, as well as any other discriminatory factors that may violate human rights
	13.2 Integrate climate change measures into national policies, strategies and planning	Bank has developed Sustainability Policy and Sustainable Finance Policy that are both aligned with the national climate change strategy
	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 implements No Deforestation, No Peat, and No Exploitation (NDPE) policy for oil palm and forestry sector financing
	15.a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems	In accordance with the Green Social Sustainability Impact Products & Services (GSSIPS) framework, Bank and CIMB Group are committed to disbursing RM60 billion or the equivalent of Rp208 trillion in sustainable financing by 2024. In 2022 itself, CIMB Niaga has contributed Rp8.22 trillion to support this achievement

PILLAR 3: CORPORATE SOCIAL RESPONSIBILITY (CSR)




SDG	SDG Indicator	Achievements
	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	In line with its bamboo conservation program, Bank also engages in farmer group capacity building activities for bamboo processing, entrepreneurship, and financial literacy

PILLAR 4: GOVERNANCE AND RISK







SDG	SDG Indicator	Achievements
	13.2 Integrate climate change measures into national policies, strategies and planning	Bank has developed Sustainability Policy and Sustainable Finance Policy that are both aligned with the national climate change strategy

SDG	SDG Indicator	Achievements
	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 NDPE commitments to finance the oil palm and forestry sectors, as well as a commitment to phase-out 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	One of the items under Bank's Exclusion List is prohibition of financing illegal activities
	16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children	Bank's Human Rights Policy regulates the commitment to not involve in any forced labor, modern slavery, migrant workers, human trafficking, and child labor or underage workers activities
	16.4 Significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime	One of the items under Bank's Exclusion List is prohibition of financing weapons & ammunition and terrorism
	16.5 Substantially reduce corruption and bribery in all their forms	One of the items under Bank's Exclusion List is the prohibition of financing activities related to any bribery and corruption activities. Bank also has developed Anti-Bribery and Corruption Policy

PILLAR 5: STAKEHOLDER ENGAGEMENT AND ADVOCACY

SDG	SDG Indicator	Achievements
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Through the Sustainability Due Diligence (SDD) mechanism, Bank encourages its customers to adopt sustainability best practices in their businesses
	12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Bank has implemented several sustainability-related initiatives, such as 'The Cooler Earth,' which encourages customers to increase their awareness of sustainable practices. In addition, the Bank has a special website for sustainability
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Bank has sustainability-related training activities for all Bank employees, including vendors and clients
	16.6 Develop effective, accountable and transparent institutions at all levels	Bank prioritizes accountability and transparency in all of its business operations

SDGs Related Sustainability Governance based on Global Investors for Sustainable Development (GISD) Alliance

Matrix	Tujuan Pembangunan Berkelanjutan (TPB)	Contribution	Reference
GHG emissions associated with the Company and the projects it finances, using the specified methodology		Bank conducted a pilot project to calculate GHG emissions for financing in 9 high-carbon intensity sectors	Reference: GISD (New)
Percentage of investment portfolio that is in line with the definition of Sustainable Development Investing (SDI)	SDG: Multiple	Bank has sustainable investment portfolio amounted Rp32.9 billion in Green Bond issued by the Government of the Republic of Indonesia in 2022	Reference: GISD (New)
Outstanding loan amount, outstanding loan value (disaggregated by SME and micro financing)	 	In 2022, Bank has disbursed Rp21.38 trillion on MSME financing for 6,577 debtors, including Rp20.08 trillion for SME financing and Rp1.30 trillion for micro financing	Reference: 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 2022, there were 29,228 student savings accounts valued at Rp3.99 billion from financial literacy and inclusion programs	Reference: Sustainability Report
New and existing business activities (financing, investment, insurance) related to thermal coal mining and oil and gas exploration companies	SDG: Multiple	Bank has 1% of its total financing to finance thermal coal mining and oil and gas exploration companies. Furthermore, no new financing for thermal coal mine expansion activities	Reference: Sustainability Report
Total amount and value from green and sustainability-related financing		In 2022, Sustainable Business Activities Category (KKUB) financing was valued at Rp51.44 trillion to more than 6,900 debtors	Reference: GISD (New)
Portfolio impact analysis conducted to inform business strategy, where the processes and outputs of this analysis ensure compliance with the applicable guidelines	SDG: Multiple	12% of Bank's total financing carries the potential for a high level of sustainability risk [201-2]	Reference: UNEP FI
Existence and implementation of an impact analysis system and engagement of the investee client/company	SDG: Multiple	Bank has regulated Sustainability Due Diligence (SDD) mechanism for clients and business relations with sustainability action plans refer to international best practices	Reference: UNEP FI
Total checking account transactions and active users	 	In 2022, Bank had 27,131 individual checking account customers valued at Rp1.93 trillion	Reference: IRIS+
Total incentives disbursed for savings account openings	SDG: Multiple	In 2022, through the financial literacy program, Bank provided 4,968 savings accounts with a total incentive value of Rp496.8 million to the program participants	Reference: IRIS+
Total amount and value of ESG-related financing, where the conditions are affected by sustainability performance		In 2022, Bank had Sustainability-Linked Loan/Financing (SLL/F) deal amounted Rp686 billion for 1 debtor, while the Sustainable Finance (SF) program distributed financing amounted Rp2.3 trillion for 3 debtors	Reference: Sustainability Report
Total accounts held by women in countries with large gender disparities regarding financial inclusion	  	There are 616 women debtors receiving MSME financing from Bank	Reference: GISD (New)

Our Report

The 2022 Sustainability Report is a continuation of the information on environmental, social, and governance (ESG) performance from the 2021 report published on 10 March 2022. The sustainability report is published annually. [\[GRI 2-3\]](#)

All the information and data presented in this report are derived from the CIMB Niaga Head Office and operational activities conducted throughout Indonesia. CIMB Niaga's working units and branch offices throughout Indonesia provide data on employees and electricity usage. Meanwhile, CIMB Niaga's financial performance is derived from its audited Consolidated Financial Statements, which have been audited by a Public Accounting Firm. During 2022, we did not receive any financial assistance from the Government. [\[GRI 201-4; 2-2\]](#)

An independent party has verified this sustainability report with reference to the AA1000 and ISAE 3000 standards. The verification was conducted by SR Asia and the Lim Hendra Accountant Office, appointed and approved by the Board of Directors. We ensure no conflicts of interest in the appointment of independent parties. Regarding the presentation of information and data, there is a restatement of information for information on Greenhouse Gas (GHG) emissions for Scopes 2 and 3 (emissions of electricity use), especially those caused by updating emission factors. [\[GRI 2-4; 2-5\]](#) [\[FN-CB-550a.1\]](#)

CIMB Niaga submits information based on Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017 regarding the Implementation of Sustainable Finance and Preparation of Sustainability Reports as a means of compliance, communication,

accountability, and transparency with all stakeholders. Other references include 'Reporting with Reference to the GRI Standards' and the GRI-G4 Financial Services Sector supplemental indicators.

In addition, the report made for the period 1 January to 31 December 2022 makes reference to the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standard Board (SASB) for the Financial Services sector, World Wide Fund (WWF) Sustainable Banking Assessment (SUSBA), Sustainable Development Goals (SDGs), and Global Investors for the Sustainable Development (GISD) Alliance. [\[SUSBA 1.6.2.9\]](#)

Priority Material Topics [\[GRI 3-1; 3-2\]](#)

The method taken to see the impact of the Bank's operations on environmental, economic, and social issues is to conduct a materiality assessment. This materiality assessment is conducted by CIMB Niaga and the CIMB Group by adjusting issues and performance that are relevant to the Bank. The study of material topics is carried out through the distribution of surveys to stakeholders such as employees, customers, and partners of the Bank. Through investor and analyst meetings, CIMB Niaga also receives feedback from a variety of external stakeholders, such as investors and rating agencies. On 3 February 2022, the Board of Directors approved the adjustments made to the material topics from the previous Sustainability Report. Adjustments to these material topics include: a) the addition of Human Rights, Biodiversity and Ecosystem Integrity as new material topics; b) the addition of GRI 206, 304, 406, and 417 as new indicators. In addition, there is also change in the priority order of material topics.

Material Topic Determination Process

Identification and study of the business impact by reviewing the sustainable finance principles

1

Understanding the Bank business process

2

The study was carried out by distributing surveys to stakeholders, such as employees, customers, and Bank partners. Other inputs were also obtained from several external stakeholders, such as investors and rating agencies through investor and analyst meetings. Bank identifies the positive and negative impacts, as well as actual and potential impacts of Bank's business activity processes by taking into account the financial sector standard references from GRI G4, SASB, and SUSBA

3

Reviewing the level of importance of each impact of Bank's activities, especially in terms of financing and services

Material Topic Determination

Categorized material topics that are considered significant based on input from stakeholders and presented in the Sustainability Report

HIGH	1	Technology a. Data security, privacy and governance b. Digitalization and Innovation
	2	Governance a. Corporate governance, ethics and compliance b. Risk management and business resilience
	3	Sustainable Finance Products and Services
	4	Climate Change
MEDIUM	5	Financial Literacy and Inclusion
	6	Customer Experience
	7	Human Rights
	8	Diversity and Inclusion
LOW	9	Corporate Citizenship and Volunteering
	10	Employment and Talent Development
	11	Welfare, Health and Safety
	12	Biodiversity and Ecosystem Integrity

Boundaries and Management Approach for High Priority Material Topics [GRI 3-3]

Technology		
<div> <div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div> </div>		
Material Topic Impact Boundary	Impact on Stakeholders*	
Important Information	Internal	External
<ul style="list-style-type: none"> Data Security, Privacy and Governance <small>[GRI 418-1]</small> <ul style="list-style-type: none"> Policies for the fair design and sale of financial products and services <small>[FS15]</small> Customer privacy <small>[GRI 418-1]</small> Digitalization and Innovation <ul style="list-style-type: none"> Indirect economic impact <small>[GRI 203-1; 203-2]</small> 	<ul style="list-style-type: none"> Shareholders Employees 	<ul style="list-style-type: none"> Customers Regulators
Material Topic and its Importance for Company Sustainability Technology plays a critical role in quantifying and reporting digital trust and experience scores		
Policies: <ul style="list-style-type: none"> Strategy dan Information Technology (IT) Organization IT Systems Development IT Operations IT Communications Network Information Security IT Continuity End User Computing Digital Banking Use of IT Service Providers IT Processes, Risks, and Compliance 		
Performance Targets: Zero complaints regarding customer data privacy		
Achievement Strategies: <ul style="list-style-type: none"> Information and technology training and workshops Utilizing technology efficiently, timely, and cost-effectively to produce quality, reliable, and safe banking products and services 		
Achievements: <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 solutions to meet business needs Updated and added features to the OCTO Mobile mobile banking application, OCTO Clicks internet banking, and BizChannel to adapt to the latest technological and business model advancements Won the Bisnis Indonesia 2022 Financial Award (BIFA) – Highly Impactful Digital Banking App for OCTO Mobile 		
Evaluation Method: Strengthening IT security capabilities and capacities to proactively anticipate virus and malware threats as well as mitigate digital risks		
Responsible Directorate: Operations and Information Technology Directorate		

Governance



Material Topic Impact Boundary	Impact on Stakeholders*	
Important Information	Internal	External

- 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 [FS9][SUSBA 1.4.1.8]

- | | |
|--|---|
| <ul style="list-style-type: none"> • Shareholders • Employees • Union | <ul style="list-style-type: none"> • Customers • Regulators • Investors • Suppliers |
|--|---|

Material Topic and its Importance for Company Sustainability

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

Policies:

- Governance Policy No. M.12
- Anti-Bribery and Corruption Policy No. M.11
- Anti-Money Laundering and Counter-Terrorism Financing Policy No. C.02
- Human Rights Policy No. M.13

Performance Targets:

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

Achievement Strategies:

- Establishment of a sustainability organization
- Adjustment of various charters and policies
- Evaluation of governance implementation based on ACGS criteria and General Guidelines for Indonesian Corporate Governance (PUG-KI)
- Certification of governance procedures in accordance with international standards, such as ISO

Achievements:

- One of the few public companies in Indonesia that made it into the ASEAN Top 20 PLCs category, as well as being the Indonesian Top 3 PLCs and ASEAN Asset Class at the 2021 ACGS Award
- 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 Work Unit liaises with Internal Audit regarding compliance reviews

Evaluation Method:

Evaluation of corporate governance implementation based on OJK and ACGS parameters

Responsible Directorate:

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

Sustainable Finance Products and Services



Material Topic Impact Boundary	Impact on Stakeholders*	
Important Information	Internal	External

- 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 [FS1]
- Percentage of the Company's business portfolio according to banking sector for constrained individuals [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

- Shareholders
- Employees
- Customers
- Regulators

Material Topic and its Importance for Company Sustainability

Sustainable Finance is important for mapping Bank's portfolio of products and services that can assist in achieving the SDGs, including climate change mitigation actions and the establishment of a low-carbon economic ecosystem

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:

- Issue additional sector guidance for land-based and carbon intensive sectors
- Increase sustainable finance portfolio, including the Indonesia Green Taxonomy
- Increase sustainability and sustainable finance literacies
- 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 by 5%

Achievement Strategies:

- Bank conducts all aspects of due diligence related to a customer's/prospective customer's sustainability, including through Sustainability Due Diligence (SDD), Enhanced Sustainability Due Diligence (ESDD), and Sector Guidance
- Bank provides an Action Plan to customers/potential customers 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:

- Rp51.44 trillion in total financing portfolio in the category of sustainable business activities
- Rp10.14 billion financed to MSMEs through channeling, where 36% of funds were disbursed to 69 women debtors (34% out of total MSME channeling debtors)
- Rp8.10 trillion financed for sustainable palm oil (customers pursuing or have ISPO/RSPO certification)
- Issuance of Sector Guidance for Mining and Quarries
- Issuance of Sector Guidance for Palm Oil, Coal, Oil & Gas, Forestry, and Natural Rubber
- Integrate aspects of Human Rights and NDPE commitments on SDD and ESDD

Evaluation Method:

Reviewing SDD and ESDD results for financing in the corporate banking segment and gradually in the commercial banking segment

Responsible Directorate:

Compliance, Corporate Affairs, and Legal Directorate and Business Unit, specifically the Good Corporate Governance (GCG) & Sustainability Work Unit

Climate Change



Material Topic Impact Boundary	Impact on Stakeholders*	
Important Information	Internal	External
<ul style="list-style-type: none"> • Energy Use • Paper Savings • Water Management • Waste Management 	<ul style="list-style-type: none"> • Shareholders 	<ul style="list-style-type: none"> • Local Communities

Material Topic and its Importance for Company Sustainability

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

Policies:

- Sustainability Policy No. M.08
- 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 carbon neutral organization by 2050

Achievement Strategies:

- Monitor and evaluate activities and/or portfolios that have the potential to generate or contribute to Scope 1, 2, and 3 GHG emissions
- Conducting the implementation of internal carbon pricing
- Implement various energy-efficiency initiatives

Achievements:

- 8.57 GJ/Rp billion in energy intensity, or a 25% decrease compared to 2021
- 1.40 tonnes CO₂e in GHG emissions intensity, or a 15% decrease compared to 2021
- 5.89 m³/Rp billions in water use intensity
- 1.92 kg/Rp billions in paper use intensity

Evaluation Method:

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

Responsible Directorate:

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

* No negative impacts have yet been identified through the material topics.

“

CIMB Niaga always strives to minimize negative impacts and maximize positive impacts from banking activities. We encourage all stakeholders to support in developing low carbon business innovation, respecting equality, and upholding human rights

314.53

Pillar

01



Sustainable
Action



We Together with Employees

Employment and Employee Equality

CIMB Niaga provides every employee with opportunities to maximize their careers and work in line with its new work culture of Enabling Talent, Passion, Integrity & Accountability, Collaboration, and Customer-Centricity (EPICC). Bank's commitment to promoting, respecting, and upholding Human Rights also supports implementing this workplace culture.

Employment Related 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 Conduct Policy No. A.07.01
5. Recruitment and Selection Policy No. A.02.01

Description	Achievements in 2022
Freedom of assembly and association	
CIMB Niaga has four labor unions as employee representatives, and together with the Bank's management, periodically reviews and updates the Collective Labor Agreement (CLA)	All (100%) CIMB Niaga employees are included in the CLA
Working hours	
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	Working hours are performed in accordance with labor laws and regulations as well as the CLA
Equal employment opportunity	
CIMB Niaga 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	<ul style="list-style-type: none"> · Total employees consist of 49% male and 51% female employees · 31% female representatives on the Board of Commissioners and Board of Directors · 53% female representatives in senior management · No complaints or reports regarding an unfair recruitment process were received · CIMB Niaga employs 4 persons with disabilities · 1,640 employees received promotions, which consisted of 727 men and 883 women
Child labor, minors, and forced labor	
CIMB Niaga does not engage in or participate in the employment of child labor, minors, or forced labor, nor is it involved directly or indirectly with business partners who engage in these practices	There were no instances of child labor, minors, or forced labor practices within the operations of CIMB Niaga and its business partners
Leave Entitlements	
CIMB Niaga employees are entitled to take religious leave, unpaid leave, menstrual leave, parental leave, and miscarriage leave. Male employees receive three days of leave if their legal wife has a miscarriage, while female employees receive three months	387 employees returned to work after parental leave, consisting of 168 male employees and 219 female employees
Human rights training for security personnel	
CIMB Niaga, in collaboration with third parties, periodically provides human rights-related training to security personnel	999 or 100% of security personnel attended human rights-related training. Training on human rights are conducted in holistic manner, involving vendors/third parties and contracted security personnel which also accompanied by CIMB Niaga representative

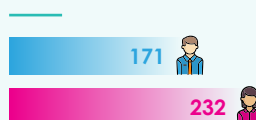


Parental Leave

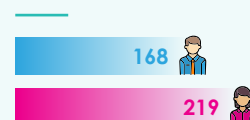
Employees entitled to parental leave



Employees who took parental leave



Employees who returned to work after parental leave



Diversity and Inclusion

Diversity and inclusion contribute positively to creating a sustainable and high-performing organization. CIMB Niaga is committed to respecting a diverse and inclusive workforce founded on equal opportunity, fair treatment, inclusiveness, dignity, and respect. Bank's Code of Ethics & Conduct policy ensures that every employee has the opportunity for development, is rewarded based on merit, and has equal access to career opportunities within the organization.

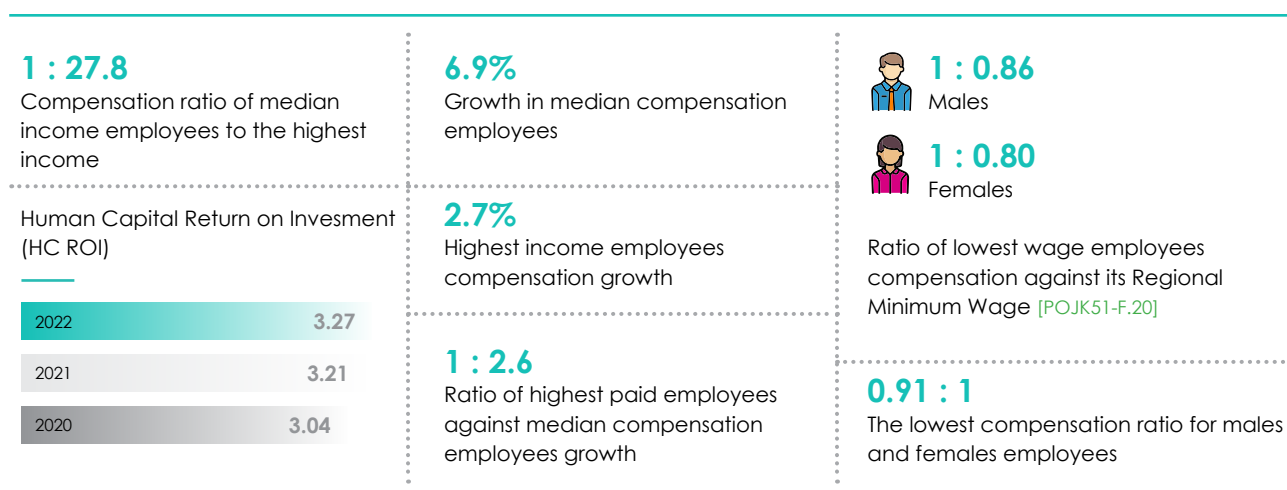
Ensuring Employee Welfare [GRI 2-21; 201-3; 401-2; 404-2; 405-2]

Bank continues to strive in improving employee welfare and in accordance with labor laws and regulations, CIMB Niaga enrolls all employees in the Employment Social Security Program (BPJS Ketenagakerjaan), which includes insurance for work accidents, old age protection, and death. The

premium/due contributed by CIMB Niaga for the BPJS Ketenagakerjaan program is 6.24%, while the employee contribution is 3%. Until the end of 2022, according to calculations made by an independent actuary, CIMB Niaga has set aside Rp641.25 billion for all employees in the form of pension benefits and other post-employment benefit liabilities.

Furthermore, CIMB Niaga offers opportunities for career advancement to every single employee through performance evaluation based on key performance indicators (KPI), with the achievement of sustainability performance being one of the KPI. [SUSBA 1.4.2.4]

In 2022, 64 employees retired. Bank also provides training that covered psychological, health, and financial aspects where 55 employees participated in the retirement training.



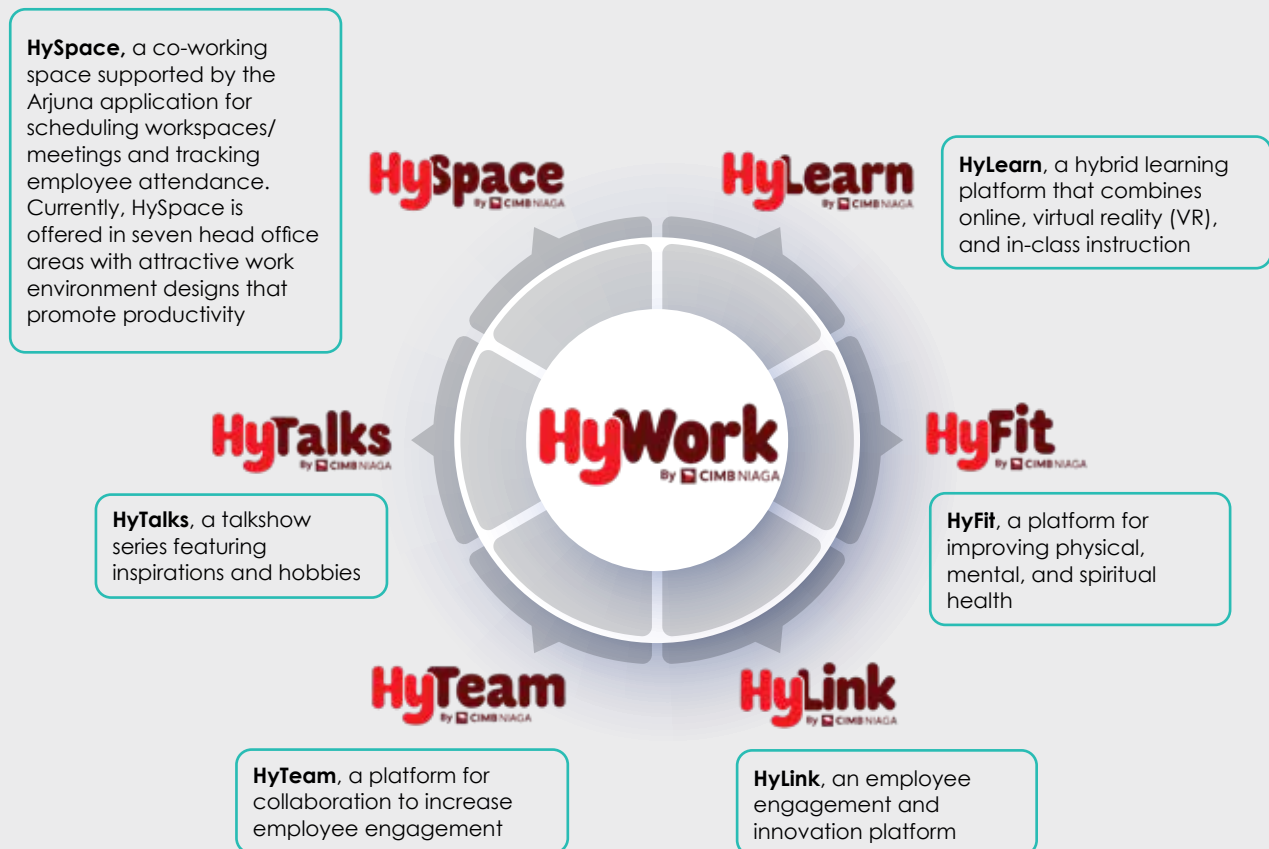
HyWork Initiative

In order to adapt with the new normal conditions following the pandemic, Bank implemented HyWork, also known as Hybrid Working and Happy Working, as a collaborative work method for employees working from the office and their homes. This initiative conducted to provide employees with the best possible experience through a flexible yet effective method of working based on its nature of work (flexible and non-flexible).



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. Through this initiative, Bank has received several awards and recognitions, including the 2022 iNews Maker Award and Human Resource Online Singapore's 2021 HR Excellence Awards as Gold Winner in the Excellence in Workforce Mobility category.

In its implementation, HyWork is supported by 6 integrated pillars:



Employee Health and Safety [POJK 51-F.21]

CIMB Niaga is committed to providing a decent and safe work environment by continuing to set a zero-accident goal and managing the following work accident risks:

- Conducting annual Occupational Health and Safety (OHS) training, facilitated by building managers
- Conducting annual training and education on evacuating multi-story buildings
- Basic training on fire extinguisher use
- Victim rescue training from buildings participated by building security personnel

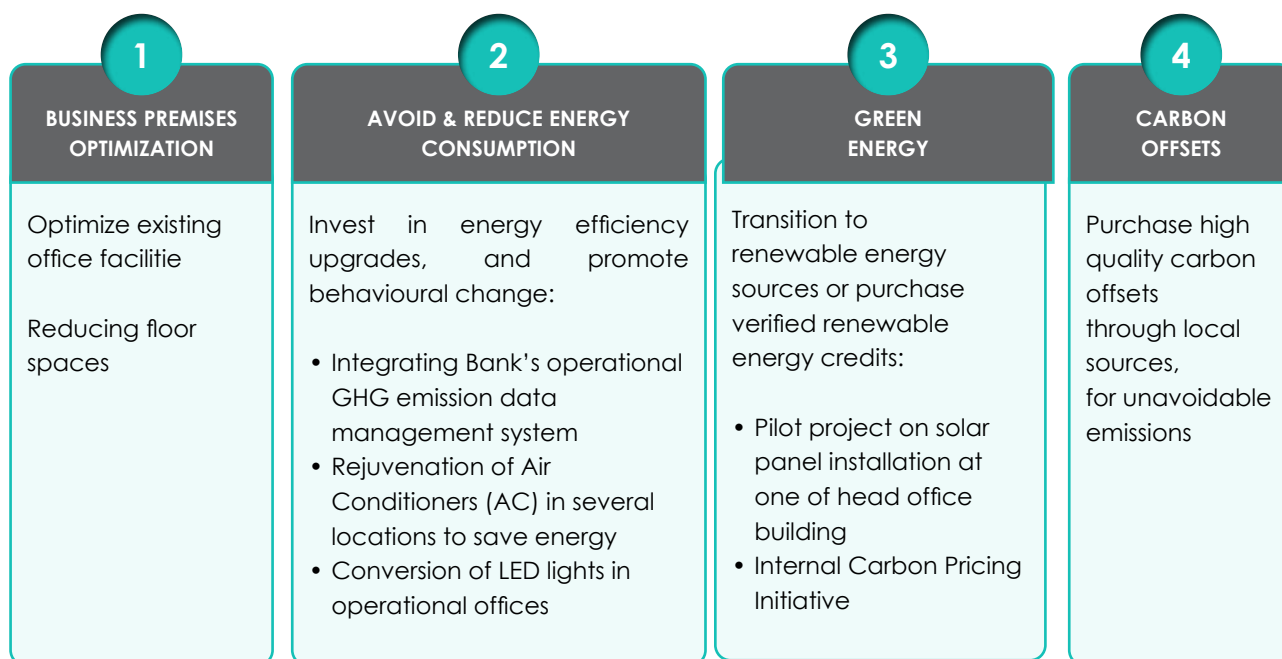
Throughout 2022, Bank has identified no occupations with high health risks and no workplace accidents. Additionally, CIMB Niaga provides permanent and contract employees with medical checkups, general health insurance, and BPJS Health insurance. Additionally, permanent employees receive eyewear and dental care facilities. Some facilities support the welfare of other employees, such as a health clinic, lactation room, places of worship, special parking for employees, accessible and inclusive toilets, and others.



We and Green Office

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

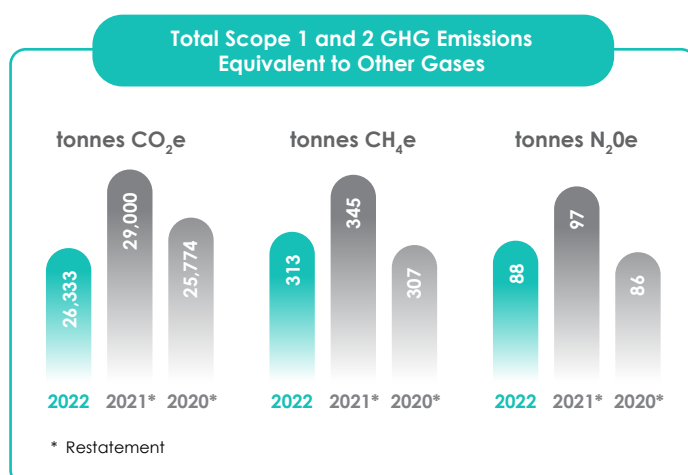
In 2021, CIMB Group committed to achieving net zero GHG emissions for Scopes 1 and 2 emissions in its operations by 2030 and to net zero GHG emissions overall (including Scopes 1, 2, and 3) or become a carbon neutral organization by 2050. By establishing regular GHG emission reduction targets, CIMB Niaga has developed a strategy to reduce emissions, achieve energy efficiency, and the use of new and renewable energy to reduce operational GHG emissions. Furthermore, to confirm the validity of Bank's GHG emission scope 1 and 2 data, KPMG Indonesia team, as independent third party, was involved to evaluate the energy data's collection and process to ensure the adequacy of internal control.



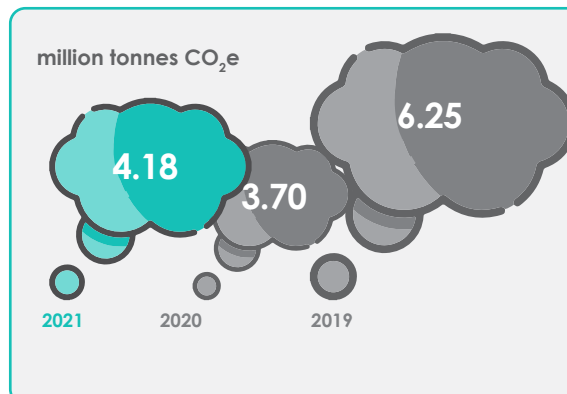
Internal Carbon Pricing (ICP) is one of the initiative to achieve net zero GHG emissions for Scopes 1 and 2 in our operations by 2030 by assigning a monetary value to GHG emissions generated by the Bank. ICP's primary objective is to modify internal behavior in reducing operational GHG emissions. In addition,

ICP aims to allocate funds for investments in energy efficiency, new and renewable energy, and the purchase of renewable energy certificates (REC) and carbon credits. Therefore, Bank since 2021 has commenced to develop and implement the ICP framework.

Greenhouse Gases (GHG) and Energy



Other indirect (Scope 3) GHG emissions on financing portfolio (financed emissions)



Other indirect (Scope 3) GHG emissions

In 2022, Bank has calculated other indirect (Scope 3) GHG emissions, consisting of business travel, Fuel- and energy-related activities (not included in Scope 1 or Scope 2), and investments, including Bank financing portfolio. Bank carried out pilot project on the other indirect (Scope 3) GHG emissions for financing portfolio in 9 high carbon intensive sectors.

The calculation method refers to the The Partnership for Carbon Accounting Financials (PCAF) standard. The nine sectors with high carbon intensity includes a) agriculture, b) coal, c) coal fired power plant, d) oil & gas, e) iron & steel, f) cement, g) aluminum, h) transportation & motor vehicles, i) real estate & residential houses.

Total other indirect (Scope 3) GHG emissions on financed emissions – 9 high carbon intensive sectors

[GRI 305-1; 305-2; 305-4]

Description	Unit	2021	2020	2019
Attributed Emissions	tonnes CO ₂ e	4,177,015.18	3,702,768.11	6,253,863.29
Intensity	Kilotonne (kt) CO ₂ e/Rp billion	0.13	0.13	0.18

GHG Emissions by Source [GRI 305-1; 305-2; 305-4] [POJK51-F.11]

Description	Unit	2022	2021*	2020*
Scope 1 GHG Emissions				
Transportation – Diesel	tonnes CO ₂ e	107.98	77.66	13.73
Transportation – Gasoline		1,092.87	3,964.48	1,049.04
Genset – Diesel		78.03	66.86	112.06
Generators – Gasoline		132.30	112.00	20.39
Scope 2 GHG Emissions				
PLN Electricity	tonnes CO ₂ e	24,921.36	24,779.29	24,578.38
Total GHG Emissions (Scope 1 + Scope 2)	tonnes CO ₂ e	26,332.54	29,000.29	25,773.60
Operating Income	Rp billions	18,866	17,568	16,358
GHG Emissions Intensity (Scope 1 + Scope 2)	tonnes CO ₂ e/Rp billions	1.40	1.65	1.58

Description	Unit	2022	2021*	2020*
GHG Emissions Intensity (Scope 1 + Scope 2)	tonnes CO ₂ e/Rp billions	-0.25	+0.07	-0.13
Compared to Last Year	%	-15	+5	-8
Scope 3 GHG Emissions				
Business Travel (Land and Air Transportation)		1,030.69	666.94*	-
CIMB Niaga Gunung Geulis Bumi Learning Center	tonnes CO ₂ e	219.95	178.28	-
Investments – Financing portfolio		-	4,177,015.18	3,702,768.11

Note:

GHG emissions data were collected from almost all CIMB Niaga offices in Indonesia. The electricity emission conversion factor utilize a modified method developed by the Ministry of Energy and Mineral Resources in 2019 of 6.3×10^{-4} tonnes CO₂e/KWh. Additionally, the conversion factor for fuel oil (BBM) emissions utilizes the Ministry of Environment and Forestry's 2012 method, with a conversion factor of 2.68 for diesel and 2.40 for gasoline. The GHG Scope 3 calculation refers to the Emission Factors for Greenhouse Gas Inventories (Environmental Protection Agency, 2022). *Restatement. The '-' sign before the number indicates a decrease and the '+' sign before the number indicates an increase.

Energy Based on Source, Total Use, and Energy Intensity Use [POJK51-F.6] [GRI 302-1; 302-2; 302-3]

Description	Unit	2022	2021	2020
Banking Support Activities				
PLN Electricity	GJ	142,407.77	141,595.92*	140,415.55
Diesel Generators	GJ	1,048.34	898.22	1,505.52
Gasoline Generators	GJ	1,817.73	1,538.84	280.10
Transportation Support Activities				
Diesel	GJ	1,450.70	1,043.33	184.50
Gasoline	GJ	15,015.24	54,469.05	14,413.08
Total Energy Use	GJ	161,739.78	199,545.36*	156,798.74
Operating Income	Rp billions	18,866	17,568	16,358
Energy Use Intensity	GJ/Rp billions	8.57	11.36	9.58
Energy Intensity Compared to Last Year	GJ/Rp billions	-2.79	+1.78	-1.80
	%	-25	+19	-16

Note:

The energy usage data covers almost all branches. Energy sourced by electricity and fuel oil were calculated based on payment invoices managed by the SPAPM Work Unit. Electricity energy conversion factor from KWh to GJ is 36×10^{-4} ; Gasoline energy conversion factor from L to GJ is 33×10^{-3} for petrol and 36×10^{-3} for diesel oil; Methodology use in conversion factor follow Ministry of Environment and Forestry (2017);

*Restatement. The '-' sign before the number indicates a decrease and the '+' sign before the number indicates an increase.

Waste Management

CIMB Niaga collaborates with third parties in its solid electronic waste (e-waste) and effluent management mechanism. In addition to the e-waste category, several branch offices have separated their waste. The waste sorting initiative carried out at the Graha CIMB Niaga Graha Office in 2022 showed that there was a total of 23.22 tonnes of waste, consisting of 77% organic waste and 23% inorganic waste. This initiative can also identify that 3% of the total waste

produced is in the form of paper. In addition, this initiative also integrates the concept of 'Zero Waste to Landfill' starting from October 2022, so that no waste is disposed of in a final disposal site (TPA). If extrapolation is carried out over the entire operation of the Bank, the potential waste generated for a year will reach 230 tonnes. The operational activities of Bank did not generate Toxic and Hazardous Materials (B3) waste or cause any significant spills.



Water Management [POJK 51-F.8]

Several CIMB Niaga offices utilizes water from the drinking water company (PAM) for operational activities such as cleaning, sanitation, and ablution. We reuse the water from used ablution facilities to flush the toilet and maintain plants around the building. Water is also utilized through the sewer system in accordance with the wastewater management system of the building management.

Description	Unit	2022	2021	2020
PAM Water Consumption	m ³	111,053	245,720	136,905
Operating Income	Rp billions	18,866	17,568	16,358
Water Use Intensity	m ³ / Rp billions	5.89	13.99	8.36

Paper Savings

In 2022 CIMB Niaga recorded the issuance of more than 1.8 million e-statements, which indicates a conversion of 27.7 tonnes of paper materials to paperless. Thus, it can also be assumed that the potential for avoided GHG emissions can reach up to 13.86 tonnes of CO₂e. CIMB Niaga also promotes paper saving in operational activities, especially during the implementation of digital banking and a digital database. Several initiatives have been carried out, for example:

1. Transfer of documentation archives and report submission from hardcopy to digital format

2. Reusing used paper for photocopying draft letters or internal memos using both sides of the paper
3. Optimizing multi-functional printers for scanning and facsimiles, thereby reducing document printing
4. Optimizing the use of e-channels and mobile banking for customers
5. Replacing bank statements into e-statements
6. Formless transactions to replace transaction form/ slips with validation sites
7. Bank ensures that paper use is derived from responsible and sustainable sourcing, as well as environmentally-friendly [POJK51-F.5]

Paper Use Intensity

Description	Unit	2022	2021	2020
Volume of Paper Used	Reams	14,467	13,433	18,046
	Kg	36,168	33,608	46,015
Paper Procurement Costs	Rp millions	410.83	419.22	776.69
Operating Income	Rp billions	18,866	17,568	16,358
Paper Use Intensity	Kg/Rp billions	1.92	1.91	2.81

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

Local partners and suppliers with domicile in Indonesia are given priority in our procurement practices. Procurement of Goods and Services Policy No. 03.01.P.01 outlines the guidelines for partnering with local vendors. Local partners and vendors account for 93% of CIMB Niaga's partners and vendors for goods and services. [GRI2-6]

Partners and vendors undergo a Sustainability Due Diligence (SDD) evaluation before working for CIMB Niaga. At this stage, partners and suppliers will be evaluated based on the performance of environmental management, implementation of work safety, fulfillment of human rights and responsibilities in accordance with the United Nations Guiding Principles (UNGP) in employment, and community empowerment. Legal, finance, operational risk management, and other related working units assist the Strategic Procurement & Admin Property Management (SPAPM) Work Unit with the procurement process. [SUSBA 1.2.1.10; 1.2.1.11]

In 2022, the Bank updated the Vendor Code of Conduct (VCOC) document which regulates responsible business behavior, human rights, and environmental management for partners and vendors who work with CIMB Niaga. The Vendor Code of Conduct has been sent for approval by 272 partners or vendors.

110

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

57

Vendors have participated in the socialization of sustainability practices



“

CIMB Niaga carries out banking operations with sustainability principles to provide added value and positive impact through Bank's products and services

Pillar

02

**Sustainable
Business**



Responsible Banking [POJK51-F.17; F.27]

CIMB Niaga refers to the Standard Guidelines for Summary of Information on Products and Services in the Financial Services Sector by the Financial Services Authority (OJK) as a form of commitment to provide consumers with equivalent products and/or services. To accomplish this, and in accordance with New Products and Activities Policy No. B.04, all (100%) products and activities must go through the post-implementation review (PIR) phase, which is conducted by working units responsible for evaluating customer product safety. Prior to product launch, a review must be conducted within 12 months.



Customer Data Security and Privacy Protection

[GRI 418-1] [FS15] [FN-CB-230a.1] [FN-CB-230a.1; FN-CB-230a.2] [POJK51-F.29]

CIMB Niaga is committed to maintain and protect data privacy and security. This commitment is demonstrated by various internal policies governing the security of all personal data, including applications, databases, and infrastructure, which authorized parties can only access in accordance with applicable laws and regulations. Bank continuously enhances its protection devices to maintain its transaction security and digital infrastructure against various cyber-attack risks and other technological crimes. Bank has Security Operations Center Work

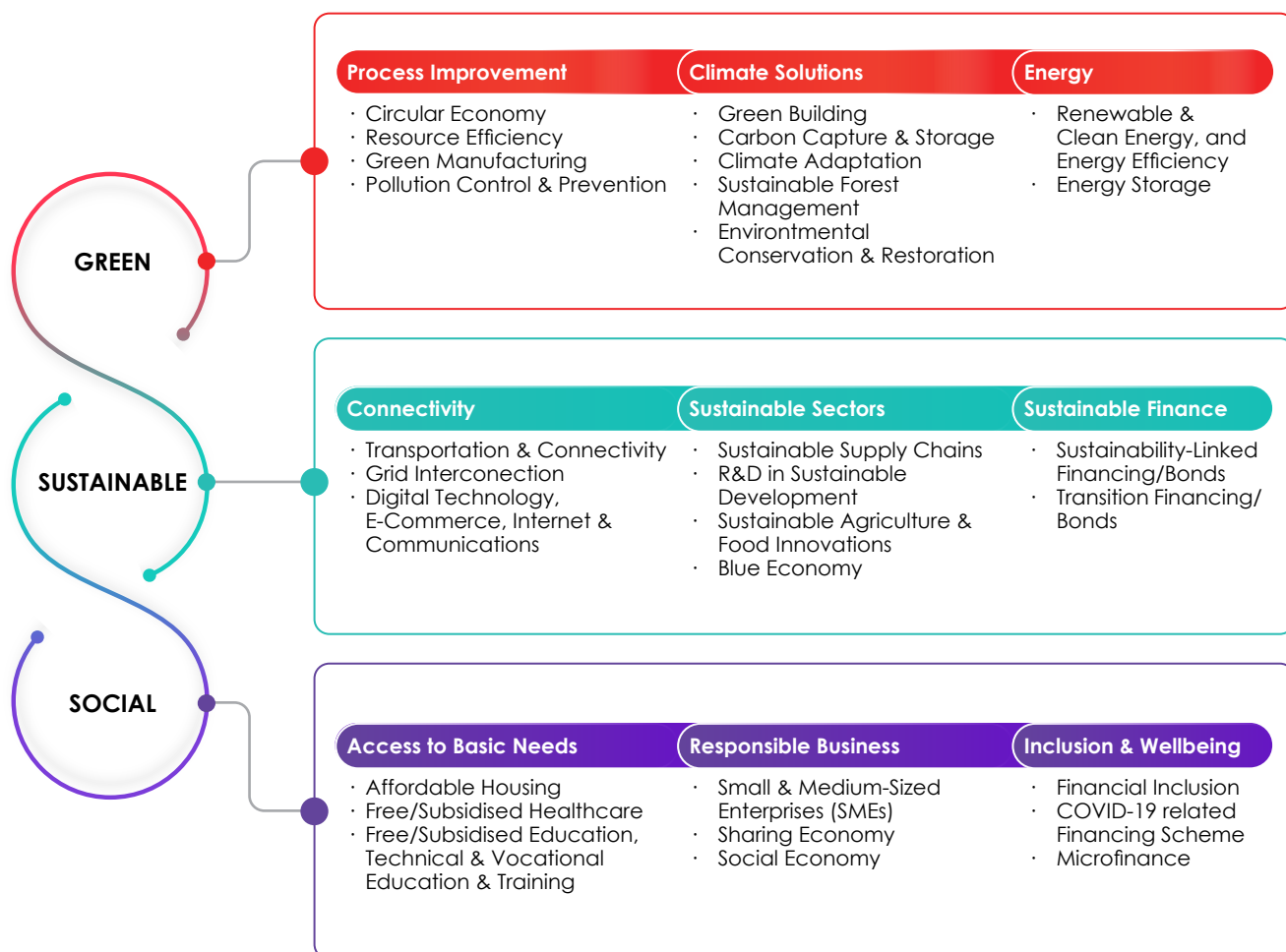
Unit that detects both external and internal cyber-attacks early. Furthermore, Data Protection Work Unit is responsible for protecting the privacy of personal data, such as customer and employee personal data. All these work units collaborate to protect Bank's sensitive data. Moreover, CIMB Niaga continues to educate employees, customers, and business partners on the importance of data security.

No financial products or services were recalled or removed from the market in 2022. Furthermore, there were no complaints or violations regarding customer security and privacy, business competition, or data loss due to data theft (cybercrime).

Sustainable Finance Product/Service/Program Innovation and Development [SUSBA 1.5.1.2] [POJK51-F.26; F.28]

Bank continues to implement its sustainable financial product/program initiatives developed previously, such as the Mapan iB Savings Program with Waqf,

Green Mortgage, and solar panel financing. These sustainable financial products/programs align with the sustainable financing framework of CIMB Niaga, namely Green, Social, Sustainable Impact Products and Services (GSSIPS).



In 2022, Bank reintroduced sustainable finance product/service/program innovations that contribute positively to environmental, social, and sustainability impacts, such as:

Sustainability Market-Linked Deposit

Sustainability Market-Linked Deposit is a deposit product for individual and non-individual customers. Deposit funds will only be allocated to financing that falls under the Sustainable Business Activity Category (KKUB). Until the end of 2022, the Sustainability Market-Linked Deposit product raised Rp906.95 billion, which was allocated entirely to KKUB financing.

OCTO Card Digital Credit Card & Cardless Feature

OCTO Card digital credit card is integrated into the OCTO Mobile Super App. Customers can perform transactions without a physical card through the QRIS scan feature of OCTO Mobile. This product launch aligns with CIMB Niaga's initiative to reduce plastic card usage. In addition, Bank innovated a cardless feature through OCTO Mobile. This feature facilitates cash withdrawal and deposit transactions at all Automatic Teller Machines (ATM) or CIMB Niaga Cash Withdrawal machines and third-party partners without needing an ATM/debit card.

Giro Kartini

Bank launched the 'Giro Kartini' product for customers in Emerging Business Banking (EBB) segment. Bank launched this product to support the SDGs achievement, specifically SDG 5 (gender equality) and women empowerment. This gender-responsive program is designed to help women entrepreneurs better manage their savings for business development. Giro Kartini is also an environmentally friendly (paperless) product with e-statement function. Giro Kartini also offers a range of interesting features, such as selecting account number of customer's own choice, lower account fees, transaction fee refunds, and competitive rates. Giro Kartini give special offers for individual women customers and non-individual customers that are led by women. In addition, for each opening of Giro Kartini, CIMB Niaga provides donation to support the traditional weaving training for women with disabilities in Sulawesi. By the end of 2022, Bank recorded Rp15.02 billion of Giro Kartini portfolio which are spread throughout Batam, Jambi, Jakarta, Denpasar, and Yogyakarta.

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

Bank continues the innovation of the SLL/F program by offering incentives to customers who meet the pre-agreed sustainability performance targets (SPT). The SF program is aimed at CIMB Niaga customers engaged in businesses classified under the KKUB categories. In 2022, Bank successfully closed one SLL/F deal worth Rp0.69 trillion through syndication financing for cement sector client with a sustainability performance target of reducing greenhouse gas (GHG) emissions. This SLL/F deal falls under 'climate finance' or 'nature-based solutions.' In addition, Bank has provided Rp2.28 trillion in green financing to three clients through the SF program.

Financial Inclusion through Micro, Small and Medium Enterprises (MSME) Financing [GRI 203-2] [FS 13] [POJK51-F.23]

CIMB Niaga supports MSME business development through three lending products, including working capital loan, investment loan, and supply chain financing. MSME financing is disbursed through two segments, namely Emerging Business Banking (EBB) and Micro Linkage in commercial banking. Until the end of 2022, CIMB Niaga recorded Rp21.38 trillion in total for MSME financing.

Emerging Business Banking (EBB)

EBB is direct financing provided to Indonesian small and medium-sized enterprises (SMEs).

Micro Linkage in the commercial banking segment

Micro Linkage is a program that provides indirect financing through a linkage. In this scheme, financing is provided through Plasma Cooperatives, Rural Banks (BPR), Regional Development Banks (BPD), Employee Cooperatives (Kopkar), and other non-bank financial institutions. Until the end of 2022, CIMB Niaga had 248 Micro Linkage partners across Indonesia with a total financing value of Rp4.60 trillion.

Strengthening Digital Banking to Enhance Consumer and EBB Segment Services

Our digital banking services include OCTO Mobile, OCTO Clicks, BizChannel@CIMB and other e-channels. One of the initiatives we implemented in 2022 was adding the OCTO Card Digital Credit Card feature to OCTO Mobile. More than 438 million transactions were recorded by Bank on digital and branchless banking platforms, with the potential to reduce GHG emissions by more than 39 thousand tonnes CO₂e in 2022 based on the volume of digital banking transactions. Meanwhile, Octo Clicks offers a merchant report feature in addition to the mass transfer feature to support EBB customers' daily transactions, helping to increase EBB customer transactions and loyalty.

Total Digital Platform Transactions

Digital Transaction	2022		2021		2020	
	Financial Transaction	Non-Financial Transaction	Financial Transaction	Non-Financial Transaction	Financial Transaction	Non-Financial Transaction
OCTO Mobile	175,597,675	557,540,942	112,314,098	410,758,558	56,431,233	249,059,462
OCTO Clicks	47,442,758	394,967,186	20,872,720	314,536,432	17,325,817	280,844,402
Mobile Account	19,302,253	-	22,604,200	-	30,779,471	-
BizChannel@CIMB	96,571,914	-	64,346,291	-	60,374,559	-
ATM, CDM/MDM, and CRM	99,842,366	26,853,706	104,870,789	32,983,584	120,301,874	43,818,159

Customer Satisfaction Level and Complaint Resolution

[GRI 2-25] [POJK51-F.16; F.30]

Customers, general public, and other stakeholders can submit reports of any problems with products, services, data security, or regulatory non-compliance. Complaints can be filed through various channels.

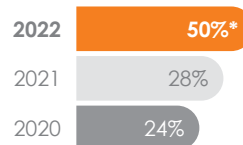
In 2022, CIMB Niaga did not receive any complaints of regulatory non-compliance. Additionally, Bank received no significant customer complaints, including environmental complaints. Complaint resolution is the joint responsibility of all relevant units. Detailed information on other types of complaints and their level of resolution can refer to 2022 Annual Report.

Bank strives to improve and enhance the customer experience. Toward this end, an annual customer loyalty survey is conducted by calculating the Net Promoter Score (NPS), which considers product, service channel, and service quality.

Complaint Channels

- Direct visits to branch offices
- Contact Center service: 14041 or +62 21 2997 8888 (international)
- Preferred Assistance: 1500 800 (only for CIMB Preferred customers)
- E-mail: 14041@cimbniaga.co.id
- Business Banking Contact Center: 14042 or +62 21 8065 5111 (international)
- Website: www.cimbniaga.co.id
- Whistleblowing System

Net Promotor Score (NPS)



*General banking NPS

Customer Complaint Resolution Rate



Sustainable Finance

Sustainable Finance Products and Programs

Product/Program Name	Total Financing (Rp billions)
Sustainability-Linked Loan/Financing (SLL/F) Program	686.02
Sustainable Finance (SF) Program	2,282.27
iB Mapan Savings with Waqf	70.36
Green Mortgage	141.60
Solar Panel Financing	0.26
Sustainability Market-Linked Deposit	906.95
Giro Kartini	15.02
X-tra Electric Motorbike	0.04
Environmentally Friendly Vehicle Financing *	83.46

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



Sustainable Finance Implementation [FS9] [SUSBA 1.2.1.2; 1.2.2.1; 1.2.2.4; 1.3.1.3; 1.3.2.6; 1.4.1.8; 1.5.1.1]

The Financial Services Authority (OJK) has finalized Phase II of the Sustainable Finance roadmap (2021-2025) to accelerate the implementation of environmental, social, and governance (ESG) principles in Indonesia. Priorities of this roadmap include the development of a green taxonomy, implementing ESG factors, real program development, product innovation, sustainable financial services, and a national sustainable finance campaign. CIMB Niaga actively runs and supports OJK programs. Bank applies sustainable finance to all its financing segments.

Bank utilizes Sector Guidance in implementing sustainable finance, based on the Sustainable Finance Policy. Clients are also subject to Sustainability Due Diligence (SDD) and Enhanced Sustainability Due Diligence (ESDD).

Internal Audit Work Unit conducts a coverage audit annually. The coverage audit is conducted by utilizing a comprehensive risk assessment-based methodology and an internal control framework that refers to the International Committee of the Sponsoring Organization of the Treadway Commission (COSO) – Internal Control Integrated Framework.

Indonesia Green Taxonomy

In January 2022, OJK launched the Indonesian Green Taxonomy to provide guideline on the classification towards business activities that promote environmental sustainability. CIMB Niaga is one of the banks appointed by OJK to conduct a pilot project to categorize bank's portfolio based on the Indonesian Green Taxonomy. The project was implemented in stages based on the debt balance (50 to 400 top clients). The Indonesian Green Taxonomy identification and reporting results for the December 2022 position indicated 34% of the top 400 clients fall into the green or yellow categories, equal to a total outstanding balance of Rp28.49 trillion.








KKUB Financing [SUSBA 1.5.1.3] [POJK51-F.3]






Environmental and Social Sector Financing [FS11]

Description	Unit	2022	2021	2020
Total Products that Meet the KKUB Criteria				
a. Funds Collection – Waqf Savings		70,401	154,381	6,662
b. Funds Collection – Sustainability Market-linked Deposit		906,953	-	-
c. Funds Collection – Giro Kartini		15,023		
d. Xtra Electric Motor Financing	Rp millions	42	44	-
e. Environmentally Friendly Vehicle Financing*		83,458	28,053	11,636
f. Green Mortgage Financing		141,549	85,316	-
g. Sustainability -Linked Loan/Financing Program		686,024	-	-
h. Sustainable Finance Program		2,282,269	332,331	-
i. Solar Panel Financing		264	-	-
Total Productive KKUB Assets				
a. Total KKUB Financing	Rp millions	51,444,423	45,068,614	50,119,835
b. Total KKUB Non Financing – Green Sukuk Investment**	US\$ millions	-	75	75
c. Total KKUB Non Financing – Green Bond Investment **	Rp millions	32,990	-	-
Percentage of KKUB Financing to Total Loans	%	26	25	28

* Financing by subsidiary, PT CIMB Niaga Auto Finance (CNAF); ** The Government of Indonesia issued Green Sukuk/Bond globally to fund climate change mitigation and adaptation projects.

Composition and Quality of KKUB Loans [FS8] [SUSBA 1.6.2.1]

No	Sustainable Business Activities Category (KKUB)	Non-MSME (Rp trillions)	MSME (Rp trillions)	Total (Rp trillions)	NPL (%)*
1.	 Renewable Energy**	-	-	-	-
2.	 Energy Efficiency	-	-	-	-
3.	 Pollution Prevention and Control	-	-	-	-
4.	 Management of Natural Resources and Sustainable Land Use	6.22	0.14	6.36	-
5.	 Conservation of Land and Water Biodiversity	-	-	-	-
6.	 Environmentally Friendly Transportation	2.10	-	2.10	-
7.	 Sustainable Water and Waste Water Management	0.20	-	0.20	-

No	Sustainable Business Activities Category (KKUB)	Non-MSME (Rp trillions)	MSME (Rp trillions)	Total (Rp trillions)	NPL (%)*
8.	 Climate Change Adaptation	-	-	-	-
9.	 Products that Help Conserve Resources and Contribute to Less Pollution	7.02	0.04	7.06	-
10.	 Environmentally Friendly Buildings that Meet National, Regional, or International Recognized Standards/Certification	0.98	-	0.98	0.09
11.	 Other Environmentally Friendly Business and/or Other Activities	13.54	-	13.54	-
12.	 MSME Activities	-	21.20	21.20	4.58
Total		30.06	21.38	51.44	

* NPL percentage (gross) is calculated based on the total portfolio of each KKUB; ** in full amount of Rp264.50 million.



In addition to financing for the 12 KKUB, Bank also disbursed Rp63.49 billion to support affordable housing, an increase of 2% from Rp62.39 billion in 2021. Bank has also distributed inclusive financing to low-income individuals of Rp5.68 billion.

Problems, Developments, and Impacts of Sustainable Finance Implementation [FS14] [SUSBA 1.1.2.2] [POJK51-E.5]

In 2022, the need for deeper understanding and human resources competence in implementing sustainable finance posed a challenge for the Bank. Customer level of understanding is also deemed various, therefore continuous learning is required. Furthermore, many business sectors still face challenges in meeting the KKUB criteria for sustainable financing.

Due to these challenges, Bank seeks to increase collaboration and learning with various stakeholders in providing education on sustainable finance and Indonesia Green Taxonomy. Additionally, Bank encourages customers to run an eco-friendly business to increase work efficiency and productivity.



Financing High Sustainability Risk Sectors [FS12] [SUSBA 1.1.1.2; 1.1.1.6; 1.6.2.6] [FN-CB-410a.2; 550a.2]

Bank has mapped, identified, and evaluated business activities that may have adverse environmental and social impacts. Clients and prospective clients with high ESG risk are subject to SDD and ESDD. In addition, Bank has Sector Guidance that outline the expectation of meeting the minimum sustainability requirement, prohibition, and encouragement of

best sustainability practices. Bank's Sector Guidance covers land-based sectors, including oil palm, coal, oil and gas, forestry and natural rubber, as well as construction services, real estate, and infrastructure. Bank does not yet have a voting policy for investments with ESG issues.

No Deforestation, No Peat, No Exploitation (NDPE) Commitment

Bank adopted an NDPE policy and commitment in 2022, particularly in the oil palm and forestry sectors, with concession areas minimum of 500 hectares (ha). Implementation starts in January 2023 for 'new to bank' clients and in December 2023 for 'existing to bank' clients. In addition, through the NDPE commitment:

1. Bank prohibits financing to clients that directly or indirectly involve in new conversion activities of High Conservation Value (HCV) areas, as well as land clearing and new planting on peatlands of any depth.
2. Bank requires clients to have a human rights policy or commitment, such as
 - a. Free, Prior and Informed Consent (FPIC) when engaging with local people and communities, as well as indigenous people and communities
 - b. Policy/commitment prohibiting worker exploitation and respecting workers' rights.
3. Bank prohibits land clearing by burning, or requires implementation of zero burning policy.

In addition, manufacturing industries, such as oil palm mills, are urged to establish supply chain traceability systems and involve external suppliers in accordance with NDPE requirements.

No Deforestation Commitment in High Conservation Value (HCV) areas is a method for assessing the values of biodiversity (HCV 1), ecosystems at the landscape scale (HCV 2), rare and threatened ecosystems/habitats (HCV 3), important environmental services (HCV 4), the needs of local communities (HCV 5), and cultural heritage in a landscape (HCV 6). Bank always encourages clients to identify, maintain, and expand HCV areas as much as possible.

Therefore, in line with the principles of sustainability and NDPE:

1. Bank recognizes the importance of safeguarding diverse habitats and species on Earth, as well as natural ecological processes and the carrying capacity of the environment.
2. Bank continuously assists customers in understanding the risks and opportunities associated with prudent and responsible natural capital management and biodiversity conservation.
3. Bank continuously supports multi-stakeholder initiatives that respect and safeguard biodiversity, such as the Task Force on Nature-related Financial Disclosures (TNFD).




Sustainability Due Diligence Recapitulation* [SUSBA 1.6.2.4]

Sector	Recommended	Recommended with an Action Plan	Not Recommended
Agriculture, forestry, other land use and land-use change (AFOLULUC)	42.4%	14.6%	0.3%
Outside the AFOLULUC sector	41.0%	1.7%	0%

*The results of the study are based on proposals that include SDD and/or ESDD.

KKUB Financing for Land-based Sectors [SUSBA 1.2.2.1]

Agriculture, forestry, other land-use, and land use change (AFOLULUC) are the land-based sectors of concern in 2022, at which the Bank's financing portfolio identified ten customers in the AFOLU sectors with sustainability certifications, valued at Rp3.09 trillion. AFOLULUC sectors that have obtained sustainability certification are regarded to have implemented Good Agricultural Practices (GAP) and 'Regenerative Agriculture' practices to perform optimal and sustainable production.

Sector	Certification	Total Clients	Total Financing (Rp trillions)
 Agriculture	The Planet Mark UK	1	0.01
 Fishery	Best Aquaculture Practice Aquaculture Stewardship Council Good Agriculture Practice (Good Fish Hatchery Methods (CPIB) and Good Fish Farming Methods (CBIB))	1	0.20
 Forestry	Forest Stewardship Council (FSC) Chain of Custody (COC)	1	0.23
	Timber Legality Verification System (SVLK)	5	2.61
	FSC COC & SVLK	2	0.04



KKUB Financing for Oil Palm Plantations [FS8] [SUSBA 1.2.1.4; 1.2.1.5; 1.2.1.13; 1.2.2.2; 1.2.2.3; 1.6.2.5]

We require oil palm plantation clients to implement sustainability principles or commitments such as Indonesia Sustainable Palm Oil (ISPO) and/or Roundtable Sustainable Palm Oil (RSPO) certification and/or International Sustainability and Carbon Certification (ISCC), NDPE principles, FPIC, and HCV, in addition to other sustainability commitments.

Sustainability Commitments for Oil Palm Clients

Komitmen Keberlanjutan	No Deforestation, No Peat, No Exploitation (NDPE) and High Conservation Value (HCV) and/or High Carbon Stock (HCS)	Free, Prior, and Informed Consent (FPIC)
Total Debtors	20	56
Financing (Rp trillions)	6.50	7.87

Financing based on ISPO, RSPO, and ISCC Certifications

Certification	Total Clients	Amount Financed (Rp trillions)
RSPO* and ISPO**	11	6.01
RSPO*	9	0.49
ISPO**	36	1.37
In the ISPO process**	3	0.04
In the RSPO process*	7	0.19
ISCC***	9	6.22

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 in the principles of No Deforestation, No Peat, and No Exploitation; **ISPO is an oil palm plantation sustainability standard that is applicable in Indonesia in accordance with applicable laws and regulations; ***ISCC is one of the leading certification systems for sustainability and greenhouse gas emissions. In July 2011, ISCC was 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.

Coal Financing Phase-Out Commitment by 2040

[SUSBA 1.2.1.3] [SUSBA1.6.1.3]

Bank is phasing out coal financing by 2040, with a plan to have gradual reduction in coal portfolio. Bank also has set an interim goal to reduce the financing portfolio for thermal coal mining up to 50% by 2030, from the baseline year of 2021. This effort is align with the commitment of the CIMB Group, a signatory of the United Nations Principles for Responsible Banking (UN PRB and Collective Commitment on Climate Action) and a member of the Collective Commitment on Climate Action (CCCA).

Bank is prohibited from financing the expansion of thermal coal mines and coal-fired power plants (CFPP). In addition, coal clients are also prohibited from engaging in Mountain Top Removal (MTR) mining. As of the end of 2022, total coal company and power plant clients have decreased by 7% compared to 2021.

“

CIMB Niaga has set an interim goal to reduce the financing portfolio for thermal coal mining up to 50% by 2030, from the baseline year of 2021



“

CIMB Niaga's Corporate Social Responsibility program focuses on several CSR pillars, namely education, health and community well being, economic empowerment, and climate and environment

Pilar

03 Corporate Social Responsibility (CSR)

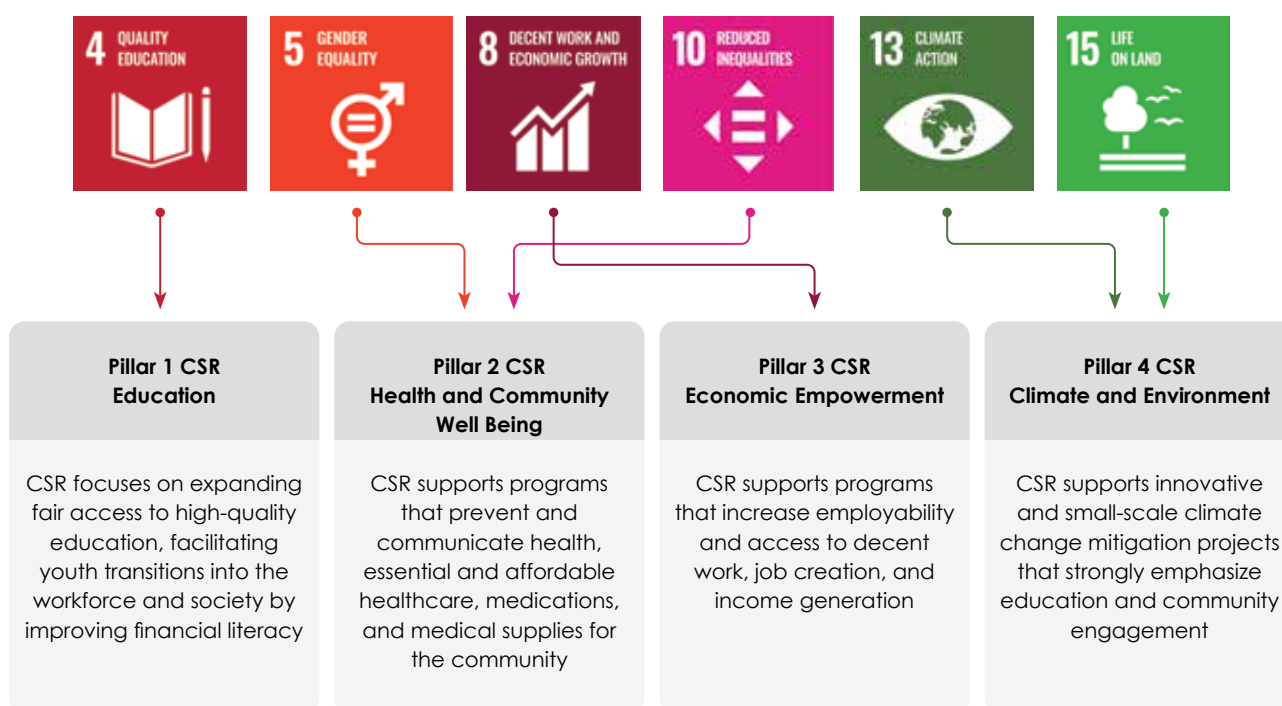


Realization of Corporate Social Responsibility (CSR) Fund [POJK51-F.4]

Realization of CSR Fund (Rp million)

CSR Pillar	2022	2021	2020
Education	8,077	8,329	10,146
Health & Community Well Being	5,042	14,593	7,211
Economic Empowerment	5,187	3,743	4,857
Climate & Environment	4,028	1,482	820
Others	1,912	4,218	5,013
Total	24,246	32,365	28,046

CIMB Niaga has four Corporate Social Responsibility (CSR) pillars that serve as the central focus of its CSR efforts to create a positive impact on society. The four CSR pillars demonstrate Bank's commitment to the Sustainable Development Goals (SDG). [POJK51-F.25]



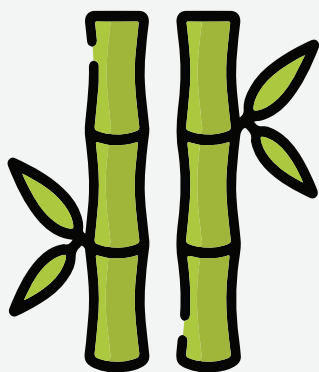
Employee Volunteer Program

CIMB Niaga and the CIMB Group are committed to performing 100,000 hours of volunteer work annually until 2024. We have therefore launched the Employee Volunteer Program (EVP) in 2022. The purpose of the EVP is to raise awareness and contribute positively to the environment and society by CIMB Niaga employees. The EVP requires every employee to participate in CSR activities for a minimum of two hours per year.

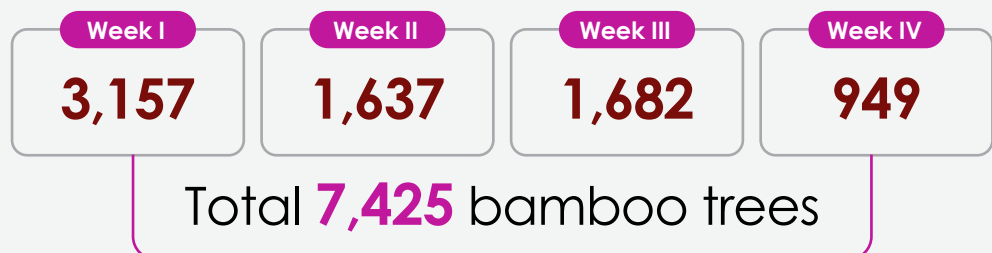
EVP activities are aligned with the four pillars of Bank's CSR, which are Education, Economic Empowerment, Community Health and Welfare, and Climate and Environment. In 2022, the EVP collected more than 42,000 hours of volunteer work or an average of 4.37 hours per employee per year. CIMB Niaga employees have participated in EVP initiatives such as planting

pine trees, donating used clothing, blood donations, and other activities.

'Gerak untuk Bumi' program commemorating Bank's 67th birthday is another example of integrating sustainability values and the EVP into Bank's daily activities. The Gerak untuk Bumi initiative in September 2022 contributed to the environment while promoting health through physical activity. This activity encouraged all employees to exercise while preserving the environment and earth, as every two hours of exercise time resulted in donating two bamboo seeds for earth preservation. Following this event, CIMB Niaga presented the Biodiversity Foundation (KEHATI) with more than 7 thousand bamboo tree seedlings to be planted in Lombok, West Nusa Tenggara.



Bamboo Meter



Pillar 1 CSR: Education

[SUSBA 1.6.2.10]



Realizing the Dream of the Nation's Generation through Scholarship Program

Through the scholarship program, CIMB Niaga supports the dreams of the nation's next generation to acquire adequate education. This scholarship program demonstrates our commitment to improving Indonesian education by preparing the country's next generation of quality and excellence.



2022 CIMB Niaga Scholarship Program



50

Students



19

Universities
in
Indonesia

CIMB ASEAN Scholarship 2022



1

Scholarship
recipient

Building a Culture of Saving and Investing [FS7; 1.6] [FN-CB-240a.3; 240a.4]

The Indonesian government has set a goal of achieving 90% financial inclusion by 2024. The Bulan Inklusi Keuangan (BIK) and Satu Rekening Satu Pelajar (KEJAR) programs initiated by the Indonesia Financial Services Authority (OJK) aim to contribute to the achievement of this objective. CIMB Niaga supports this objective through Ayo Menabung dan Berbagi (AMDB), Tour de Bank (TDB), Be Smart, and student savings accounts.



Ayo Menabung dan Berbagi (AMDB)

The AMDB program is a financial literacy program for junior high school (SMP), high school (SMA), and vocational high school (SMK) students that presents them with banking and financial planning material. CIMB Niaga has consistently implemented this program for 12 years.

In 2022, the AMDB program conducted online and introduced the savings benefits as well as superior digital banking features of CIMB Niaga, namely the Super App OCTO Mobile. Furthermore, to understand the participants' level of understanding of this program, an evaluation (pre- and post-test) was carried out through a digital application so that the results can be received immediately to ease the validation of the assessment.

2022



6,374

Number of Students



80

Number of Schools

2021



7,250

Number of Students



85

Number of Schools

2020



7,451

Number of Students



69

Number of Schools

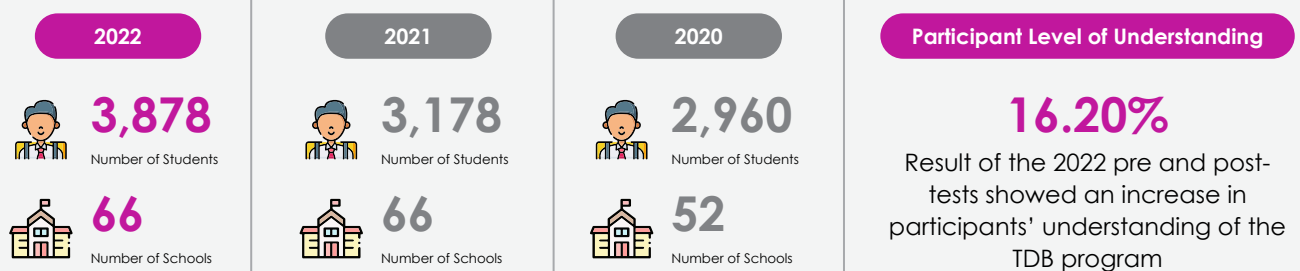
Participant Level of Understanding

6.89%

Result of the 2022 pre and post-tests showed an increase in participants' understanding of the AMDB program

Tour de Bank (TDB)

TDB program is a CIMB Niaga program that introduces elementary students to banking instruments and their various functions. During 2022, TDB program conducted online by simulating banking transactions and functions through interesting animated videos.



Building a Strong Post-pandemic Financial Foundation

CIMB Niaga initiated a financial literacy webinar with the theme "Building a Strong Post-pandemic Financial Foundation," attended by 128 educators from 46 AMDB and TDB participating schools. This webinar material provides financial management advice and an analysis of the participants' financial health.



Early Childhood Education (PAUD) Teacher Competency Building Training

PAUD Teacher Competency Building Training is a joint initiative of CIMB Niaga, the West Java Provincial Education Office, and the International Women University (IWU). 275 teachers from Greater Bandung, which includes Bandung City, Bandung Regency, Cimahi City, and Sumedang Regency, attended this training. The training materials include microteaching, entrepreneurship, financial literacy, and counseling.

Savings for Students

Through the AMDB and TDB programs in 2022, CIMB Niaga provides saving products for students, which successfully opened 4,968 new student saving accounts worth more than Rp496 million.

Be Smart Program

Be Smart Program is designed to help millennials understand financial management, investment types and risks, and digital banking technology. This program is a form of personal development for CIMB Niaga scholarship recipients.



2022



111

Number of Students



2 times

Total Training Sessions

2021



63

Number of Students



2 times

Total Training Sessions

2020



161

Number of Students



3 times

Total Training Sessions

Participant Level of Understanding

30% for advanced materials and **13%** for basic materials. Result of the 2022 pre and post-tests showed an increase in participants' understanding of Be Smart Program.



PROVISION OF EDUCATION FACILITIES

In 2022, CIMB Niaga supported the Mini Banking Laboratory at the Vocational University of Indonesia (UI) and the Bourse Game Laboratory at the Master of Management Salemba UI by providing facilities, infrastructure, and teaching staffs. Additionally, CIMB Niaga contributed learning cars and laptops to the 1000 Guru Foundation as educational resources for school dropouts in the 1000 Guru Foundation's service area.

The Complete Intern Kampus Merdeka

Kampus Merdeka is part of the Freedom to Learn (Merdeka Belajar) policy by the Ministry of Education, Culture, Research, and Technology of the Republic of Indonesia. This program provides university students opportunities to hone their skills per their talents and interests by exposing them to the workforce as preparation for their future careers. In addition to working on individual projects, students participate in team building, volunteering, character building, and outbound activities. As of December 2022, the Kampus Merdeka Program at CIMB Niaga had three cohorts of students enrolled.

Beneficiaries

More than 21,000 internship applications were submitted to Bank in 2022, and 150 student interns participated in 44 cross-directorate projects.

65 public and private universities on the islands of Java, Bali, Kalimantan, and Eastern Indonesia participated in Kampus Merdeka program.

Pillar 2 CSR: Health and Community Well Being

[SUSBA 1.6.2.10]



CIMB Niaga facilitated the administration of the third or booster dose of the COVID-19 vaccine to employees, employee families, and general public. More than 6,100 individuals have been vaccinated through this program. In addition, CIMB Niaga conducted public blood donation drives periodically. In 2022, over 450 donors participated in blood donations.



Pillar 3 CSR: Economic Empowerment

[SUSBA 1.6.2.10]



Bank's CSR programs are able to increase economic empowerment and community welfare. This is demonstrated by the successful development of various products carried out by beneficiaries, where these products/businesses include coffee drinks, prayer beads, flower pots, woven bamboo bags, and others. Products produced from these beneficiaries have decorated several Bank offices and are offered to the public during Bank's events, such as Investor Day, The Cooler Earth.



Community Link

CIMB Niaga dedicates to providing the best service to the people of Indonesia. Through the Community Link Program, which focuses on economic, social, and environmental aspects, CIMB Niaga invites customers and/or the community to actively contribute to resolving social issues that arise in Indonesia to empower Indonesia.

COMMUNITY LINK #JADIPEDULI PROGRAM

CIMB Niaga established the Community Link #JadiPeduli Program, a program that encourages branch office employees to participate in social activities by facilitating financial literacy and inclusion activities for students. In 2022, the Community Link #JadiPeduli Program was

implemented in several CIMB Niaga branch offices. This program is still conducted online by adopting Ayo Menabung dan Berbagi (AMDB) and Tour De Bank (TDB) Financial Literacy activities.

COMMUNITY LINK #JADINYATA PROGRAM

In 2022, CIMB Niaga hosted Community Link #Jadinyata program with the theme "From the Community, with the Community, and for the Community," which attracted 450 participants and selected 3 winners for the best social ideas. More Information on the implementation result of the 3 Best Social Ideas for the Community Link #Jadinyata Program in 2021 can refer to the 2022 Annual Report.

The Winners of Community Link #Jadinyata Program 2022



ANANDA DZIKMAH AZ

Conutcos: A Foodstartup That Starts by Creating Local Food Innovation Products from the Coconut Community Trusted Outback Contains Better Quality Than Other Coconut Communities

Conutcos is one of the programs that invites local communities create value for the quality of Indonesian products worldwide from upstream to downstream by exploiting the potential local food and human resources integrated in Gowa Regency - South Sulawesi.



KHOMSIN

Empowerment of Mental Disabilities: Knitting Life and Environmental Sustainability with Pineapple Leaf Fiber

Inviting the community of Mental Disability Survivors (PDM) in Bacem Village, Ponggok District, Blitar Regency - East Java works using pencil and paper. Artwork results are processed into merchandise for commercialization with a profit-sharing system with the aim of providing activities positive and become a campaign that creativity can be done by anyone, including PDM.



GABRIEL SEBASTIAN BUTARBUTAR

Ecoplast.id: Utilization of Drawstring Straw

Develop alternative innovations by utilizing straw as a substitute for disposable plastic such as bubble wrap and styrofoam/plastic containers in Majalaya, Bandung Regency – West Java.

COMMUNITY LINK #JADIBERKELANJUTAN PROGRAM

Community Link #JadiBerkelanjutan Program is training and empowerment program for micro, small, and medium-sized enterprises (MSMEs) with focus on women and persons with disabilities participants in Eastern Indonesia. This program was launched on 21 October 2022 that consists of four modules: entrepreneurship training, financial literacy, digital access and social media marketing. Participants are involved in the training program for approximately 1 year. In order to see the uptakes of the training they attended, the participants take the pre- and post-tests. At the end of the training, Bank will provide interest-free loan assistance to 50 selected MSMEs, for the development of their MSME businesses.

460

Registered MSMEs

200

Selected participants

60%

Women

20%

Men

8

Participant's city of origin (Makassar, Gowa, Maros, Takalar, Balikpapan, Toraja, Manado, and Samarinda)

20%

Men or women with disabilities



Women Empowerment Training [GRI 413-1]

The women empowerment training is a collaborative program between CIMB Niaga and the KEHATI Foundation. In 2022, 145 female community members from several farmer groups/cooperatives in the Rarung Special Purpose Forest Area (KHDTK), Lombok, West Nusa Tenggara attended this training. The provided training material consisted of post-harvest training, such as making woven bamboo; promoting, packaging, and providing product information; creating business plans; and creating various bamboo products.

Promoting Independence for Persons with Disability

Bank provide opportunities and support in empowering our friends with disabilities. In 2022, Bank had 4 workers with disabilities in the Contact Center Work Unit.



Fun Facts

CIMB Niaga empowers persons with disabilities by providing barista training. 20 participants attended barista training in 2022, which consisted of offline theoretical and practical barista training materials and online financial literacy webinars. At the end of the training, participants were offered 1-month internships at various Kedai Kopi Sunyi branches. In 2022, Bank collaborates with Menembus Batas Foundation to establish Stall Coffee Sando Seraya as a sustainable platform economic empowerment for persons with disabilities.

Pillar 4 CSR: Climate and Environment

[SUSBA 1.6.2.10] [POJK51-F.10]



BAMBOO CONSERVATION

Since 2012, CIMB Niaga has participated in a bamboo conservation program in collaboration with the Keanekaragaman Hayati (KEHATI) Foundation as part of its biodiversity conservation activities. In 2022, 19,000 bamboo seedlings of the Black Bamboo (*Gigantochloa atroviolacea*), Tabah Bamboo (*Gigantochloa nigrociliata* (Buese) Kurz), and Betung Bamboo (*Dendrocalamus asper*) species were planted in Lombok, Flores, and Magelang.

CIMB Niaga also conduct periodic analysis of the potential carbon absorption of the planted bamboo. Based on the findings of the 2022 analysis, the bamboo potential absorption exceeded 1,780 tonnes CO₂e, with accumulated absorption from 2019 reaching 5,900 tonnes CO₂e.



Fun Facts

WHY BAMBOO?

**CARBON
ABSORPTION
(CO₂)**



**INCREASE
GROUND WATER
CONTENT**



**SUPPORT
NATURE
CONSERVATION**



**PRESERVE THE
ENVIRONMENT**



“

The sustainable practices at CIMB Niaga is supported by sustainability governance and ESG risk management. The Bank owns Sustainability Policy, Sustainable Finance Policy, Human Rights Policy, and NDPE commitment

Pillar



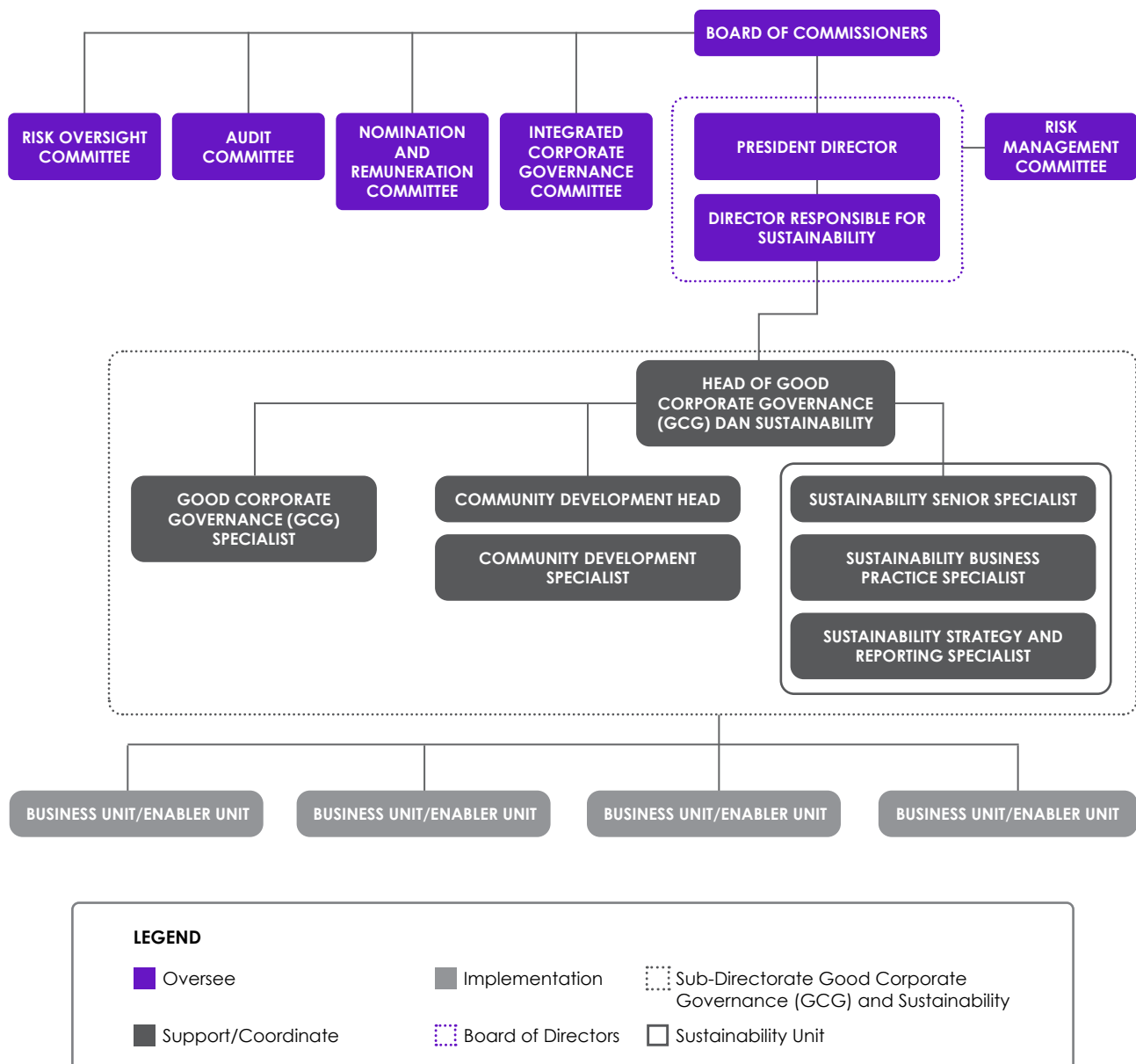
04 Governance and Risk

Sustainability Governance [GRI 2-9; 2-11; 2-12; 2-13][SUSBA 1.4.1.7]

Climate change has become a global challenge, including in Indonesia, a large maritime country. In response to this challenge, the Government continues to improve the implementation of sustainable finance. As a financial services provider, CIMB Niaga plays an important role in climate change mitigation and adaptation efforts. CIMB Niaga refers to the Task Force on Climate-related Financial Disclosures (TCFD) framework as guideline to achieve net zero emission targets for Scope 1, 2, and 3, or become a carbon

neutral organization by 2050. This TCFD framework is also incorporated into the governance of the Good Corporate Governance (GCG) & Sustainability Unit. This unit is assigned to map and classify internal business based on the types of climate change risks, to reduce the negative impacts of climate change and its adaptation measures, and to develop mitigation strategies with specific scenarios to anticipate extreme climate impacts.

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



The Board of Commissioners is the highest governance body, followed by President Director, Director of Compliance, Corporate Affairs, & Legal, and Head of Good Corporate Governance (GCG) & Sustainability in charge of the GCG Specialist, the Community Development Head, and the Sustainability Specialists. All Directors are jointly responsible for implementing sustainable finance principles and are directly supervised by the Board of Commissioners, with the assistance of the Audit Committee and Risk Oversight Committee. Periodically, the Risk Management Committee and the Risk Oversight Committee are also informed on the updates of sustainability risks in Bank's financing portfolio as well as sustainability recommendations for clients. Meanwhile, the Bank's Sustainable Finance Action Plan (RAKB) and its achievements are reported to the Audit Committee.

[SUSBA 1.4.1.7] [GRI 102-20; 102-23; 102-29]

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; 1.4.1.2; 1.4.1.6; 1.4.1.7]

CIMB Niaga believes that corporate governance is the foundation for managing an organization with ethics, integrity, and responsibility to build stakeholder trust. Bank has integrated sustainability implementation-related duties and responsibilities into the charters of the Board of Commissioners, Board of Directors, Audit Committee, and Nomination and Compensation Committee. The Pillar 4 Appendix provides a comprehensive explanation of the duties and responsibilities of the Audit Committee and the Nomination and Remuneration Committee regarding sustainability implementation.

Several Duties and Responsibilities of the Governance Body in Implementing Sustainable Finance Principles

Board of Commissioners	<ol style="list-style-type: none"> 1. Ensure environmental, economic, social, and governance alignment in the business strategies preparation and business activities by the Board of Directors as a means of implementing a sustainable banking business
Board of Directors	<ol style="list-style-type: none"> 1. Ensure that the sustainability strategy is in line with Bank's overall strategy 2. Approve the Policies and Procedures related to sustainability aspects and sustainable finance principles 3. Develop the Sustainable Finance Action Plan (RAKB) for submission to OJK following approval by the Board of Commissioners 4. Conduct periodic reviews to evaluate sustainability and sustainable finance performance
Director of Compliance, Corporate Affairs, and Legal	<ol style="list-style-type: none"> 1. Lead the preparation of the RAKB 2. Ensure that the RAKB is aligned with the Bank's vision and mission 3. Regular coordination, evaluation, and monitoring of RAKB implementation 4. Ensure the implementation of adequate frameworks, policies, methodologies, procedures and/or controls to mitigate sustainability risks [e.g. environmental and social risks, risks related to human rights, and risks related to climate change (eg physical and transitional risks)] 5. Supervise and ensure the implementation of sustainable activities/initiatives in line with Bank's strategy 6. Examine and provide input on the sustainability report
GCG & Sustainability Work Unit [GRI 102-19] [SUSBA 1.4.2.1]	<ol style="list-style-type: none"> 1. Propose and ensure that the sustainable finance vision and mission are regularly reviewed and aligned with the Bank's vision and mission 2. Develop the Sustainability and Sustainable Finance Policy 3. Develop RAKB and submit it to regulators [SUSBA 1.1.2.2] 4. Supervise the implementation of the RAKB, including the development of sustainable finance products/ services, capacity building, and Bank's internal adjustments 5. Implement and oversee the implementation of sustainability culture and activities/initiatives in Bank's internal environment, including corporate social responsibility (CSR) 6. Raise the awareness of sustainable finance practices and culture at Bank 7. Ensure that stakeholders are informed on sustainable finance implementation 8. Map business segments that have climate change-related risks and assign the financing categories into high, medium, or low risk groups [SUSBA 1.4.1.2]

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 Annual Report 2021, which is prepared separately from this Report but is complementary. [GRI 2-9; 2-10; 2-15; 2-17; 2-18; 2-19] [SUSBA 1.4.1.5; 1.4.1.6; 1.4.1.7]



VISION for Sustainable Finance:

[SUSBA 1.1.1.1] [POJK 51-C.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]

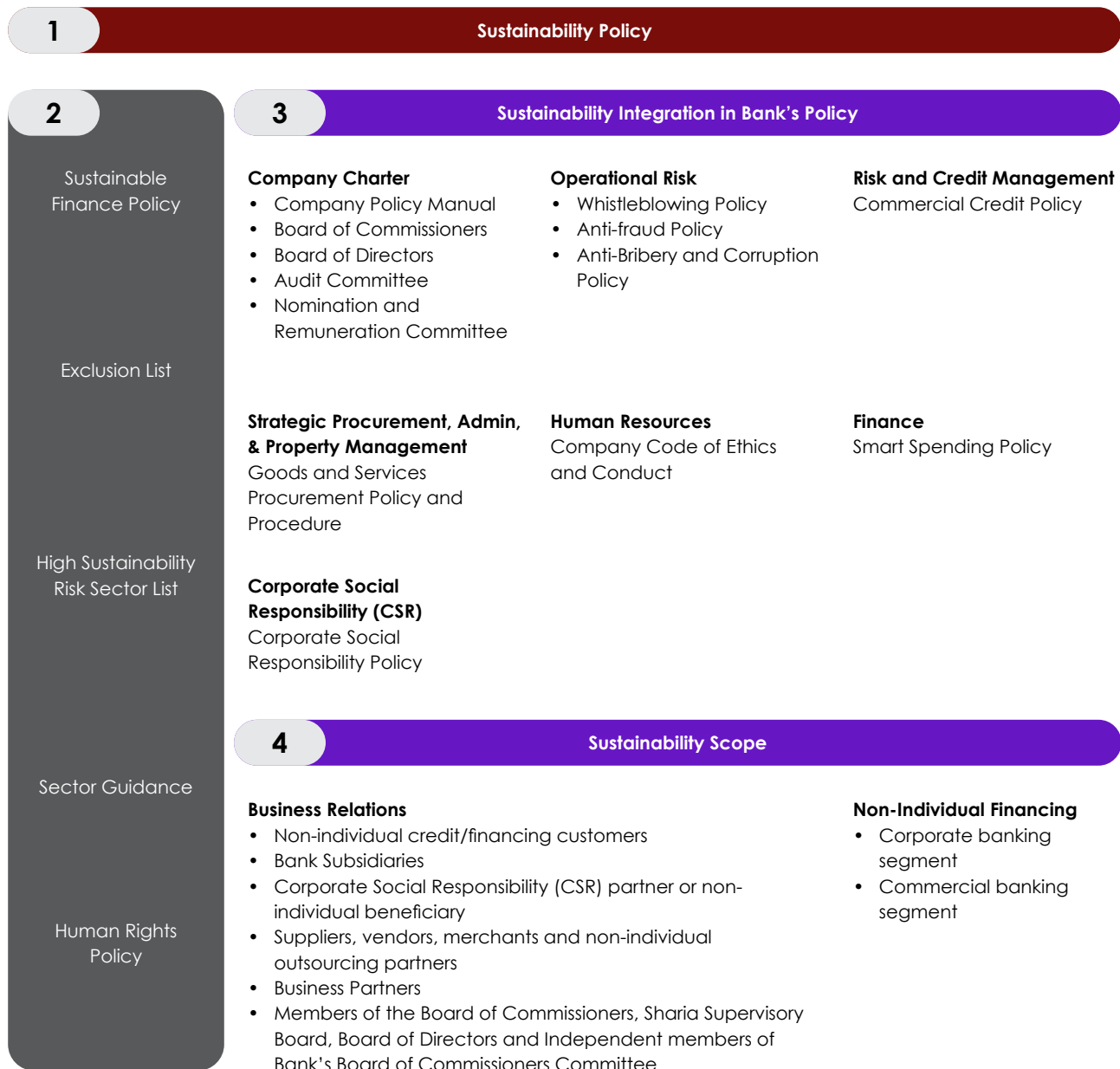
Compliance, Corporate Affairs, and Legal Director is appointed as the director responsible for the implementation, monitoring, and evaluation of the RAKB. Regular assessments of sustainability performance are conducted at least twice a year. Through this process, the Board of Directors discusses the objectives and achievement strategies outlined in the RAKB. In 2022, CIMB Niaga specifically discussed a strategy for mapping and identifying clients in accordance with the Indonesian Green Taxonomy.

The implementation of RAKB are also reviewed periodically, by which the results are presented to the Board of Commissioners. The Board of Commissioners and/or the Audit Committee will continue to review RAKB results submitted by the Board of Directors, while the Board of Commissioners and/or the Risk Oversight Committee will review the identification of high sustainability risk sectors, sustainable finance risks, human rights risks, and climate change (physical and transitional) risk. Board of Directors and Board of

Commissioners leverage this evaluation process to ensure that the application and implementation of the sustainability strategy, the growth performance of the Sustainable Business Activity Category (KKUB) portfolio, and financial risk mitigation are performed in a targeted manner. In 2022, the review found nothing significant regarding the implementation of the RAKB to be specifically reported to the Board of Commissioners. [GRI 102-34] [SUSBA 1.4.1.7]

Furthermore, Board of Directors is responsible for approving Sustainability Policy and Sustainable Finance Policy, as well as ensuring the optimal implementation of the sustainability strategy. Board of Directors will periodically receive and evaluate KKUB portfolio reports, portfolio based on the Green Social Sustainability Impact Products & Services (GSSIPS) framework reports, and sustainable risk management reports based on business sectors including Indonesian Green Taxonomy report. [GRI 102-20; 102-29; 102-34] [SUSBA 1.4.1.1; 1.4.1.2; 1.4.1.3; 1.4.1.5; 1.4.1.6; 1.4.2.1]

Sustainability Risk Approach Framework





Environmental Risk Approach

Key Environmental and Social Considerations for Risk Assessment [SUSBA 1.2.1.6; 1.6.1.1]

Bank recognizes the significance of sustainability risks associated with deforestation, human rights, water and marine issues. Consequently, the risk assessment of CIMB Niaga's sustainable finance implementation

is discussed and evaluated regularly during the Sustainability Due Diligence (SDD) and Enhanced Sustainability Due Diligence (ESDD) mechanism, including fulfillment of the Sector Guidance, using comprehensive data and information.

Sustainability Due Diligence process views risks from two perspectives:

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 actions.



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

Environmental Risks

Bank's strategy to address the 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 carbon neutral organization with a Net Zero commitment by 2050
2. Bank has a Sustainability High Risk Sector List by identifying sectors that have the 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) [GRI 201-2] [SUSBA 1.2.2.2]
3. Bank has implemented No Deforestation, No Peat, and No Exploitation (NDPE) policy, particularly in AFOLULUC sectors. This NDPE commitment is achieved, among others, by requiring that new land be cleared using the High Conservation Value (HCV) method; 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 [SUSBA 1.2.1.1]
5. Bank has started a study on establishing a baseline for climate finance based on GHG emission factors:
 - a. The results of the interim study demonstrate that coal and cement 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 financing portfolio for thermal coal mining to 50% from the 2021 baseline
 - reducing emission intensity in cement production to 0.46 tonnes CO₂ e/ton of cement produced, compared to the 2021 baseline (0.72 tonnes CO₂ e/ton of cement produced)
 - 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 continuously encourages and advocates for clients to implement sustainability best practices in their sector, including but not limited to implement the principles of 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
8. Bank has begun identifying Scope 3 greenhouse gas emission sources used in various studies
9. Bank has begun the 'Carbon-Offset Scheme' and 'Renewable Energy Certificate' studies 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) [POJK51-F.9] [GRI 304-1; 304-2; 304-4]

Social & Human Rights Risks

Bank's strategy to address the risks



Institutional Integrity



Human Rights and Labor Issues



Health and Safety



Negative Impacts on Communities

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 not finance clients who are directly or indirectly involved in activities that violate human rights and labor laws and regulations
4. Through the Sector Guidance, Bank requires clients to have policies/commitments related to human rights, such as a grievance mechanism and Occupational Health and Safety (OHS) policy
5. Through the Sustainability Pillars, specifically the Corporate Social Responsibility (CSR) Pillar, Bank endeavors to always have a positive impact on the surrounding community through its four CSR pillars [POJK51-F.23]

Climate Change Risk Approach

[GRI 201-2] [SUSBA 1.1.1.5; 1.2.1.8; 1.2.2.2; 1.6.1.2; 1.6.2.8]

Bank strives to mitigate climate change risk impacts by developing a business strategy with Task Force on Climate-related Financial Disclosures (TCFD) approach as the core elements. Bank also develop a 'Sustainability High Risk Sector List', identifying sectors that could be impacted by climate change, such as Agriculture, Forestry, Other Land Use, and Land Use Change (AFOLULUC). The document was created with reference to several international literature, including the Intergovernmental Panel on Climate Change (IPCC), the United Nations Framework Convention on Climate Change (UNFCCC), and the Science Based Target Initiative (SBTi). Bank also reviews financing portfolio related to climate change mitigation action on a regular basis.

CIMB Niaga, referring to analysis throughout 2022, noted several disasters in Indonesia, including floods, landslides, extreme weather, and earthquakes. Although the impact of these disasters losses was negligible and did not disrupt Bank's business operations, in general the total losses incurred were

substantial. Bank sees the effects of extreme climates may cause more losses in the long term, if not handled optimally. Therefore, Bank supports climate action by allocating specific budget to finance climate change adaptation and mitigation activities via the Sustainability-Linked Loan/Financing (SLL/F) and Sustainable Finance (SF) program schemes. [GRI 201-2]



Developing Sustainability Policy and Strategy

[GRI 2-23] [FS1] [SUSBA 1.2.1.14; 1.2.2.4; 1.3.2.6]

Bank is committed to support the Sustainable Development Goals by developing policies and procedure that align the 5 (five) pillars of CIMB Niaga's sustainability strategy and consider the vision and mission of sustainable finance. These five sustainability pillars serve as the foundation for Bank's sustainable roadmap to a carbon neutral organization by 2050, establishing a framework, strategy, and implementation method to ensure that ESG risks are effectively managed. These risks encompass credit and non-credit factors, including financing, investments, procurement, and supply chain.

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

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

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 [SUSBA 1.2.1.12; 1.2.1.13]

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 works to 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 [SUSBA 1.3.2.6, 1.2.2.4]

Sustainability Due Diligence Mechanism

[GRI 2-16] [FS2; 3] [SUSBA 1.2.1.1; 1.2.1.10; 1.2.1.12; 1.2.1.13; 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]

Sustainability Due Diligence (SDD) Process	Outcomes
<ol style="list-style-type: none"> 1. SDD is conducted by responding to series of questions about ESG issues, including human rights issues (for example, complaints mechanisms or grievances mechanism), as well as checking the Exclusion List, Sustainability High Risk Sector List, Sustainability Watchlist, and Sector Guidance 2. The results of the SDD will include sustainability recommendations and may come with time-bound Action Plan. The approved Action Plan will be outlined in the credit agreement document, by which the client/prospective client must adhere to. The Risk Management Committee and the Risk Oversight Committee will receive updates on the outcomes of issued recommendations, action plans, and financing decisions [GRI 102-33] 3. Periodically, Bank will monitor and evaluate all issued Action Plans, along with an annual credit/financing review. Depending on the condition of the client, the procedure is executed periodically or sporadically 4. All financing decisions are decided by the Credit Approver in accordance with financing limit authority based on credit and sustainability considerations. The results of the financing review will be presented to the Credit Approver in accordance with Bank's authority limit 	<ul style="list-style-type: none"> · SDD mechanism has been implemented in the corporate banking segment since 2020 · In 2022, SDD mechanism was phased into the commercial banking segment in sectors that are considered to have a high sustainability risk · Sustainability work unit conducted Enhanced Sustainability Due Diligence (ESDD) on 295 financing proposals in 2022 <div> <p>Recommended</p> <p>83.4%</p> <p>Recommended with Action Plan</p> <p>16.3%</p> <p>Not Recommended</p> <p>0.3%</p> </div> <ul style="list-style-type: none"> · Several examples of the sustainability Action Plans include, but are not limited to ISPO certification for oil palm clients, improvement on PROPER rating, and alignment with the Paris Agreement's GHG emission reduction target [SUSBA 1.2.1.2] · Sustainability-Linked Loan/Financing (SLL/F) and Sustainable Finance (SF) clients are also required to complete SDD

Further information regarding the Exclusion List can be found through the following website link: <https://investor.cimbniaga.co.id/sustainability/home.html> [SUSBA 1.2.1.7]



Sustainability Risk Management [SUSBA 1.4.1.4] [GRI 102-11] [POJK51-E.3]

CIMB Niaga implements a proactive and forward-looking Enterprise-Wide Risk Management (EWRM) framework to manage risk and optimize performance. In the context of EWRM, risks are managed by aligning risk appetite with business strategy. Good corporate governance implementation enables Bank to strengthen the four eyes principle mechanism and the transparency of all risk management processes. Risk management is integral to operational activities, culture, and decision-making processes. The three lines of defense concept is implemented at daily operations, which includes environmental and social risks involving all levels of the Board of Directors, senior management, and employees.





Detailed information regarding risk management can be found in the 2022 Annual Report



Building Sustainability Culture [POJK 51-F.1]

CIMB Niaga has launched various initiatives to foster sustainability culture. These initiatives are accomplished by integrating sustainability principles into the Board of Commissioners and the Board of Directors Charter, the Code of Ethics and Conduct, and Bank's internal policies. Socialization on responsibility is also disseminated via email and various employee activities centered on sustainability-related aspects. Furthermore, CIMB Niaga implements the Sustainability and Sustainable Finance Policy by incorporating SDD into Bank's business operations.

Sustainability Governance Approach Based on TCFD

 <p>Governance</p>	<ol style="list-style-type: none"> 1. Bank has formed the GCG & Sustainability Work Unit overseen by the Director responsible for sustainability 2. Bank implements the RAKB 3. Bank has developed the Sustainability Policy 4. Bank has a Sustainability Due Diligence mechanism 5. Studies on climate-related opportunities and risks are submitted periodically to relevant parties in the Sustainability Governance Body
 <p>Strategy</p>	<ol style="list-style-type: none"> 1. Bank conducts Sustainability Due Diligence mechanism 2. Bank develops strategy to identify climate change opportunities and challenges through internal carbon pricing study and submitted the application to Green Climate Fund to become an Accredited Entity
 <p>Risk Management</p>	<ol style="list-style-type: none"> 1. Including climate change risk as one of the considerations for assessing financial and non-financial risks 2. Including climate change aspects in the SDD 3. Raising awareness of sustainability and climate change risks to both internal Bank and clients 4. Identifying potential climate change-related risks in oil palm plantations through case studies 5. Developing climate scenario 6. Monitoring and evaluation of climate-related risks are reported periodically
 <p>Metrics and Target</p>	<ol style="list-style-type: none"> 1. Analysis of the Greenhouse Gas (GHG) emissions generated and its reduction targets 2. Identifying portfolios/groups of clients that may contribute to climate change through its GHG emissions. The result of the 2019 study shows that Bank's financing portfolio has a potential GHG emissions of more than 6.2 million tonnes CO₂e 3. SDD conducted on Bank's portfolio 4. CIMB Niaga, as part of CIMB Group, has committed to climate finance through: <ul style="list-style-type: none"> • Net Zero by 2050 • Coal financing phase-out by 2040 • Increase sustainable financing to RM60 billion, or equivalent to Rp101 trillion, by 2024 5. Bank has set interim targets to be achieved by 2030, including: <ul style="list-style-type: none"> • reducing the financing portfolio for thermal coal mining to 50% from the 2021 baseline • reducing emission intensity in cement production to 0.46 tonnes CO₂e/tonnes of cement produced when compared to the 2021 baseline (tonnes CO₂e/tonnes of cement produced)

Description	GHG (Scope 1 & 2)			
Target	Reduced emissions (absolute) when compared to Scope 1 & 2 GHG emissions (28,775 tonnes CO ₂ e) based on the 2019 baseline study			
	2021	2022	2023	2024
2% (emission intensity)		13%	18%	24%

Description	Adaptation action			
Target	Client evaluation through Sustainable Due Diligence mechanism with adjustments made to climate change aspects			
	2021	2022	2023	2024
Corporate Banking		Corporate and Commercial Banking	Corporate and Commercial Banking	Corporate and Commercial Banking

Road Map Towards a Carbon Neutral Organization by 2050

Since 2021, Bank has set an overall net zero GHG emission target (Scope 1, 2 and 3) or become a carbon neutral organization by 2050. Bank has taken several strategic steps in preparing climate targets that are consistent with the Paris Agreement's commitments, to slow down the rate of global warming below 2°C or, ideally, 1.5°C compared to pre-industrial levels.



Ethical Business

The CIMB Niaga Code of Ethics and Conduct No. A.07.01 serves as a guide for all CIMB Niaga employees to conduct themselves professionally and with the utmost integrity at work. Detailed information on the CIMB Niaga Code of Ethics and Conduct can be found in the 2022 Annual Report.

Anti-Fraud Policy and Anti-Bribery and Corruption Policy [GRI 205-1; 205-2]

CIMB Niaga's Anti-Fraud Policy is a part of the internal control system and Bank's efforts to build a compliance culture and create risk awareness of the potential and consequences of fraud at all levels of the organization. The policy was formulated in accordance with POJK No. 039/POJK.03/2019 concerning the Implementation of Anti-Fraud Strategy for Commercial Banks. Implemented as a control

system, the CIMB Niaga Anti-Fraud Policy regulates the framework, governance, and implementation of strategies for controlling and monitoring potential internal fraud based on these regulations.

The leaders of CIMB Niaga commit to deal firmly with all types of fraud without exception, including criminal charges against employees who commit them. This aligns with one of the key pillars in implementing the Anti-Fraud Policy, namely the Tone from the Top, a firm stance against all types of fraud or Zero Tolerance for Fraud. This commitment is consistently communicated to all levels of the organization through the active participation of the Board of Directors in socialization programs on applying anti-fraud awareness and a culture of speaking up, including mandatory training, sharing sessions, and other anti-fraud campaigns.

As a form of Bank's commitment in implementing anti-fraud strategy, Bank has developed the Declaration of Integrity Pact, the Code of Ethics and Anti-Bribery and Corruption Commitment which was signed by all of the Board of Directors and Board of Commissioners members on 21 June 2022 and has been published on the CIMB Niaga website. This commitment was also followed by all CIMB Niaga employees in the form of attestations through the YODA platform. This is also an effort to fulfill POJK No. 39/POJK.03/2019 concerning Implementation of Anti-fraud Strategy for Commercial Banks.

To prevent employees from committing fraud or violations, CIMB Niaga conducts ongoing socialization at all levels of the organization using various methods and media. These include offline and virtual sessions, e-Learning and other internal communication media that include email blasts, internal bulletins, desktop wallpapers, and posters.

CIMB Niaga organizes educational programs and anti-fraud campaign socialization for both internal employees and clients. Based on the training conducted in 2022, 2,595 employees attended the Anti-Fraud Awareness training and 4,363 employees participated in the offline and online Information Security Awareness training. CIMB Niaga also conducted Customer Anti-fraud Awareness via a variety of channels, including social media (Facebook, Twitter, Instagram), WhatsApp/SMS, ATM/ CDM/ CRM/ Octo Mobile/ Clicks, e-mail, account/combined/ billing statement, and IVR Call Center.

Based on the evaluation results of the Anti-Fraud Management (AFM) Work Unit on fraud and corruption prevention in 2022, there were four cases of fraud committed by Management and permanent and non-permanent employees with losses exceeding Rp100 million per case. However, none of these instances of fraud resulted in legal action. Fraud cases are also obtained from the results of the whistleblower service system report monitoring.

[FN-CB-510a.1] [GRI 205-3]



Anti-fraud Awareness Training Participants [GRI 2-27] [205-2] [205-3]
[FN-CB-510a.1]



Fraud Case Resolution

Internal Fraud Case	Total Cases Committed by Permanent Employees		
	2022	2021	2020
Resolved	3	3	3
In Bank's Internal Settlement Process	0	2	3
Not Yet Resolved	0	0	0
Followed Up Through the Legal Process	1	0	0
Total Frauds	4	5	6



Anti-Bribery and Corruption Policy

CIMB Niaga amended its Anti-Bribery and Corruption Policy No. M.11 by adding bribery to the policy's scope and reiterating that acts of bribery and corruption are classified as fraud. This amendment reflects Bank's principles and commitment to anti-bribery and anti-corruption practices, which also classified as fraud. This policy also aims to make all employees, including the Board of Commissioners, the Sharia Supervisory Board, Independent Parties

members of the Committees of the Board of Commissioners, and the Board of Directors, aware of the risks of bribery and corruption in Bank's business processes and to encourage them to participate in efforts to prevent and avoid bribery and corruption practices. Bank has socialized information regarding World Anti-Corruption Day and the Anti-Bribery and Corruption Policy to all employees in 2022, despite having yet to assess corruption risk areas.

Grievance Mechanism [GRI 2-26] [SUSBA 1.4.18] [POJK 51-F.24]

CIMB Niaga owns and implements a whistleblowing system (WBS) in accordance with POJK No. 39/POJK.03/2019 concerning the implementation of Anti-Fraud Strategy for Commercial Banks and Whistleblowing Policy No.E.08. PT Deloitte Advis Indonesia, as a third party that is both independent and professional, manages the WBS. This is intended to protect and maintain the reporter's confidentiality

so that all parties (internal and external) can submit reports freely and without reluctance, prioritizing anonymity and prohibiting reprisal and harassment of reporters.

Internal and external parties can report any violation to CIMB Niaga through the following communication channels that is 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]

In 2022, the whistleblowing service received 164 reports. Bank investigated 36% (59 reports), of which 43 reports were deemed valid. Detailed information on the complaint handling mechanism, the whistleblowing system, and the Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) program can be found in the 2022 Annual Report.

“

#SekarangUntukMasaDepan
is CIMB Niaga's commitment
to always invite and involve all
stakeholders to create a better
future together

Pillar



05 Advocacy and Stakeholder Engagement

Stakeholder Engagement [POJK51-E.4]

Stakeholders are defined as internal and external parties with interest in and influence over the sustainability of CIMB Niaga and vice versa. Sustainable Finance is implemented by involving stakeholders in enhancing environmental, economic, social, and governance (EESG) performance. Bank

identifies stakeholders based on their proximity and power, allowing them to mutually influence and be influenced by each other and Bank.

Identification of Stakeholder Needs and Approach [GRI 2-29] [SUSBA 1.1.1.9] [POJK51-E.4]

Approach taken to engage stakeholders in sustainable finance implementation



Customers

Topic	Engagement Method	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)			4. Banking finance education on banking products
	External assessment of customer satisfaction	Annually by each surveyor	
	Information from website and frontliners	As needed	



Shareholders/Investors

Topic	Engagement Method	Frequency of Approach	Company Response
1. Financial and non-financial performance updates	• 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. Report of year-end financial and non-financial performance	Reports to the Indonesian Stock Exchange (IDX)	As per IDX regulation	3. Implementing GMS decisions
4. Appointment of a public accounting firm	General Meeting of Shareholders (GMS)	At least once a year	
5. Use of company profits			
6. Changes in the composition of the Board of Commissioners, Board of Directors, and Sharia Supervisory Board			
7. Determination of salary or honorarium, bonuses, and other allowances for the Board of Commissioners, Board of Directors, and Sharia Supervisory Board			



Regulator

Topic	Engagement Method	Frequency of Approach	Company Response
1. Compliance with laws and regulations	1. Submission of Bank's Business Plan (RBB) and its realization to Bank Indonesia 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)	2. Submission of the Bank's Sustainable Finance Action Plan (RAKB) to OJK	Once a year	2. Reporting the degree of compliance toward sharia principles
3. Sustainable Finance	3. Reporting sharia compliance to the National Sharia Board	As per OJK regulations	
	4. Other reports in accordance with applicable provisions to regulators		



Suppliers

Topic	Engagement Method	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	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		2. Whenever policy changes occur	2. Disseminating employment policies and strategies
3. Equity, diversity, and career development opportunities	Town Hall		3. Application of human rights in employment relations
4. Recruitment process	Employee Engagement Survey (EES)	Twice a year	4. Identifying employee satisfactions and expectations
5. Company performance updates			
6. A valuable and enjoyable working experience	Internal Customer Satisfaction (ICS)	Annually	



Local Communities

Topic	Engagement Method	Frequency of Approach	Company Response
1. Organization community empowerment activities	1. 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	2. 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



Labor Unions

Topic	Engagement Method	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 2022, five 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]

Staff Sustainability Week 2022 [GRI 2-17] [FS4]

Staff Sustainability Week 2022 is the first regional program held by the CIMB Group and its subsidiaries. This activity was accomplished with the support and participation of all CIMB Group employees, including CIMB Niaga, on 1-6 August 2022. With the theme "Unity towards Sustainability," all employees in the Southeast Asia region jointly supported CIMB's efforts to become a leading sustainable bank, where employees participated in various activities such as online seminar sessions, workshops, quizzes, and photo contests, brainstorming sessions to discuss sustainable product and service innovations that prospectively can be offered by CIMB Niaga, and CSR Day, which consisted of blood donations in six locations (five cities) simultaneously.



Sharia Sustainable Week 2022

Sharia Sustainable Week is an event initiated by Sharia Business Unit which to strengthen employee awareness regarding sustainability. Employees were engaged in online and offline training activities and seminars that conducted online and offline to share the implementation of a sustainable lifestyle and work ethic.

Employee Professional Development [GRI 404-1] [POJK51-F.22]

In addition to developing employee capabilities regarding the implementation of sustainable finance and sustainable performance, training provision is also considering the potential and expertise of each employee. The training consists of Learning on the Go (LoG) that employees can access via mobile devices and virtual reality (VR). Virtual reality is a new innovation from CIMB Niaga that allows for more effective learning without the need to visit a learning center. There are currently 15 VR modules containing content divided into general and specific functions. Until the end of 2022, CIMB Niaga had five VR Corners with VR headsets available in 325 branch offices in 95 Indonesian cities. More than 6,300 participants have completed various learning modules using these devices.

In 2022, Bank actively conducted competency 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: [POJK51-E.2]

1. CIMB Expert Talk Series #2 Satellite Monitoring on Deforestation
2. Cambridge Circular Economy and Sustainability
3. CIMBxSPCA Plant-based Cook-along Workshop 2
4. Climate Target Setting for Cement sector
5. Environmental and Social Risk Analysis (ESRA)
6. ESG Aspect in Impact Investment
7. ESG Series – Transitioning to Net Zero
8. ESG Series - Sustainable Business: Creating Positive Impact
9. Sustainability (Climate Change & TCFD)
10. Sustainability Training for Sharia Banking
11. Sustainability Training for Senior Management
12. Sustainable Finance Opportunities Workshop
13. LoG: Let's Save the World!
14. LoG: CIMB Niaga Green Town
15. Net Zero Pathways; Managing Risks & Taking Opportunities
16. CIMB Expert Talk Series for Board & Key Management #2: Sharing by Standard Chartered on Sustainable Finance
17. ESG Series - Sustainable Business: Creating Positive Impact



CIMB Niaga successfully set a record at the Indonesian World Record Museum (MURI) for being the First Bank to Organize virtual reality (VR) headset Learning. In addition, CIMB Niaga received multiple accolades for its VR headset initiative, including the SWA 2022 HR Excellence Award for the Excellent in Learning Development and Knowledge Management category for the implementation of Hybrid Learning (HyLearn), a Gold rating in the Learning and Development category and a Silver rating in the Employee Engagement category from the 2022 HR Excellence Award HumanResourcesOnline.net and Indonesia Best Company in Creating Leaders from Within Awards 2022.

Total Education/Training Hours and Participants*

Description	2022		Total
	Male	Female	
Total Training Hours	929,935	1,240,439	2,170,374
Total Employees Participating in Trainings	6,742	6,926	13,668
Average Training Hours per Employee	137.93	179.10	158.79

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

External Initiatives and Association Memberships [GRI 2-28] [SUSBA 1.1.2.1; 1.1.2.2] [POJK51-C.5]

In 2022, Bank actively participated in 13 organizations with a total membership fee of Rp1,132 million. Information on the association, including Bank's roles and participation, is provided in Appendix Pillar 5 of Advocacy and Stakeholder Engagement.

Sustainable Finance Advocacy for Stakeholders [FS5] [FS10] [SUSBA 1.1.1.8; 1.5.1.4]

During 2022, we arranged discussion and advocacy sessions on sustainability solutions with three nature-based and carbon intensive companies. Furthermore, we play an active role in sustainable finance activities conducted by third parties as participants and speakers.

CIMB Niaga's Contribution as Organizer and Participant in Sustainable Finance Events [SUSBA 1.4.2.2; 1.4.2.3; 1.5.1.4]

Bank, in its role as a "sustainability catalyst" actively participates in and facilitates the formation of a sustainable financial ecosystem through various events, including:

Event	Organizer
Indonesian Innovation Award 2022	IDX Channel
The Cooler Earth Sustainability Summit 2022	CIMB Niaga
GRI Asia Conference 2022 - The Future is Ours: Sustainability Trajectory in Asia	Global Reporting Initiative (GRI)
Indonesia Net Zero Summit	Kamar Dagang Indonesia (KADIN)
Kejar Mimpi – Action Nation	CIMB Niaga
Top Sustainable Development Goals (SDGs) Award 2022	Infobrand and Tras and Co

CIMB Niaga's Role as Speaker in Sustainable Finance Events [SUSBA 1.1.2.2]

Event	Organizer
Optimizing Green Financing as a New Economic Driver in the Context of Accelerating Economic Recovery	Indonesia Financial Services Authority (OJK)
Understanding OJK Green Taxonomy	International Finance Corporation (IFC)
Sustainability – Climate Risk and Financial Stability, and its Linkages to Indonesia's Green Taxonomy	Forum Komunikasi Direktur Kepatuhan Perbankan (FKDKP)
Unlocking Sustainable Finance to Drive the Transition to Net Zero and Business Growth	Indonesian Employers' Association (APINDO)
Integrity and Compliance Task Force Side Event – Collective Action in Alleviating Integrity Risks	The Business 20 (B20)
Report Launching of the Indonesia Sustainable Finance Outlook 2023	Institute for Essential Services Reform (IESR)
Prospects and Strategies and Potential Support of the Financial Services Sector for the Development of the Battery-Based Electric Motor Vehicle Industry	Indonesia Financial Services Authority (OJK)
Industry's Net Zero Transition	Indonesian Ministry of National Development Planning (Bappenas)
Sustainability Sharing	Bank Tabungan Pensiun Negara (BTPN)
Sustainability Sharing	Financial Transaction Reports and Analysis Centre (PPATK)
Early Identification and Credit Risk Mitigation	Indonesia Financial Services Authority (OJK)
Optimizing Green Financing as a New Economic Driver	Warta Ekonomi
Business and Human Rights in Strengthening Regional Task Forces	Directorate General of Human Rights, United Nations Development Program (UNDP) and United Nations Children's Fund (UNICEF)
Sharing on Sustainability and Indonesia Green Taxonomy	Indonesia Financial Services Authority (OJK)
Focus Group Discussion – Sustainable Finance Sector	Fiscal Policy Agency (BKF)
Summer Program Public Lecture on Sustainability	Universitas Padjajaran (UNPAD)
Blue Financing Strategy in Indonesia	The Coordinating Ministry for Maritime Affairs and Investment (Kemenkomarves) of the Republic of Indonesia and the United Nations Development Program (UNDP)
Financing New Renewable Energy (NRE)	Indonesian Banking Development Institute (LPPI)



Sustainability Activities

The Cooler Earth Sustainability Summit

The Cooler Earth Sustainability Summit is a program initiated by the CIMB Group to bring together experts, stakeholders, and people from all over the world to discuss and exchange ideas regarding creating a better future. CIMB Niaga hosted the Cooler Earth Sustainability Summit once again in 2022.

The 2022 Cooler Earth program theme was "Facilitating a Just Transition in Indonesia." Through this program, CIMB Niaga invites stakeholders to collaborate, transform, and make just transitions, as well as to mobilize commitment and collective action toward forming a responsible society and a more habitable planet.



Cerita untuk Masa Depan

Cerita untuk Masa Depan (Stories for the Future) is a series of talk show programs that CIMB Niaga launched in 2021 to raise awareness and invite the public to support sustainability from the perspectives of people, planet, and profit. We continued these series of talk show programs in 2022 by inviting inspirational speakers.

Cerita Kejor Mimpi Movie

Cerita Kejor Mimpi Movie is a joint initiative of CIMB Niaga and GoPlay. This web series recounts inspirational Indonesian figures' stories on various topics, including women's empowerment, banking digitization, Islamic finance, and other inspirational topics.



Response to Feedback [POJK51-G.2; G3]

We appreciate the stakeholders who responded and provided feedback via the 2021 Sustainability Report Feedback Sheet. In general, the input provided by stakeholders related to participation in climate action and financing for sustainability. In response

to this input, we will disclose additional information and recalculate GHG emissions. The results of the disclosure are presented in this 2022 Sustainability Report. We welcome your feedback, criticism, and suggestions, which can be submitted through:



Unit Kerja GCG & Sustainability

E-mail: sustainability@cimbniaga.co.id

Lembar umpan balik:

https://investor.cimbniaga.co.id/sr_feedback_form.html

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



Independent Assurance Statement

The 2022 Sustainability Report of PT Bank CIMB Niaga Tbk

Number	: 04/000-174/II/2023/SR-Asia/Indonesia
Assurance Type	: Type 1 and Type 2 for the specific topic of climate change and Sustainable Finance Products and Services
Assurance Level	: Moderate
Reporting Standards	: GRI Universal Standard 2021 Consolidated, GRI G4 FS (FSSS), SASB Commercial Bank, SUSBA, TCFD, and GSD
Reporting Regulation	: Sustainable Finance Regulation POJK No.51/2017 (Indonesia)

Dear stakeholders,

PT Bank CIMB Niaga Tbk (“the Bank” or the “Reporting Organization”) has engaged **Social Responsibility Asia** (“SR Asia”) to assess its **2022 Sustainability Report** (“the Report”) for the reporting period of **January 1st to December 31st, 2022**. The Reporting Organization is a commercial bank and a subsidiary of CIMB Malaysia operating in Indonesia that is required to publish a sustainability report annually. the Bank engaged Social Responsibility Asia (“SR Asia”) as an AA1000 licensed assurance provider to assess the Report content and come up with this Independent Assurance Statement (“the Statement”).

Intended User and Purpose

This Statement discloses our assessment results to the stakeholders based on the specific assurance standards and principles, as well as the pertinent reporting regulations. This Statement also contains our findings and recommendations regarding the data, information, and disclosures in the Report against the AA1000AS v3 Assurance Standard. The assurance work was carried out as per the agreed scope, mechanism, and procedures by the Management following the globally accepted standards and best practices with some limitations and assumptions applied. Therefore, We **DO NOT** recommend any parties to interpret or conclude the Bank’s sustainability or its whole performance merely based on this Statement or the Report.

Responsibilities

Our responsibilities to the Management are to evaluate the Report content, come up with findings and recommendations, and issue the Statement. We are also responsible for coming up with conclusions and recommendations based on the agreed standards, methods, and approaches. Hence, SR Asia is only evaluated for the latest received editorial and data on the final draft as of February 22nd, 2023. SR Asia is only responsible to deliver assurance work, **NOT** an audit. The Management has its sole responsibility for the presentation of data, information, and disclosures in the Report content. Therefore, any parties who depend on the Report and this Statement shall bear and manage their risks.

Independence, Impartiality, and Competency

SR Asia confirms **NO** relationships between the assurator team and the clients that can influence their independence and impartiality to conduct the assessment and generate the Statements. the assurator team is mandated to follow a particular assurance protocol and professional ethical code of conduct to

ensure their objectivity and integrity. We carried out a pre-engagement assessment before the assurance work was taken to verify the risks of engagement as well as the independence and impartiality of the team. The assessor team members are familiar and have a knowledge of ISO 26000 and AA1000 AccountAbility standards and principles, and also have experience in sustainability report assessment based on various reporting regulations, standards, and principles.

Type and Level of Assurance Service

1. **Type 1 assurance** on the Report content.
2. **Type 2 assurance** on climate change and Sustainable Finance Products and Services.
3. **A moderate level of assurance** procedure on the Report content and evidence, where the risks of information and conclusions of the Report being error is reduced, but not to very low, but not zero.

Scope and Limitation of Assurance Service

1. Data and information in the Report for the period of **January 1st to December 31st, 2022**.
2. Topics in the Report content that have been identified as “Highly Material” by the Bank: **Technology, Governance, Sustainable Finance Products and Services, and Climate Change**.
3. Financial data, information, and figures in the Report content are NOT included in the scope of assurance. SR Asia assumes the Bank, independent parties, or other parties associated with the Bank, have verified and/or audited any data and information related to financial statements.
4. Evaluation of publicly disclosed information, system, and process of the Bank to ensure adherence of the Report content to the reporting principles.
5. Adherence to the following reporting principles, standards, and regulations:
 - a) Regulation of Indonesia Financial Service Authority No.51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Service Institution, Listed, and Public Company (POJK 51) with reference to Financial Services Authority Circular Letter (SEOJK) 2022 No. 16/SEOJK.04/2021.
 - b) Consolidated set of GRI Sustainability Reporting Standards 2021 (GRI Universal Standard) and GRI G4 Financial Services Sector Disclosure (GRI-G4 FS) issued by the Global Reporting Initiative.
 - c) Sustainability Accounting Standard for Commercial Bank (FN-CB) issued by the Sustainability Accounting Standard Board (SASB).
 - d) Sustainable Banking Assessment (SUSBA) issued by World Wildlife Funds (WWF).
 - e) Global Investors for Sustainable Development (GISD) issued by the Global Investors for Sustainable Development (GISD) Alliance.
 - f) Task Force on Climate-Related Financial Disclosures(TCFD) created by the Financial Stability Board (FSB).

Exclusion

1. The expression of opinion, belief, expectation, advertisement, and also forward-looking statements, including future planning of the Bank as specified in the Report content.
2. Analysis or assessment against regulations, principles, standards, guidelines, and indicators other than those indicated in the Statement.
3. Topics, data, and information outside the reporting period, or in the public domain not covered in the reporting period.
4. Financial performance data and information as presented in the Bank’s financial statements and documents, other than those mentioned in the Report.

Methodology

1. Form an Assuror Team whose members are capable in sustainability report development and assurance
2. Perform the pre-engagement phase to ensure the independence and impartiality of the Assuror Team
3. Perform a kick-off meeting and initial analysis of the Report draft based on the SR Asia Protocol on Assurance Analysis refers to the standards, principles, and indicators of AA1000AS v3, AA1000APS (2018), and standards/regulations used in the Report.
4. Discuss online the results of the analysis with the Management and data contributors.
5. Verify evidence and trace data and information as covered in the Report.
6. The Bank incorporated our recommendations in the draft Report and release the final Report content.
7. Prepare the Statement and send it to SR Asia International Director for review to get approval before submitting it to the Bank.
8. Prepare a Management Letter detailing all aspects seen, recorded, and observed during the assurance work to the Management of the Bank for further improvement of sustainability processes.

Adherence to AA1000AP (2018) and GRI Universal Standards

Inclusivity – The representation of stakeholder engagement in the report is in accordance with the principle of inclusiveness. The Bank has also established and maintains multiple channels of communication to inform and fulfill its responsibilities to stakeholders at all levels. The Bank aims to incorporate stakeholder opinions and expectations into its sustainability strategy.

Materiality – The Bank has identified four material topics recognized as “highly material”. The presentation of material topics in the report is sufficient and concluded recognize explained its sustainability context as a financial service institution. We appreciate the Bank has conducted the materiality assessment through internal and external surveys which engage various stakeholders.

Responsiveness – The Bank has provided equal and inclusive access to sustainable financial services for stakeholders and implemented a whistleblowing system. Furthermore, the Bank has implemented a survey to measure Customer Loyalty Level (Net Promoter Score or NPS) which considers the product, service channel and service quality. Based on the evidence, we acknowledge the Bank has adequate responses to any grievances and resolved them.

Impact – The presentation of data and information in the Report covering the impacts of the Bank's performance and activities on the economy, social, and environment has been deemed sufficient by our Assuror Team. In the content of the Report, both quantitative data and qualitative information were presented. To evaluate the effects of Sustainable Financial Products and Services, The Bank has a mechanism to oversee and make sure every financing has the minimum negative impact on ESG.

Statement of Use: “with Reference to the GRI Standards” – SR Asia evaluated the Report content against the GRI Universal Standards principles, disclosures, and requirements for reporting. The Bank has already fulfilled its requirements with publish a GRI Content Index, provide a statement of use, and notify GRI.

GRI Standards Principles – The report content indicates its adherence to sustainability reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness,

SR Asia Independent Assurance Statement, version 2023, page 3 of 4

and verifiability). The Management provided adequate support during the assurance work by submitting evidence and documents as requested.

Type 2 Assurance – For the specific topic of climate change, The Bank has developed internal policies and processes that provide a satisfying level of completeness and accuracy for the monitoring and reporting of its GHG emissions. The full implementation of the quality control process should however be improved further. Moreover, for the specific topic of Sustainable Finance Products and Services, The Bank needs to specify the targets related to increasing the financing portfolio for Sustainable Business Activity Categories and arrange the escalation mechanism related to potential controversial issues or cases that may arise from business activities financed by the Bank, especially after the credit has been disbursed.

Recommendation

1. To reinforce the role of quality assurance and quality control, especially on source and data modification identification and tracking especially for a specific topic of climate change.
2. To conduct a study on the impact of climate change related to financing debtors in high and medium-risk business sectors by creating a general framework that covers financial and social impacts.

The assurance provider,

Jakarta, March 2nd, 2023



Birendra Raturi
International Director
Social Responsibility Asia



Social Responsibility Asia (SR Asia)

International

4F-CS-25, Ansal Plaza, Vaishali, Ghaziabad (NCR Region Delhi), Uttar Pradesh 201010, INDIA

Landline / Mobile: +91-120-4103023; +91-120-6452020 / +91-9810059109

E-mail: info@sr-asia.org, Website: www.sr-asia.org

Indonesia

PT Sejahtera Rambah Asia, Jl. Tebet Barat Dalam VIII A No. 25, Jakarta 12810, INDONESIA

Landline: +62-21-5010 1504, E-mail: services@srasia-indo.com,

Website: www.srasia-indo.com

Independent Practitioners' Limited Assurance Report on Sustainability Information

Griya Taman Mini Blok G2
No. 12, Pondok Gede
Bekasi 17413

No. 00001/2.1319/SR.ASS/07/1041-1/1/III/2023

To the Board of Directors of PT Bank CIMB Niaga Tbk.

We, Lim Hendra Audit Firm ("Audit Firm"), were engaged by the Board of Directors of the Company to provide limited assurance on the Selected Sustainability Information, the (Subject Matter"), listed below, for the year ended 31 December 2022 as published in the Sustainability Report 2022 ("the Report"), in the form of an independent limited assurance conclusion as to whether the Subject Matter is in all material respects with reference to the consolidated set of GRI Sustainability Reporting Standards 2021 (GRI Universal Standard) and GRI G4 Financial Services Sector Disclosure (GRI-G4 FS) issued by the Global Reporting Initiative, as well as the Company's definition and calculation methodologies which are disclosed in the Report including any significant inherent limitations, the ("Applicable Criteria").

Subject Matter

The Selected Sustainability Information covered by our limited assurance engagement are:

- Technology;
- Governance;
- Sustainable Financial Products and Services;
- Climate Change.

Our assurance engagement was with respect to the year ended 31 December 2022. We have not performed any procedures with respect to (i) earlier periods and (ii) any other elements included in the 2022 Sustainability Report of the Company, and in the annual report, website and other publications, and therefore do not express any conclusion thereon.

Reporting Criteria

Adherence to the following reporting principles, standards, and regulations:

- Regulation of Indonesia Financial Service Authority No.51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Service Institution, Listed, and Public Company (POJK 51) with reference to Financial Services Authority Circular Letter (SEOJK) 2022 No. 16/SEOJK.04/2021.

- Consolidated set of GRI Sustainability Reporting Standards 2021 (GRI Universal Standard) and GRI G4 Financial Services Sector Disclosure (GRI-G4 FS) issued by the Global Reporting Initiative.
- Sustainability Accounting Standard for Commercial Bank (FN-CB) issued by the Sustainability Accounting Standard Board (SASB).
- Sustainable Banking Assessment (SUSBA) issued by World Wildlife Funds (WWF).
- Global Investors for Sustainable Development (GISD) issued by the Global Investors for Sustainable Development (GISD) Alliance.
- Task Force on Climate-Related Financial Disclosures (TCFD) created by the Financial Stability Board (FSB).

Management's Responsibility for the Identified Sustainability Information

Management of the Company is responsible for the preparation of the Identified Sustainability Information in accordance with the Reporting Criteria. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Indonesian Code of Ethics for Public Accountants Profession 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 Indonesian Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We performed our limited assurance engagement in accordance with Indonesian Standard on Assurance Engagements 3000 – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (the "Standard") issued by the Indonesian Institute of Certified Public Accountants. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement. The extent of our procedures depends on our professional judgment and our assessment of the engagement risk.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Reporting Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to

fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. Given the circumstances of the engagement, we also performed the following:

- interviewed management and personnel in the Company's Sustainability Team in relation to the Identified Sustainability Information;
- obtained an understanding of how the Identified Sustainability Information is gathered, collated and aggregated internally;
- performed limited substantive testing, on a selective basis, of the Identified Sustainability Information (i) to verify the assumptions, estimations and computations made in relation to the Identified Sustainability Information; and (ii) to check that data had been appropriately measured, recorded, collated and reported; and
- considered the disclosure and presentation of the Identified Sustainability Information.

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 we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Inherent Limitations

In designing these procedures, we considered the system of internal controls in relation to the Identified Sustainability Information and reliance has been placed on internal controls where appropriate. Because of the inherent limitations in any accounting and internal control system, errors and irregularities may nevertheless occur and not be detected.

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure subject matter allows for different, but acceptable, measurement techniques that can affect comparability between entities.

The quantification of the greenhouse gas emissions data underlying the Identified Sustainability Information is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed

to combine emissions of different gases, and the estimation uncertainty from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge. This can affect the ability to draw meaningful comparison of the Company's greenhouse gas emissions over time.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information for the financial year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Purpose and Restriction on Distribution and Use

This report, including our conclusion, has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

Jakarta

A red circular stamp with the text "LIM HENDRA" at the top and "REGISTERED PUBLIC ACCOUNTANT" around the bottom. The center of the stamp contains a red sun-like emblem. A handwritten signature in black ink is written over the stamp.

Lim Hendra M.Si., Ak., CA., CPA., CSRA
License of Public Accountant No. AP1041
01 March 2023



Appendix, Reference & Index

Appendix

Organization Scale [POJK51-C.3.C.1]

Categories	Units	2022	2021	2020
Total Employees	People	10,936	11,194	12,064
Net Profit	Rp millions	5,096,771	4,098,604	2,011,254
Operating Income	Rp millions	18,865,721	17,567,517	16,358,525
Total Loans	Rp millions	196,611,014	181,613,420	174,754,593
Total Third-Party Funds	Rp millions	227,188,557	241,348,510	207,529,424
Total Capitalization				
Equity	Rp millions	45,276,263	43,388,358	41,053,051
Payables/Liabilities	Rp millions	261,478,036	267,398,602	239,890,554
Total Assets	Rp millions	306,754,299	310,786,960	280,943,605
Branch Networks	Office	417	427	451
Number of Products and Services	Product/Service	195	194	193



PILLAR 1: SUSTAINABLE ACTION

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

Status	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Permanent Employees	4,700	5,119	4,735	5,231	5,042	5,653
Contract Employees	679	438	742	486	784	585
Total	5,379	5,557	5,477	5,717	5,826	6,238
	10,936		11,194		12,064	

Note: Bank has no employees in the casual worker category.

Employees by Region [GRI 2-7]

Region	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Jakarta Region	3,542	3,186	3,544	3,241	3,720	3,520
Sumatra Region	455	540	482	566	525	626
West Java Region	272	329	293	362	315	401
Central Java and DIY Region	323	500	354	536	387	577
East Java, Bali, and Nusa Tenggara Region	550	733	569	741	624	816
East Indonesia Region	237	269	235	271	255	298
Total	5,379	5,557	5,477	5,717	5,826	6,238
	10,936		11,194		12,064	

Note: Bank has no employees in the casual worker category.

Management by Gender and Position Level [GRI 2-8]

Position Level	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Senior Management	156	82	145	68	146	71
Middle Management	878	628	828	575	826	580
Junior Management	3,416	3,835	3,438	3,828	3,648	3,895
Non-Management	929	1,012	1,066	1,246	1,206	1,692
Total	5,379	5,557	5,477	5,717	5,826	6,238
	10,936		11,194		12,064	

Employees by Working Unit

Working Unit	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Business Unit	3,663	4,581	3,707	4,738	4,009	5,188
Business Enabler	1,716	976	1,767	979	1,817	1,050
Total	5,379	5,557	5,477	5,717	5,826	6,238
	10,936		11,194		12,064	

Employees by Age Group [GRI 2-8]

Age	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
< 25 years	218	342	257	470	382	744
> 25–30 years	1,095	1,407	1,169	1,510	1,343	1,720
> 30–35 years	1,214	1,222	1,240	1,238	1,297	1,311
> 35–40 years	1,155	1,080	1,202	1,077	1,268	1,084
> 40 years	1,697	1,506	1,609	1,422	1,536	1,379
Total	10,936		11,194		12,064	

Employees Based on Education Level [GRI 2-8]

Educational Level	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Up to High School	236	87	302	129	447	282
Diploma 1	11	15	13	19	10	23
Diploma 2	515	708	1	2	2	6
Diploma 3	1	0	507	776	615	976
Diploma 4	2	25	3	10	2	5
Bachelor's degree	4,172	4,406	4,194	4,480	4,413	4,743
Master's degree	436	314	450	300	334	203
Doctoral degree	6	2	7	1	3	0
Total	10,936		11,194		12,064	

Management and Employees by Citizenship of 2022 [GRI 2-8]

Position Level	Indonesian	Non-Indonesian	Total
Board of Commissioners	5	1	6
Board of Directors	9	1	10
Senior Management	237	1	238
Middle Management	1,503	3	1,506
Junior Management	7,251	-	7,251
Non-Management	1,941	-	1,941
Total	10,946	6	10,952

Employees Based on Nationality

Nationality	2022	2021	2020
Asian	10,936	11,194	10,936
American Indian or Alaska Native	-	-	-
Black or African American	-	-	-
Native Hawaiian or Other Pacific Islander	-	-	-
White	-	-	-
Hispanic or Latino	-	-	-
Total	10,936	11,194	10,936

New Employees Placement Location by Region [401-1]

Region	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Jakarta Region	598	470	296	194	511	418
Sumatra Region	91	85	40	34	87	88
West Java Region	46	31	28	21	57	76
Central Java and DIY Region	33	29	19	28	44	63
East Java, Bali, and Nusa Tenggara Region	85	76	32	41	95	106
East Indonesia Region	58	53	17	27	41	30
Total	911	744	432	345	835	781
	1,655		777		1,616	

New Employees by Age Group [401-1]

Age Group/Year	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
< 31 years	533	476	270	248	565	643
31–40 years	334	242	153	84	241	121
41–50 years	43	25	9	12	28	16
> 50 years	1	1	-	1	1	1
Total	911	744	432	345	835	781
	1,655		777		1,616	

Employee Turnover by Region [401-1]

Region	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Jabodetabek Region	610	541	471	468	528	522
Sumatra Region	116	109	85	101	91	116
West Java Region	72	60	46	59	84	74
Central Java and DIY Region	56	58	58	72	68	109
East Java, Bali, and Nusa Tenggara Region	97	85	85	108	121	102
East Indonesia Region	56	53	37	56	62	47
Total	1,007	906	782	864	954	970
	1,913		1,646		1,924	

Number and Reason for Employees Leaving [GRI 401-1]

Reasons	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Normal Retirement	64	50	51	48	58	56
Early Retirement for Health Reasons	20	33	14	40	11	15
Resigned	656	608	524	566	361	420
Passed Away	6	1	25	11	9	8
Others	261	214	168	199	515	471
Total	1,007	906	782	864	954	970
	1,913		1,646		1,924	

Employees Leaving by Age Group [GRI 401-1]

Age Group/Year	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
< 25 years	64	86	45	124	79	97
> 25–30 years	329	356	254	335	225	253
> 30–35 years	289	225	186	160	195	197
> 35–40 years	159	117	131	99	164	119
> 40 years	166	122	166	146	291	304
Total	1,007	906	782	864	954	970
	1,913		1,646		1,924	

New Employees Based on Entry Path [401-1]

Entry Path	2022			2021			2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total through Staff Development Programs (PPS)	110	102	212	44	92	136	171	284	455
Total Marketers & Frontliners	359	324	683	105	112	217	177	220	397
Others	442	318	760	283	141	424	487	277	764
Total	911	744	1,655	432	345	777	835	781	1,616

Employee Turnover Rate [401-1]

Employee Turnover	2022	2021	2020
Employees Joining	1,655	777	1,616
Employees Leaving	1,913	1,646	1,924*
Total Employees at the End of the Year	10,936	11,194	12,064
Voluntary Employee Attrition Ratio or Employee Voluntary Turnover	11.6%	9.4%	6.6%

* Including 608 employees in 2020 who participated in the Voluntary Retirement Program (PPKS)

Employee Performance Appraisal [404-3]

Number of Employees Receiving Promotions

Assessment Results	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Promotion	727	883	582	811	601	868
Total	1,610		1,393		1,469	



PILLAR 2: SUSTAINABLE BUSINESS

Lending Based on Economic Sector (Rp millions) [SUSBA 1.6.2.1] [FS6] [FN-CB-410a.1]

Sectors	2022	2021	2020	Growth (%)	
				2022-2021	2021-2020
Housing	38,308,224	36,091,662	33,030,388	6.14	9.27
Industry	37,941,652	32,359,596	31,420,852	17.25	2.99
Trading, Restaurants, Hotels, and Administration	30,872,171	29,824,918	33,065,855	3.51	(9.80)
Business Services	17,186,361	15,853,506	17,005,518	8.41	(6.77)
Consumption	30,400,259	22,907,903	21,041,904	32.71	8.87
Agriculture	11,185,251	12,950,314	13,862,317	(13.63)	(6.58)
Others	30,717,096	31,625,521	25,327,759	(2.87)	24.87
Total	196,611,014	181,613,420	174,754,593	8.26	3.92

Lending Based on Geographical Location (Rp millions) [FS6]

Wilayah	2022	%	2021	%	2020	%
Jakarta	140,799,448	72	134,227,223	74	123,125,578	70
Sumatra	13,062,339	7	11,590,203	6	13,069,898	7
East Java	12,439,098	6	8,993,574	5	12,143,391	7
Central Java	8,236,355	4	9,016,245	5	8,894,777	5
West Java	9,423,219	5	8,699,111	5	8,219,429	5
East Indonesia	6,731,731	3	4,631,506	3	6,217,318	4
Others	5,918,824	3	4,455,558	2	3,084,202	2
Total	196,611,014	100	181,613,420	100	174,754,593	100

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

Description	2022	2021	2020
Consumer Banking	2.0	2.1	1.8
Emerging Business Banking	5.2	4.1	2.8
Commercial Banking	7.7	7.2	5.7
Corporate Banking	0.7	2.6	4.1
Total	2.8	3.5	3.6

Comparison of Production and Performance Targets, Portfolios, Financing or Investment Targets, Income, and Profit and Loss in 2022

Description	2022 Target	2022 Realization
Operational and Financial Projections		
Net Interest Margin (NIM)	4.5%-5.0%	4.7%
Fee Income Ratio (FIR)	23.0%-26.0%	28.6%
Cost to Income Ratio (CIR)	43.0%-46.0%	44.9%
ROA	1.4%-1.6%	2.2%
ROE (Shareholder's Fund)	11.0%-12.0%	12.6%
Credit Growth	4.0%-6.0%	8.3%
Asset Quality (NPL)	3.3%-3.9%	2.8%
LLC	200.0%-210.0%	242.7%
LDR	80.0%-85.0%	85.6%
Growth in Customer Deposits	2.0%-5.0%	-5.9%
CASA Ratio	61.0%-65.0%	63.6%
CAR	21.0%-23.0%	22.2%

Number of Customer in Current, Savings, and Deposit Accounts (Individuals and MSMEs) 2020-2022 [FN-CB-000.A]

Description	2022		2021		2020	
	Individual	MSME	Individual	MSME	Individual	MSME
Current Account	27,131	6,308	27,223	5,556	27,215	5,096
Savings	3,151,004	2,919	3,085,137	11,751	3,275,126	10,159
Deposit	70,815	378	74,117	509	84,071	542

Total Value of Current, Savings, and Deposit Accounts (Individuals and MSMEs) 2020-2022 (Rp millions) [FN-CB-000.A]

Description	2022		2021		2020	
	Individual	MSME	Individual	MSME	Individual	MSME
Current Account	1,934,443	1,141,359	1,861,470	919,099	2,055,418	917,544
Savings	67,707,136	858,580	66,881,527	956,395	62,666,943	813,227
Deposit	37,113,109	944,413	36,746,161	730,261	40,814,825	626,776

Comparison of Realized Economic Performance

Description	Unit	2022	2021	2020
Total Assets	Rp millions	306,754,299	310,786,960	280,943,605
Productive Assets		266,840,098	259,297,573	249,285,813
Bank Financing		196,611,014	181,613,420	174,754,593
Third-party Funds		227,188,557	241,348,510	207,529,424
Operating Income		18,865,721	17,567,517	16,358,525
Operating Expenses		8,722,538	8,324,007	13,504,670
Net Profit		5,095,771	4,098,604	2,011,254
Performance Ratios				
Minimum Capital Adequacy Ratio (MCAR)	%	22.19	22.68	21.92
Non-produktif Problematic Earning Assets and Non-productive Assets to Total Earning Assets and Non-productive Assets	%	1.68	1.90	2.16
Non Performing Earning Assets to Total Earning Assets	%	1.62	1.90	2.82
Allowance for Impairment for Financial Assets Against Earning Assets	%	5.11	5.20	4.99
NPL Gross	%	2.80	3.46	3.62
NPL Nett	%	0.75	1.17	1.40
Return on Assets (ROA)	%	2.16	1.82	1.06
Return on Equity (ROE)	%	12.59	10.44	5.33
Net Interest Margin (NIM)	%	4.69	4.86	4.88
Efficiency Ratio (BOPO)	%	74.10	78.97	89.38
Loan to Deposit Ratio (LDR)	%	85.63	74.35	82.91
Liquidity Coverage Ratio (LCR)				
a. Individual LCR		231.41	268.3	236.20
b. Consolidated LCR	%	230.92	264.0	235.17

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) [201-1]

Description	Reporting Period		
	2022	2021	2020
Direct Economic Value Received			
Interest and sharia income	19,114,194	18,862,951	20,703,099
Other Operating income	2,413,405	2,266,284	1,738,053
Total economic value received	21,527,599	21,129,235	22,441,152
Economic Value Distributed			
Interest and sharia expenses	5,638,056	5,774,091	8,232,581
Other operating expenses (employment and general & administrative expenses)	8,150,448	7,995,492	7,866,545
Payments to shareholders (dividend payments)	2,345,686	1,098,577	1,392,161
Payments to the government (taxes, levies, and others)	1,482,561	1,092,494	936,166
Total Economic Value Distributed	17,616,751	15,960,654	18,427,453
Economic Value Withheld			
Economic Value Retained	3,910,848	5,168,581	4,013,699

Handling of Finance-Related Customer Complaints in 2022

Type of Financial Transaction	Completed		In Progress		Total Complaints
	Total	%	Total	%	
Bancassurance	13	100.00%	-	0.00%	13
Deposit	62	100.00%	-	0.00%	62
Direct Debit	21	24.42%	65	75.58%	86
Electronic Banking	19,676	98.97%	204	1.03%	19,880
ATM/Debit Card/ATM Machine	20,781	99.38%	130	0.62%	20,911
Credit Card	5,725	99.48%	30	0.52%	5,755
Remittance	-	0.00%	-	0.00%	-
Unsecured Credit	311	99.04%	3	0.96%	314
Motor Vehicle Financing	3	100.00%	-	0.00%	3
Working Capital Financing	-	0.00%	-	0.00%	-
Home/Apartment Ownership Financing	52	89.66%	6	10.34%	58
Other Fundraising	1,573	99.75%	4	0.25%	1,577
Other Fund	1	100.00%	-	0.00%	1
Mutual Fund	285	98.96%	3	1.04%	288
Savings	1,246	94.61%	71	5.39%	1,317
Wealth Management	7	58.33%	5	41.67%	12
Trade Finance/Letter of Credit	-	0.00%	-	0.00%	-
Total	49,756	98.96%	521	1.04%	50,277



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 [205-2]

Region	2022			2021			2020		
	Management	Employees	Business Partners	Management	Employees	Business Partners	Management	Employees	Business Partners
Jakarta Region	-	1,526	-	-	1,093	13	-	1,883	-
Sumatra Region	-	42	-	-	119	1	-	709	-
West Java Region	-	-	-	-	65	3	-	0	-
Central Java Region	-	53	-	-	86	3	-	0	-
East Java Region	-	261	-	-	47	1	-	0	-
East Indonesia Region	-	42	-	-	60	1	-	52	-
Training in modules held by HR	-	671	-	-	1,750	-	-	910	-
Total		2,595			3,242			3,554	

Management includes the Board of Commissioners and Board of Directors



PILLAR 5: STAKEHOLDER ENGAGEMENT AND ADOVACY

Total Training Participants by Position Level and Gender* [404-1]

Description	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Senior Management	3,100	1,759	2,286	1,207	3,087	1,695
Middle Management	21,058	16,350	12,567	9,350	21,737	16,104
Junior Management	102,739	131,540	62,863	68,486	113,267	138,176
Non Management	26,127	35,565	17,222	20,306	34,451	56,032
Total	153,024	185,214	94,938	99,349	172,542	212,007

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

Number of Training Hours by Position Level* [404-1]

Position Level	Total Training Hours	Number of Individuals	Average Hours of Training
Senior Management	17,059	262	65.11
Middle Management	133,083	1,639	81.20
Junior Management	1,822,031	9,283	196.28
Non-Management	198,200	2,484	79.79

*Including employees who have resigned

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

Type of Training	2022	2021	2020
Managerial, Leadership & Soft Skills	97,823.94	69,801.75	322,419.50
Development Program & TCB	1,062,232.00	378,302.00	406,424.00
Risk, Corporate Assurance & Compliance	176,542.00	138,201.00	229,840.00
3D (Include IT Upskill & Reskills)	185,595.00	122,738.50	127,850.50
Sales	101,799.38	94,044.90	152,406.25
Service	102,380.00	107,662.30	210,809.00
Treasury, Finance & Tax	5,206.02	8,548.50	26,638.50
Credit	36,452.00	19,649.50	14,661.50
Operations & IT	249,805.99	68,142.50	6,239.00
Syariah	60,322.90	24,876.56	53,508.50
Transaction Banking	1,685.90	1,320.00	1,614.00
Culture	57,783.15	25,665.55	20,185.50
Retirement	1,544.00	2,316.00	4,080.00
Sustainable Finance	11,223.50	28,754.50	23,598.00
Team Building	19,978.00	920.00	-
Others	-	867.00	-
Total	2,170,373.78	1,091,809.56	1,600,274.25

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

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

Type of Training	2022	2021	2020
Managerial, Leadership & Soft Skills	35,409	18,248	143,061
Development Program & TCB	1,456	600	705
Risk, Corporate Assurance & Compliance	51,752	45,749	66,479
3D (Include IT Upskill & Reskills)	70,375	21,402	29,287
Sales	25,081	20,937	52,399
Service	39,350	26,771	44,463
Treasury, Finance & Tax	1,391	2,411	15,720
Credit	7,082	3,195	1,283
Operations & IT	53,969	26,664	938
Syariah	10,896	5,154	14,385
Transaction Banking	495	169	131
Culture	27,131	8,388	6,186
Retirement	55	102	189
Sustainable Finance	4,254	13,708	9,323
Team Building	9,542	460	-
Others	-	329	-
Total	338,238	194,287	384,549

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

Employee Competency Development Costs (Rp millions)

Type of Development	2022	2021	2020
Education Implementation	71,713	77,878	69,780
Domestic External Seminars & Courses	2,000	2,001	1,317
Overseas Internal Seminars & Courses	-	-	-
Corporate Culture	3,483	4,336	3,196
Training Center	12,651	19,919	12,579
Operational Training	62,583	42,455	52,301
Total	152,430	146,589	139,173

External Initiatives and Membership Associations [GRI 2-28] [FS10] [SUSBA 1.1.2.1; 1.1.2.2]

No	Organization Name	Scope	Position/Involvement
1	ACI Financial Markets Association	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	Compliance, Corporate Affairs, and Legal Director as Chairman
5	Indonesian Corporate Secretary Association (ICSA)	National	Compliance, Corporate Affairs, and Legal Director as Member
6	Indonesia Foreign Exchange Market Committee	National	Treasury & Capital Market Director as Management
7	Indonesia Sustainable Finance Initiative (IKBI)	National	Member
8	Alternative Agencies for Dispute Resolution (LAPS-SJK)	National	Compliance, Corporate Affairs, and Legal Director as Head of Supervisory Board
9	National Private Bank Association (PERBANAS)	National	Bank as member and several Directors as Management
10	Indonesian Bankers Association	National	Member
11	Indonesian Chamber of Commerce and Industry (KADIN)	National	Member
12	Banking Operations Directors Communciation Forum (FKDOP)	National	Operational & Technology Director as General Treasurer
13	Indonesian Employers Association (APINDO)	National	Member

POJK No. 51/POJK.03/2017 (SEOJK No. 16/SEOJK.04/2021), GRI Standards Content Index, Sustainability Accounting Standard Board (SASB), and Sustainable Banking Assessment (SUSBA) ^[102-55]

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

No Index	Index Name	Page
	Sustainability Strategy	
A.1	Elaboration on Sustainability Strategy	4
	Summary of Sustainability Aspect Performance	
B.1	Economic Aspects	8-11
B.2	Environmental Aspects	8-11
B.3	Social Aspects	8-11
	Company Profile	
C.1	Vision, Mission, and Values of Sustainability	3, 66
C.2	Company's Address	2
C.3	Enterprise Scale	2
C.4	Products, Services, and Business Activities	6-7
C.5	Membership in Association	85, Appendix
C.6	Significant Changes in Issuers and Public Companies	3
	The Board of Directors' Explanation	
D.1	The Board of Directors' Explanation	12-15
	Sustainability Governance	
E.1	Responsible for Implementing Sustainable Finance	64
E.2	Competency Development Related to Sustainable Finance	84
E.3	Risk Assessment of the Implementation of Sustainable Finance	73
E.4	Relations with Stakeholders	80-82
E.5	Problems with the Implementation of Sustainable Finance	48
	Sustainability Performance	
F.1	Sustainable Culture Development Activities	62
	Economic Performance	
F.2	Comparison of targets to performance of production, portfolio, financing targets, or investments, revenue as well as profit and loss	Appendix
F.3	Comparison of target to performance of portfolio, financing target, or investments in financial instruments or projects in line with the implementation of Sustainable Finance	Appendix
	Environmental Performance	
	General Aspect	
F.4	Environmental Costs That Incur	9
	Material Aspect	
F.5	Use of Environmentally Friendly Materials	39
	Energy Aspect	
F.6	Amount and Intensity of Energy Used	38
F.7	Efforts and Achievements of Energy Efficiency and Use of Renewable Energy	36

No Index	Index Name	Page
	Water Aspect	
F.8	Water usage	39
	Aspects of Biodiversity	
F.9	Impacts from Operational Areas that are Near or Located in Conservation Areas or Have Biodiversity	69
F.10	Biodiversity Conservation Efforts	62
	Emission Aspect	
F.11	Total and Intensity of Emissions Generated by Type	37-38
F.12	Efforts and Achievements of Emission Reduction Made	36
	Waste and Effluent Aspects	
F.13	Amount of Waste and Effluent Generated by Type	38-39
F.14	Waste and Effluent Management Mechanism	38
F.15	Occurring Spills (if any)	38
	Complaint Aspects Related to the Environment	
F.16	Number and Material of Environmental Complaints Received and Resolved	45
	Social Performance	
F.17	Commitment to Provide Services on Equal Products and/or Services to Consumers	42-45
	Employment Aspect	
F.18	Equal Employment Opportunity	33
F.19	Child Labor and Forced Labor	33
F.20	Regional Minimum Wage	34
F.21	Decent and Safe Work Environment	35
F.22	Employee Capability Training and Development	84
	Community Aspect	
F.23	Impact of Operations on Surrounding Communities	44
F.24	Community Complaints	78
F.25	Corporate Social Responsibility (CSR)	54-62
	Responsibility for Sustainable Product/Service Development	
F.26	Innovation and Development of Sustainable Financial Products/Services	43-44
F.27	Products/Services That Have Been Evaluated for Safety for Customers	42
F.28	Product/Service Impact	43-44
F.29	Number of Product Recalls	42
F.30	Customer Satisfaction Survey on Sustainable Financial Products and/or Services	45
	Others	
G.1	Written Verification from Independent Party (if any)	88
G.2	Feedback Sheet	88
G.3	Responses to Feedback on the Previous Year's Sustainability Report	88

GRI Standard Content Index

GRI Index		Disclosure	Page Number	Omission
GRI 1: Foundation 2021				
General Disclosures				
GRI 102: General Disclosures 2021	2-1	Organizational details	2	
	2-2	Entities included in the organization's sustainability reporting	25	
	2-3	Reporting period, frequency and contact point	2, 25	
	2-4	Restatement of information	25	
	2-5	External assurance	25	
	2-6	Activities, value chain and other business relationship	2, 3, 6-7, 40	
	2-7	Employees	Appendix	
	2-8	Workers who are not employees	Appendix	
	2-9	Governance structure and composition	64-65	
	2-10	Nomination and selection of the highest governance body	65	
	2-11	Chair of the highest governance body	64, 73	
	2-12	Role of the highest governance body in overseeing the management of impacts	64-66, Appendix	
	2-13	Delegation of responsibility for managing impacts	64-66	
	2-14	Role of the highest governance body in sustainability reporting	65, Appendix	
	2-15	Conflict of interest	65	
	2-16	Communication of critical concerns	72	
	2-17	Collective knowledge of the highest governance body	65, 83	
	2-18	Evaluation of the performance of the highest governance body	65	
	2-19	Remuneration policies	65	
	2-20	Process to determine remuneration	65	
	2-21	Annual total compensation ratio	34	
	2-22	Statement on sustainable development strategy	20-24	
	2-23	Policy commitments	71	
	2-24	Embedding policy commitments	40	
	2-25	Process to remediate negative impacts	45	
	2-26	Mechanisms for seeking advice and raising concerns	78	
	2-27	Compliance with laws and regulations	76	
	2-28	Membership associations	85	
	2-29	Approach to stakeholder engagement	80-82	
	2-30	Collective bargaining agreements	33	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	25-26	
	3-2	List of material topics	25-26	
	3-3	Management of material topics	27-30	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Appendix	
	201-2	Financial implications and other risks and opportunities due to climate change	24, 69-70	
	201-3	Defined benefit plan obligations and other retirement plans	34	
	201-4	Financial assistance received from government	25	

GRI Index		Disclosure	Page Number	Omission
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	47-48	
	203-2	Significant indirect economic impacts	44	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	75-77	
	205-2	Communication and training about anti-corruption policies and procedures	75-77	
	205-3	Confirmed incidents of corruption and actions taken	76	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	42	
GRI 302: Energy	302-1	Energy consumption within the organization	38	
	302-2	Energy consumption outside the organization	38	
	302-3	Energy Intensity	10, 38	
	302-4	Reduction of energy consumption	38	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	69	
	304-2	Significant impacts of activities, products and services on biodiversity	69	
	304-3	IUCN Red List species and national conservation list species with habitats in areas affected by operations	69	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	37-38	
	305-2	Energy indirect (Scope 2) GHG emissions	37-38	
	305-3	Other indirect (Scope 2) GHG emissions	37	
	305-4	GHG emissions intensity	37-38	
	305-5	Reduction of GHG emissions	10	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Appendix	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	34	
	401-3	Parental leave	33	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	35	
	403-2	Hazard identification, risk assessment, and incident investigation	35	
	403-3	Occupational health services	35	
	403-4	Worker participation, consultation, and communication on occupational health and safety	35	
	403-5	Worker training on occupational health and safety	35	
	403-6	Promotion of worker health	35	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	35	
	403-8	Workers covered by an occupational health and safety management system	35	
	403-9	Work-related injuries	35	
	403-10	Work-related ill health	35	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	84	
	404-2	Programs for upgrading employee skills and transition assistance programs	34	
	404-3	Percentage of employees receiving regular performance and career development reviews	33	

GRI Index		Disclosure	Page Number	Omission
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	33	
	405-2	Ratio of basic salary and remuneration of women to men	34	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	33	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	33	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	61	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	42	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	42	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	42	
	417-2	Incidents of non-compliance concerning product and service information and labeling	42	
	417-3	Incidents of non-compliance concerning marketing communications	42	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	42	

GRI 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	71
FS2	Procedures for assessing and screening environmental and social risks in business lines	72
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	72
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	83
FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities	85
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector	2, Appendix
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	56
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	47-48, 51
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	46
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	85, Appendix
FS11	Percentage of assets subject to positive and negative environmental or social screening	47
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	49
FS13	Access points in low-populated or economically disadvantaged areas by type	44
FS14	Initiatives to improve access to financial services for disadvantaged people	48
FS15	Policies for the fair design and sale of financial products and services	42
FS16	Initiatives to enhance financial literacy by type of beneficiary	56

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	Appendix
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal and (b) small business	2
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	42
FN-CB-230.a.2	Description of approach to identifying and addressing data security risks	42
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	8
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	2, Appendix
FN-CB-240.a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	56
FN-CB-240.a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	56

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	Appendix
FN-CB-410.a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	49
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	25, 42, 76
FN-CB-510.a.2	Description of whistleblower policies and procedures	49
Systemic Risk Management		
FN-CB-550.a.1	Global Systemically Important Bank (G-SIB) score, by category	25
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	Appendix

Sustainable Banking Assessment (SUSBA)

	Disclosure	Page Number
1) Purpose - Sustainability Strategy and Stakeholder Engagement		
1.1.1.1	Is there a clear reference to sustainability in the bank's strategy and long-term vision?	3, 66
1.1.1.2	Does the bank clearly recognise that its ESG footprint extends to its business activities and portfolio?	49
1.1.1.3	Does the leadership statement make reference to the integration of ESG factors in the bank's business strategy?	12-15
1.1.1.4	Is there a clear reference to sustainable development goals (SDGs) in the bank's strategy or vision?	20-23
1.1.1.5	Does the bank explicitly acknowledge the societal and economic risks associated with climate change?	70
1.1.1.7	Does the bank disclose the types of stakeholders it engages with on ESG issues?	4
1.1.1.8	Does the bank engage with civil society and/or non-governmental organisations to understand the ESG impacts of its business activities?	85
1.1.1.9	Does the bank disclose the frequency and mode of communication with stakeholders?	80-82
1.1.1.10	Has the bank identified responsible financing/lending and/or other key E&S issues as material	29
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?	85
1.1.2.2	Does the bank engage with regulators and policy makers on ESG integration and/or sustainable finance topics?	48, 65, 85-86
3) Policies - Public Statements on Specific ESG Issues		
1.2.1.1	Does the bank have exclusionary principles covering activities the bank will not support, taking into account ESG considerations?	69, 72
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?	46, 72
1.2.1.3	Does the bank prohibit the financing of new coal-fired power plant projects?	52
1.2.1.4	Does the bank acknowledge biodiversity loss and/or deforestation risks in its clients' activities?	51
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?	51
1.2.1.6	Does the bank recognise negative impacts on the marine environment as risks in client's activities?	68

Disclosure		Page Number
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?	72
1.2.1.8	Does the bank recognize water risks (flooding, scarcity, and pollution) as risks in its clients' activities?	70
1.2.1.10	Does the bank recognize human rights risks, including those related to local communities, in its clients' activities?	40, 72
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?	40
1.2.1.12	Does the bank recognize labour rights violations as a risk across all sectors?	71-72
1.2.1.13	Does the bank require clients to adhere to international labour standards as outlined by the ILO Fundamental Conventions?	51, 71-72
1.2.1.14	Are the bank's E&S requirements applicable to financial products and services beyond lending (i.e. capital markets, advisory)?	71
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?	46, 50
1.2.2.2	Does the bank disclose its requirements/policies for environmentally or socially sensitive sectors?	51, 69-70
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.)?	51
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?	46, 71
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?	72
1.3.1.2	Does the bank assess its clients' capacity, commitment, and track record as part of its E&S due diligence process?	72
1.3.1.3	As part of the approval process, does the bank classify its clients and transactions based on E&S risk assessment?	46
1.3.1.4	Is there an escalation mechanism for more complex or controversial cases?	72
1.3.1.5	Do the E&S risk assessment outcomes influence transaction and client acceptance decisions?	72
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?	72
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?	72
1.3.2.3	Does the bank monitor its client's compliance with the agreed E&S action plan?	72
1.3.2.4	Does the bank perform periodic review or state how frequent it reviews its clients' profiles on E&S?	72
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?	72
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?	46, 71
7) People - Responsibilities for ESG		
1.4.1.1	Is senior management responsible for the implementation of the bank's ESG strategy?	66
1.4.1.2	Do senior management's responsibilities include management of climate change risks and opportunities relevant to the bank's activities?	65-66

Disclosure		Page Number
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?	66
1.4.1.4	Has the bank put in place an internal control system with three lines of defence to manage E&S issues?	73
1.4.1.5	Do the terms of reference of the Nominating committee include sustainability-related criteria for the appointment of new Board members?	65-66
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?	65-66
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?	64-66
1.4.1.8	Does the bank implement periodic audits to assess implementation of E&S policies and procedures?	46,78
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?	65-66
1.4.2.2	Does the bank train its staff on E&S policies and implementation processes?	85
1.4.2.3	Does the bank provide specific training for its senior management, covering sustainability issues?	85
1.4.2.4	Are sustainability-related criteria part of the staff appraisal process and/or integrated into KPIs for its staff?	34
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?	46
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?	43
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?	47
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)?	85
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)?	68
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?	70
1.6.1.3	Does the bank have a strategy to manage and mitigate climate-related risks across its portfolio (e.g. energy sector)?	52
11) Portfolio - Disclosure of ESG Risk Exposure and Targets		
1.6.2.1	Does the bank disclose its credit exposure by industry sector?	47-48
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)?	50
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?	51
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?	49
1.6.2.7	Does the bank have targets in place to reduce the negative E&S impacts associated with its business activities?	20-23
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?	70
1.6.2.9	Does the bank conduct external assurance of its ESG-related disclosures?	25
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?]	56-62

A Minimalist, Efficient, and Environmental Friendly Report Design Approach

We try to present a report that not only considers effective communication to readers, but also considers various things, such as the choice of typeface and design style. Environmentally friendly typeface can optimize pages usage when conveying information, but also provide aesthetically look and ease of reading. In addition, through a simple design and concise information will reduce number of pages. Therefore, reducing the carbon footprint.



Simple

Not using complicated terminology



Congested

Full of information



Short

Not wordy



Straightforward

Firm, unambiguous



Clear

Easy to understand

Minimize Environmental Impact on This Report Issuance

We have made great efforts to reduce the environmental impact caused by the various publication processes of this Report. However , you can also help us reduce our environmental impact. Did you know that every second a forest of the size of football field is cut down? Thus, we encouraged your participation to prevent and reduce it. Play your part by downloading the digital version of this Report.



Physical form of this Report is printed using recycled paper obtained through the supply chain sustainable and has been certified Forest Stewardship Council



PT Bank CIMB Niaga Tbk

Corporate Secretary

Graha CIMB Niaga

Jl. Jend. Sudirman Kav. 58

Jakarta 12190, Indonesia

Tel. : (62-21) 250 5252, 250 5353

Fax. : (62-21) 250 5205

Email : corporate.secretary@cimbniaga.co.id

Facebook : CIMB Indonesia

Twitter : @CIMBNiaga

Instagram : cimb_niaga

YouTube : CIMB Niaga

LinkedIn : CIMB Niaga

www.cimbniaga.co.id