

# Sustainable Action

At CIMB, integrating sustainability throughout our value chain is driven in equal parts by both our moral and ethical conviction that it is the right thing to do, and evidence that it is good for business.

We are committed to enhancing the lives and wellbeing of our over 33,000 employees and 1,800 suppliers throughout ASEAN, while actively minimising our environmental footprint. Central to this commitment is the reduction of our operational GHG emissions. By striving for a safe, fair and inclusive work environment that fosters development and wellbeing while contributing to a better future, we not only fulfil our ethical obligations but also strategically position ourselves for long-term success. By taking Sustainable Actions, we build trust, demonstrate leadership and enhance our resilience against sustainability risks – including those stemming from climate change. Consequently, our commitment to both environmental and social responsibility translates directly into enhanced performance and long-term prosperity, both for CIMB and the communities we serve.

### A Low-carbon Bank



Minimising our operational GHG emissions and other environmental impacts to support a sustainable future for all

### An Engaged and Productive Workforce



Providing a safe and enriching work environment that attracts and retains the industry's top talent

### An Inclusive and Fair Work Culture



Ensuring a diverse and inclusive workplace that encourages creativity and productivity

## MATERIAL TOPICS

## 2023 ACHIEVEMENTS



### Climate Change: Operational Emissions

- Achieved reduction of 35% in Scope 1 and 26% in Scope 2 (market-based) GHG emissions against the 2019 baseline
- Completed LED conversion for 29 branches in Malaysia.
- Installed rooftop solar PV systems in CIMB Thai Chiang Mai HQ and CIMB Niaga Graha Bintaro
- Attained a 13% renewable energy utilisation rate sourced from CIMB's own rooftop solar PV systems, Green Electricity Tariff (GET) and Renewable Energy Certificates (RECs)
- Achieved net zero for Scope 1 and 2 GHG emissions for CIMB's operations in Singapore



### Talent Attraction, Retention and Growth

- Introduced benefit enhancements and launched a flexible benefits programme in Malaysia and Indonesia
- Launched CIMB Signature Leadership programmes for mission-critical positions, senior position successors, emerging leaders and junior leaders
- Won 29 regional Human Resource awards
- Improved Organizational Health Index score to 83% in 2023 from 77% in 2022



### Diversity and Inclusion

- Gender pay ratio of 1.00 (male) : 1.01 (female)
- 38% female representation in leadership (GCEO-2 and above, including Key Management employees)
- Improvement of diversity in the succession pool for critical roles across the Group

# Sustainable Action



## CLIMATE CHANGE: OUR OPERATIONAL FOOTPRINT

### OVERALL PERFORMANCE

In 2023, we conducted a base year recalculation to update our baseline GHG emissions to reflect the recently updated emission factors provided by respective national agencies. This has resulted in a restatement to our GHG emissions data from 2019 to 2022.

Overall, our Scope 1 and 2 GHG emissions have shown a downward trend since 2019. Our efforts to reduce GHG emissions via energy efficiency (Lever 2) measures, particularly in the post-pandemic recovery phase, have played a significant role in mitigating the increase in energy consumption since 2021.

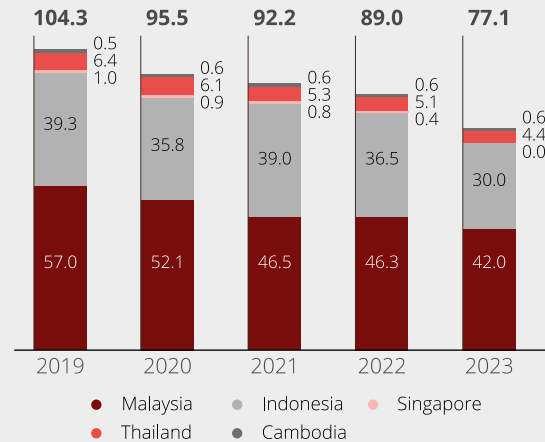
In 2023, to further reduce our Scope 2 GHG emissions, we have increased our renewable energy consumption by subscribing to the Green Electricity Tariff in Malaysia and installing solar PV systems on our buildings in Thailand and Indonesia. We also purchased Renewable Energy Certificates (RECs) to increase the consumption of renewable energy. This initiative enables us to diversify our energy sources while supporting the development of the local renewable energy industry.

| Approach for calculating Scope 1 and 2 GHG emissions

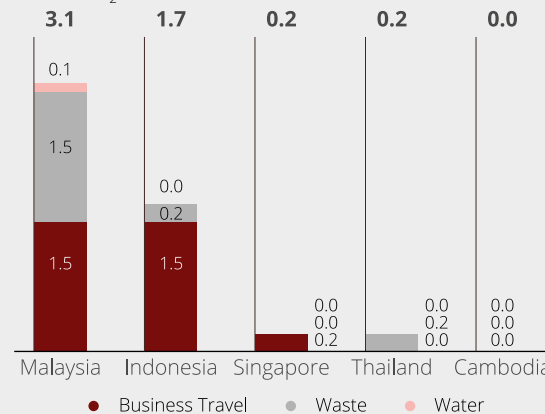
All Scope 2 GHG emissions mentioned in this section refer to Scope 2 (market-based) data. The full breakdown of our GHG emissions including Scope 2 (location-based) emissions is available in our data table in page 130 of this report.



### GHG Scope 1 and 2 (market-based) Emissions ('000 tCO<sub>2</sub>e)



### GHG Scope 3 Emissions for 2023, excluding category 15 ('000 tCO<sub>2</sub>e)



CIMB's Scope 1 emissions primarily stem from the fuel consumption of our owned vehicles or fleets, such as the operation of our Cash Mobile units in Indonesia. We recorded absolute emissions of 3,077 tCO<sub>2</sub>e, which is 38% below our target of capping Scope 1 emissions at 4,998 tCO<sub>2</sub>e for 2023. The reduction in Scope 1 emissions is mainly due to lower vehicle fuel consumption recorded for Indonesia and Thailand in 2023 compared to 2019. As we progress towards achieving operational net zero by 2030, we aim to gradually reduce our capping of Scope 1 GHG emissions in absolute terms. One strategy that we are exploring is the potential electrification of our Cash Mobile units.

We recorded absolute Scope 2 emissions of 74,005 tCO<sub>2</sub>e, which is 26% below the 2019 baseline and within the cap of Scope 2 GHG emissions at 76,320 tCO<sub>2</sub>e for the year 2023. The reduction in Scope 2 emissions is mainly contributed by the increase in renewable energy use and the purchase of RECs as a means of renewable energy sourcing.

Recognising the vital role of renewable energy (Lever 3) in reducing our Scope 2 emissions, we actively explored leveraging the Corporate Green Power Programme (CGPP) in Malaysia in 2023. While quota constraints hindered our participation, our commitment to pursuing mechanisms similar to the Virtual Power Purchase Agreement (VPPA) for long-term decarbonisation remains steadfast. In the interim, we will leverage RECs to achieve immediate emission reductions while supporting the development of the renewable energy industry.

As a result of these initiatives in 2023, we have seen a Group-wide reduction in Scope 1 and 2 GHG emissions of 26% compared to 2019.

We continue to measure our operational Scope 3 GHG emissions, which include emissions from water, waste and business travel. Details of our Scope 3 operational emission calculation methodologies are available in our website. As a financial institution, our largest overall emissions arise from our Scope 3 financed emissions. Read more about CIMB's financed emissions on pages 46 to 49.

As a purpose-driven banking leader in ASEAN, we are committed to doing our part to mitigate climate change by reducing our operational emissions to help meet the 1.5 degree Celsius target established by the Paris Agreement. This commitment is reflected in our 2030 target to achieve net zero Scope 1 and 2 GHG emissions.

### ROADMAP TOWARDS NET ZERO GHG SCOPE 1 AND 2 EMISSIONS BY 2030

We have a robust roadmap to reduce our Scope 1 and 2 emissions to net zero by 2030. Our all-encompassing approach has resulted in a four-pronged strategy designed to address current and long-term operational GHG emissions in an effective, responsible, and resilient manner. For more information about our decarbonisation strategies and levers, please visit the Climate Change page on our website. [?](#)

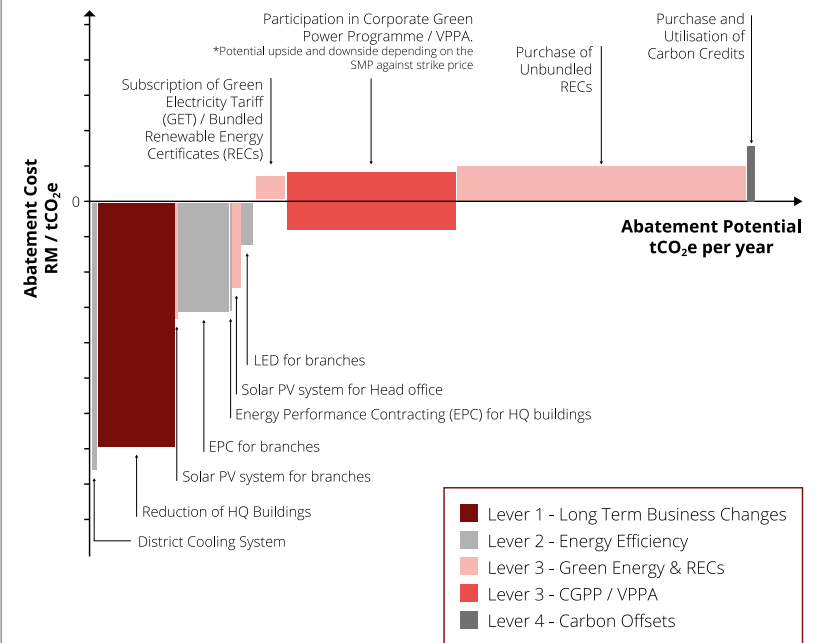
Key steps taken in 2023 are as below:

	<b>LEVER 1</b>	<ul style="list-style-type: none"> <li>Optimised our branch footprint</li> <li>Continued implementation of hybrid working arrangements</li> </ul>
	<b>LEVER 2</b>	<ul style="list-style-type: none"> <li>Retrofitted LED lighting for 29 branches in Malaysia</li> <li>Initiated the upgrading of lighting at Menara CIMB to LED</li> </ul>
	<b>LEVER 3</b>	<ul style="list-style-type: none"> <li>Subscribed to GET for Menara Southern Bank and Akademi Nazir Razak since February 2023</li> <li>Completed solar PV system installation for our headquarters in Chiang Mai, Thailand, in May 2023</li> <li>Completed solar PV system installation for Graha Bintaro (CIMB Niaga's data centre) in November 2023</li> <li>Purchased 14,023 units of RECs across Malaysia, Indonesia, Singapore and Thailand</li> </ul>
	<b>LEVER 4</b>	<ul style="list-style-type: none"> <li>Participated in Bursa Carbon Exchange's (BCX) inaugural carbon credit auction in March 2023 and BCX live carbon trading platform in September 2023</li> <li>Participated in the purchase of carbon credits from Indonesia Carbon Exchange (IDXCarbon) in September 2023</li> </ul>

### CASE STUDY: UNRAVELING THE RIGHT DECARBONISATION LEVERS IN MALAYSIA

With our GHG emission levers in place, we have established an internal Marginal Abatement Cost Curve (MACC) that guides us in prioritising our actions for effective decarbonisation. Through this analysis, we strategically prioritise actions that maximise decarbonisation impact at optimal cost. This data-driven approach has led us to focus on initiatives such as LED retrofitting and office space optimisation, which offer significant carbon-reduction potential alongside attractive cost savings. The MACC also helps us to set our Internal Carbon Price.

While transitioning to renewable energy represents additional expenses in the initial period, we recognise that this investment is crucial for our long-term operational decarbonisation and to meet our Net Zero future.



## Sustainable Action

### **SUSTAINABLE SUPPLY CHAIN**

Sustainable supply chains are the backbone of enduring business success, resilience and competitiveness. Embracing responsible procurement practices aligns with our strategic objectives and contributes to the socio-economic advancement of the communities we serve.

At CIMB, we emphasise ethical and sustainable sourcing, prioritising local businesses and SMEs across Malaysia, Indonesia, Singapore and Thailand. With approximately 1,800 partners ranging from multinational corporations to SMEs, we actively encourage and support our suppliers in their sustainability efforts and practices.

By championing ethical procurement and empowering local businesses, we mitigate operational risks and bolster our culture of integrity and responsibility, while driving positive change within our shared ecosystem.

In 2023, our engagement with suppliers led to the procurement of over RM1.4 billion worth of goods and services. Our largest spending is in technology products and services.

### **PROCUREMENT GOVERNANCE AND PRACTICES**

Our sustainable procurement governance and practices are clearly articulated in the Group Sustainability Policy and managed by the Group Strategic Procurement team. Detailed information about our sustainable supply chain governance and practices is available on our website. [🔗](#)

### **ENCOURAGING SUSTAINABLE PRACTICES AMONG OUR SUPPLIERS**

We work with a diverse group of suppliers, not only across geographies, industries and sizes, but also various stages of sustainability maturity. We support their development by engaging in activities that raise their awareness of responsible social and environmental practices.

Understanding the significant influence procurement holds on our environmental and social footprint, we embarked on a transformative journey in 2023. By integrating sustainability criteria into all our Malaysia-based Requests for Proposals (RFP), we aimed to demonstrate our commitment to responsible sourcing and building partnerships with like-minded vendors.

We assess potential vendors via a questionnaire across three critical pillars:

 <b>Environmental</b>	 <b>Social</b>	 <b>Governance</b>
Measures taken to minimise resource consumption, energy usage, GHG emissions, waste generation and pollution	Labour practices, human rights, diversity, equity and inclusion within the vendor's organisation and supply chain	Ethical business practices, transparency and accountability within the vendor's organisation

By embedding sustainability criteria into our RFP process, we encourage our vendors to be actively engaged in improving their own sustainability practices and seeking innovative solutions, fueled by this heightened awareness. This helps us make informed decisions that align with our sustainability goals and values, fostering a collaborative environment where we can work hand-in-hand with our vendors to enhance their sustainability performance.








We are committed to continuously refining our questionnaire and fostering stakeholder collaboration to maximise impact. We firmly believe that this initiative plays a pivotal role in driving positive change within our procurement practices and paving the way for a more sustainable value chain.

The Group Strategic Procurement team drives sustainable practices aligned with the Group's Sustainability Policy. We champion responsible business conduct through our robust Vendor Code of Conduct (VCOC), which outlines clear expectations for all suppliers, established and aspiring, regarding ethics, human rights and environmental stewardship.

This dedication to responsible sourcing translates into tangible results. In 2023, 81% of our active vendors re-affirmed their commitment to these principles by acknowledging the strengthened VCOC.

### SUPPLIER ENGAGEMENT

This year, we engaged with a total of 288 vendors and suppliers. Our engagement channels include The Cooler Earth Sustainability Summit, direct interactions through virtual platforms and targeted workshops. Topics covered during our engagements included:

 <p>GHG reduction</p>	 <p>Resource efficiency</p>	 <p>Waste management</p>	 <p>Management of human rights risks</p>
 <p>Diversity and inclusion</p>	 <p>Sustainability-related certifications</p>	 <p>The establishment of sustainability criteria within our Request for Proposals process</p>	



### TALENT ATTRACTION, GROWTH AND RETENTION

CIMB is dedicated to attracting, developing and retaining the best talents who share our passion, values and drive to create long-term positive impacts in the markets where we operate. Our people's experience at CIMB matter to us. We are constantly looking at how we can support CIMBians to perform at their personal and professional best, from recruitment and onboarding, through their day-to-day operations and their long-term career planning and leadership development.

In 2023, we continued to promote a fair, safe and nurturing environment where our success as an organisation is measured as much by the progress and wellbeing of our people as by our banking achievements. This includes creating more opportunities where our employees are empowered to make their unique impact at CIMB, and equipping them with the skills and tools to navigate an ever-evolving economic landscape.

#### Key Awards



##### LinkedIn Talent Awards

Best Employer Brand and Best Talent Acquisition Team

##### FinanceAsia Awards 2023

Most Progressive Diversity, Equity and Inclusion in Malaysia

##### HR Excellence Awards 2023

**Gold** – Excellence in Learning and Development

**Silver** – Best HR Team (GLC)

**Silver** – Excellence in Workplace Culture

## Sustainable Action

### **BUILDING A STRONG TALENT PIPELINE**

Strengthening our talent pipeline to ensure we continuously hire the best talent is a priority for us. We have in place holistic, effective and efficient programmes to manage talent attraction, development and retention, enabling business continuity, productivity, performance and competitiveness in the long term. In doing so, we facilitate an environment where all our employees have equal access to advancement opportunities.

#### Scholarships



- **CIMB ASEAN Scholarship** – CIMB's flagship programme that provides talented students with opportunities to attend the world's best universities locally and abroad. 120 scholarships have been awarded to top talents in ASEAN since its inception, and 44 former scholars are now working at CIMB across the region.
- **CIMB Niaga Scholarship Programme** – This programme has supported over 1,226 Indonesian scholars in their undergraduate education through bursaries and soft skills training since 2006. In 2023, scholarships were offered to 50 students from 18 different universities in Indonesia.

#### Graduate Programmes



- **The Complete Banker™** – Our award-winning flagship graduate talent programme has developed and groomed over 838 graduates regionally for business and leadership roles within CIMB.
- **The Complete Banker™ Digital** – A programme to attract top IT graduates, featuring 12 months of job rotation for knowledge and experience in developing digital solutions for banking. Since its introduction in 2020, 62 talents have been selected to join the programme.
- **The Complete Banker™ Sustainability** – A two-year highly selective talent programme with direct entry into Group Sustainability. Our first talent was onboarded in 2023.
- **The Complete Banker™ Fusion** – A multi-year talent programme that provides graduates with the opportunity to experience working with world-class employers in different industries. Since the joint programme's inception in 2012, we have partnered with more exceptional employers from various sectors to provide 70 outstanding graduates with exposure to working in different industries. Our current partners include PwC and Zico Law, offering three- and four-year work experience programmes respectively to high-potential graduates.

#### Fellowships



**CIMB Sustainability Fellowship** – A six to 12-month programme targeted at supporting individuals with at least three years of professional working experience, who are interested in switching career tracks into sustainability and sustainable finance.

#### Apprenticeships



- **Digital Apprenticeship Programme** – An inclusive pathway to a career in the digital economy for students from low and lower-middle income families through a structured six-month internship programme which combines classroom learning with job rotations. We have selected 90 participants to take part in the programme.
- **Protégé** – An eight-month work experience placement to increase the employability of graduates. In the last three years, 882 trainees were offered employment with CIMB following their completion of the programme.

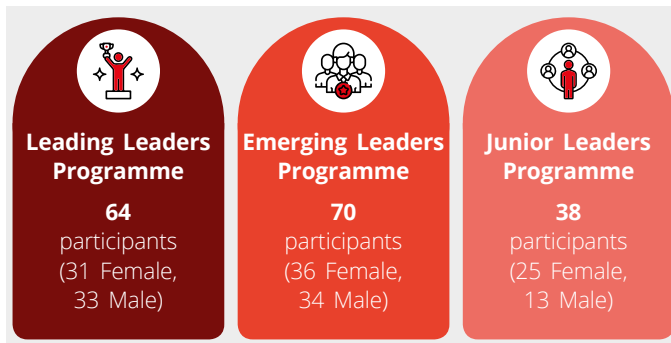
## TALENT AND LEADERSHIP DEVELOPMENT

Talent and leadership development are critical to CIMB's people strategy, ensuring the Bank's long-term position as a successful financial institution and as a world-class employer-of-choice. Our approach to developing our talent and leadership pool involves hiring the right people and importantly, investing in the advancement of our employees' talent and leadership potential. This approach has not only contributed to CIMB's progress but also supported our employees' career advancement, ensuring that their expertise continues to strengthen our organisation and leadership for the future.

In 2023, we enhanced our talent and leadership development strategy by accelerating the developmental journey through ramping up regional mobility and strengthening succession plans, with a heightened emphasis on diversity and inclusivity.

### LEADERSHIP DEVELOPMENT

This year, we launched the CIMB Signature Leadership series of programmes tailored to employees at various stages of their CIMB journey, including those at senior, middle and junior management grades. These 12 to 18-month programmes offer a balance of leadership and technical upskilling, prioritising hands-on experiential learning through industry immersion, study tours and group coaching. We currently partner with the International Institute for Management Development, Melbourne Business School, Global Institute for Tomorrow and Asia School of Business. In the series' inaugural year, the programmes benefitted 172 of our top talents and identified successors.



## INTERNAL MOBILITY

Our renewed mobility programme, "Forward Your Career", is a structured and streamlined approach towards providing our talent with opportunities for growth within the Group.

This year, we introduced regional mobility as a systematic development intervention, creating more opportunities for our employees to gain regional exposure through rotations and short-term assignments. In 2023, we facilitated 104 local and regional rotations and short-term assignments.

### Regional Mobility

**Brandon Ng Keat Hui, Strategy and Transformation Specialist, Singapore**

Prior to transitioning to the Strategy and Transformation Office at CIMB Singapore, I worked in the People Strategy and Culture department in Group Human Resource, based in Kuala Lumpur, Malaysia. My decision to make this move was primarily driven by a compelling desire for professional growth. This career shift aligns with my overarching goal of enhancing my strategy and implementation skills, now from the vantage point of a country perspective, as opposed to the niche perspective of Group Human Resource.

CIMB's regional mobility programme spared me the time-consuming and uncertain process associated with external job applications, enabling me to realise my career aspirations within the CIMB Group. The internal move also allowed me to leverage my existing network within the Group, a valuable asset that I would have forfeited in the event of external employment. The application process is streamlined and efficient, facilitated through our online employee portal, Your Own Digital Assistant. This approach ensures discretion, allowing for internal mobility discussions to proceed without impacting current roles. When I discussed my plans with my supervisor, she was highly supportive of the transition as a next step in my career journey.

Relocating to Singapore has undeniably been a transformative experience for my career. Initially, I faced challenges adapting to my new role. However, with the unwavering support of my new team, mentorship from my supervisor, and structured learning opportunities provided by the learning and development team, I successfully settled into my new role.

Approaching my sixth year with CIMB, the Bank's commitment to its EPICC values, especially in nurturing talent, continues to be evident through its consistent actions and initiatives.



## Sustainable Action

### CIMB Signature Leadership Programme (Emerging Leaders) Wong Yee Wei, Governance & Strategic Projects – Professional Practices

I am currently the Regional Head of Professional Practices at the Group Corporate Assurance Division. I joined CIMB in 2010 as an Internal Audit Assistant Manager. Since then, I have taken on increasingly challenging roles, and my responsibilities have expanded to encompass strategic leadership and professional practices at a regional level.

In 2023, I was nominated by the Group Chief Internal Auditor to participate in the CIMB Emerging Leaders Development Programme, in partnership with the Melbourne School of Business. This programme perfectly aligns with my professional aspirations to further develop my leadership skills, broaden perspectives and contribute to CIMB's culture of excellence. As of the end of 2023, I was halfway through the programme and was preparing to embark on an Action Learning Project as the next phase. The experience thus far has been enriching.

One of the programme's most valuable aspects for me has been its emphasis on self-awareness, particularly through the Gallup 360 and CliftonStrengths assessments. Engaging in the experience of understanding my strengths and addressing my weaknesses has proven to be invaluable in cultivating a more impactful leadership style. This heightened self-awareness has been especially beneficial as I engage with various stakeholders in my leadership journey.

Participating in this programme has given me a firsthand perspective of CIMB's commitment to developing employees across all levels. With the Bank's robust support through various development initiatives, including this leadership programme, I am confident that CIMB's efforts will significantly contribute to nurturing internal talent and aligning with our organisational objectives.



## LEARNING AND DEVELOPMENT

As a responsible ASEAN corporate citizen, we view upskilling our people as essential to supporting their professional aspirations within CIMB as well as the wider economy. Our goal is to ensure that our people remain competitive and possess relevant skills to thrive in the business landscape of today and tomorrow.

The CIMB University offers comprehensive learning opportunities for our employees' learning and development, and to stay up-to-date with the latest industry trends and best practices. Our focus is on providing our people with access to high-quality, well-equipped training that meets both their professional standards and their own professional goals and ambitions. Our efforts to empower them through development are reflected in the increase of the "Enabling Talent" score in our annual OHI survey to 83% in 2023, from 78% in 2022.

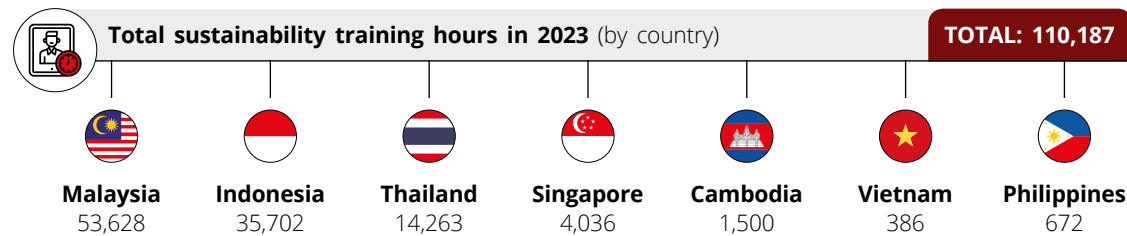
We have a comprehensive employee training and engagement agenda that is instrumental in boosting our teams' capabilities to support customers and local communities in their transition towards a greener and more equitable economy. Our targeted sustainability programmes actively raise awareness and improve our people's technical competencies in relation to sustainability and sustainable finance. This includes helping them understand the fast-evolving regulations and market expectations, as well as, emerging environmental and social risks and opportunities. Our training is designed in accordance with the requirements of respective employee groups, with content tailored to specific roles and responsibilities to support CIMB's sustainability targets.

In 2023, we worked with the Cambridge Institute for Sustainability Leadership to craft and tailor a programme for the Board and the top 500 senior leadership members across our organisation. The programme comprised eight comprehensive modules covering global trends, leading practices in the banking sector and actionable strategies for CIMB's forward trajectory. These modules were delivered through a blend of learning methods, including webinars, in-depth discussions, video presentations, curated reading materials and collaborative group projects. This multi-faceted approach ensured a robust and engaging learning experience for our leadership, fostering a deep understanding of sustainability principles and their practical application within our organisation.

In 2022, we established the Sustainability Academy with the aim of enhancing our employees' knowledge, understanding and technical expertise in sustainability. This year, we made significant progress in our work at the Sustainability Academy by finalising the competency and curriculum framework. We outlined a robust plan for developing essential skills for all key roles within the Bank. Our approach includes implementing tailored training programmes by role, ensuring our workforce is well-equipped to integrate sustainability factors into their day-to-day responsibilities, which vary significantly from role to role. A key feature is the introduction of a structured learning journey, progressing from white to yellow, green, blue, and concluding with black belts.



In 2024, we will focus on 10 strategic job roles that are critical to accelerating sustainability in the Bank, including our Wholesale and Business Banking relationship managers. Looking ahead, our strategic plan involves a phased rollout of this programme, gradually covering all roles. This deliberate progression ensures a comprehensive and sustainable workforce development strategy.



### CULTIVATING INDUSTRY EXPERTS

We continue to provide opportunities for our employees to acquire and develop advanced and up-to-date knowledge and skills in their respective professional capacities. We actively encourage our employees to enhance their knowledge and skills through professional certification programmes. In 2023, 263 employees successfully completed their Chartered Banker Level 1, 2 and 3 certifications, while 287 employees are in the process of being certified.

On top of designing quality internal training opportunities, we also enable employee upskilling with credible external organisations by providing sponsorships and scholarships to support our people's continued pursuit of excellence and professional relevance. In 2023, we disbursed 333 scholarships and sponsorships to CIMBians across the region for upskilling in areas such as data analytics, project management, digital transformation and business innovation.

In 2023, 60 employees participated in the Lean Six Sigma Green Belt certification. To apply the skills learned on the job, participants are required to take on assignments related to Journey Transformation and Digitisation (JTD). Some of the key improvements observed include a 75% increase in productivity as a result of automation in the production of audit confirmation letters, introduction of ROBO STR 2.0, a scalable data analytics solution that identifies segments within higher Suspicious Transaction Reporting (STR) propensity, and increase in customer experience and work efficiency with the introduction of revolutionised cashline renewal process.

### Over a Decade of Learning with CIMB Azmir Abdullah, Head, Commercial Banking – Sustainable Finance, Malaysia

My journey with CIMB started in 2009 when I enrolled in The Complete Banker programme. My passion for learning, coupled with management support, has led me to diverse exposures in Corporate Banking, Private Banking and Islamic Banking. Recognising the growing importance of sustainability in banking, I seized an opportunity to pivot my career toward sustainable finance, a niche within Commercial Banking.

The rollout of the CIMB Integrated Sustainability Operating Model marked a significant step in ensuring that the right personnel are equipped with the knowledge to be accountable and drive the acceleration of sustainable finance in the Bank. To prepare for this role, I completed a certified online course with the Frankfurt School of Finance & Management and later had the opportunity to attend an in-person programme in Germany.

In 2023, CIMB further invested in our continuous development through a flagship programme with the Cambridge Institute for Sustainability Leadership. This initiative engaged the top 500 leaders of the Bank to build our sustainable finance knowledge and foster collaborative efforts to identify and address opportunity areas. One of the highlights for me was the sharing sessions by top management from prominent companies on how they integrated sustainability into their respective businesses and industries.

With all this support in place, I gained the fundamentals to continue innovating Commercial Banking's propositions such as GreenBizReady™ and Sustainability-Linked Financing for SMEs. An essential takeaway is that sustainability may not have a one-size-fits-all solution. While we may look to the west for general guidance and best practices, we must tailor solutions for our ASEAN context. I am excited to be part of this next phase of CIMB's evolution, where we chart our unique pathway to help our customers transition towards a low-carbon economy.



## Sustainable Action

### DIGITAL UPSKILLING

Our Digital and Data Academy continues to be the hub through which we channel our digital reskilling and upskilling efforts to employees. Since its launch in 2018, more than 19,000 employees have engaged in programmes related to Digital, Design or Data at the intermediate and advanced levels.

Some of the key programmes include:

- Suite of SAS programmes
- Digital Accelerator programme
- Digital Leadership programmes for middle and senior management

In 2023, our digital and data programmes delivered more than 169,000 learning hours across the region. Some of the tangible business impact from the programmes include:

- Tableau programmes (Building Dashboard for Creator, Desktop Fundamental I and II, and Data Preparation): Participants are able to create dashboard reporting, interactive visualisation and acquire increased knowledge on Tableau
- SAS Technical Training and SAS Coding/Programming: Participants are able to use programming techniques and capabilities of the tool to improve turnaround time, and acquire more in-depth data analytics and reporting capabilities
- Design Thinking and Agile Project Management: Participants apply these two methodologies in problem solving and project management

### EPICC WORK CULTURE



Everything we do at CIMB is underpinned by our values of Enabling Talent, Passion, Integrity and Accountability, Collaboration and Customer Centricity (EPICC). These values hold strategic importance in building a shared workplace culture and aligning personal goals with CIMB's overarching purpose of building a high-performing sustainable organisation to advance both customers and society.

We engage our leaders across the organisation to ensure alignment in our EPICC culture transformation with one of the key platforms being the Leadership & Culture Dialogue Series. We also leverage our Change Agent Network (CAN) to support our culture transformation efforts. The objective of CAN is to create awareness of, and promote EPICC at the division level through EPICC Hour activities in various forms including inter-division sports tournaments, celebrations, CSR-linked projects and more.

### EPICC IN PERFORMANCE MANAGEMENT

In line with our vision to become the best organisation for the best talents with the right values to thrive, we have incorporated values-based evaluation as part of our performance management framework. This assessment carries weightage in our employees' overall performance appraisals. At present, we have implemented 180-degree feedback for people

managers and embedded a 360-degree values-based assessment in our process for senior promotions. This approach of multi-rater, multi-source feedback supports our drive to create a more open and empowering work environment, and to be more responsive to the voice of employees. It provides opportunities for leaders to identify their strengths and areas of improvement in their demonstration of EPICC values. It also allows us to better tailor leadership training and development programmes for these senior managers, to help ensure that they lead with the right examples of our EPICC values and behaviours.

 | Our Performance Management Framework

### REWARDS AND RECOGNITION: EPICC CX STAR AWARDS

The EPICC CX Star Awards is a regional employee programme that recognises individuals who exemplify CIMB's EPICC values. The programme gives #teamCIMB the opportunity to nominate colleagues who consistently demonstrate outstanding EPICC values in their daily work. 50 employees were recognised as CX Stars for embodying EPICC and Safeguarding the Bank.

### EPICC RECOGNITION

Outstanding employees who exemplify EPICC values were recognised in multiple categories:



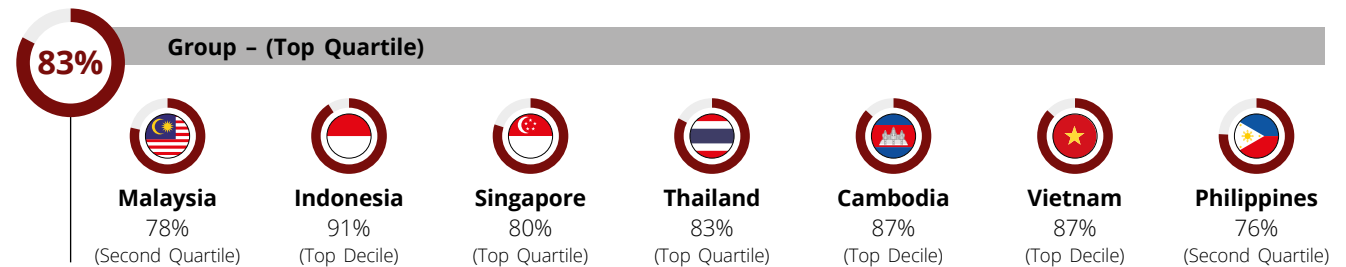
## ENGAGING OUR EMPLOYEES

We conduct an annual Organizational Health Index (OHI) survey to measure and improve the effectiveness of our internal practices and the engagement levels of our employees. The OHI survey is an instrument built to measure nine organisational outcomes, including employee motivation, leadership, work environment, culture and internal capabilities. It provides us with a measurable indicator of CIMB's organisational health and helps us to identify areas of strength and prioritise improvement efforts. More importantly, it allows us to objectively track and compare our progress over time. Learn more about our OHI survey methodology on our website. [🔗](#)

This year, 90% of our employees provided valid responses to the survey, representing an improvement from the 83% valid responses received in 2022. Our overall OHI score also improved to 83%, up from 77% in 2022.



EPICC Karrnivaal – an opportunity to celebrate #teamCIMB and bond over games and performances. The event saw the participation of over 2,000 employees.



Our improved OHI score in 2023 reflects the various initiatives undertaken to address the gaps identified in our previous OHI survey, including:

### 1. Centrally-led engagement activities

- Implementation of EPICC Hours activities through the Change Agent Network at the divisional level to further embed values in the organisation
- Large-scale employee engagement events such as the EPICC CX Star Awards and EPICC Karrnivaal
- Ongoing EPICC thematic campaigns, prioritising digital distribution channels (social media, e-newsletters)
- Divisionally-led engagements such as town halls and divisional/departmental town halls

### 2. Enhancement of employee experience

- Introduction of flexible benefits, allowing employees to customise benefits based on their individual needs
- Enhancement of existing benefits and introduction of new benefit entitlements such as family care leave
- Rolled out 180-degree bottom-up feedback on values and behaviours for the top 900 people managers
- Launched the EPICC e-learning module, "Being EPICC", for Group-wide education on EPICC

### 3. Leadership level interventions

- Leadership engagement via the Leadership & Culture Dialogue Series for people managers in Malaysia
- Launched CIMB Signature Leadership programmes for senior, middle and junior management

While the 2023 OHI survey uncovered strong positives and major improvements in our organisational health, we will continue to focus on improving our practices and outcomes. Specific action plans will be designed to address identified pain points in the respective divisions, targeting efforts for the best outcomes. Key recommendations for improvements in 2023 include continuing to prioritise leadership development interventions, increasing engagement with employees on the organisational direction and key changes across all levels, role modelling key behaviours and leveraging on social events to build a sense of community.

\* Employees in the non-management group includes clerical staff, dispatch clerks, drivers, messengers, tea ladies, receptionists, personal assistants, contact centre consultants, callback representatives, negotiators and support officers.

## Sustainable Action

### ENHANCING EMPLOYEE ENGAGEMENT THROUGH UNIONS

The CIMB Group respects our employees' rights, including their freedom of association and collective bargaining. We appreciate the unique perspective that unions can provide in fostering deeper understanding and productive dialogue between organisations and their employees. Currently, over one-third of our Group's employees are members of employee unions, highlighting our commitment to maintaining open channels of communication and collaboration within the Bank.



#### Group-wide

37% of employees covered under employee unions



#### Malaysia

52% of employees covered under employee unions



#### Indonesia

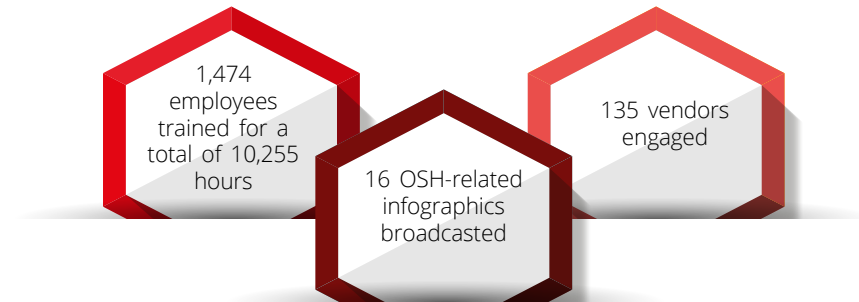
18% of employees covered under employee unions

### EMPLOYEE HEALTH, SAFETY AND WELLBEING

We place the highest priority on the occupational safety and health (OSH) of our employees. We strive to minimise or eliminate any potential risks in the workplace that could affect their wellbeing. Our OSH governance, processes and management system can be found on our website. [🔗](#)

In 2023, we revised our OSH Procedure, incorporating a pivotal change with the introduction of OSH Coordinators. This strategic addition aligns with the specific requirements outlined in Section 29a of Malaysia's OSH Amendment Act 2022. These designated Coordinators play a crucial role in overseeing OSH matters, implementing policies, conducting thorough hazard assessments and ensuring strict compliance with OSH regulations. This enhancement not only strengthens our commitment to employee safety but also positions us in full accordance with the latest legislative standards. Additionally, we aim to roll out similar initiatives across our regional operations to maintain compliance with local regulations and standards in each country where we operate.

In pursuit of enhancing our OSH standards, CIMB has conducted a comprehensive audit of our current OSH practices in Malaysia. The audit process involved a thorough review of CIMB headquarters, meticulous examination of OSH documents, scrutiny of system records and extensive interviews with key personnel, including OSH representatives, managers, committee members, subcontractor supervisors and workers. The insights gathered from this audit will provide invaluable guidance as we progress along our journey in elevating OSH standards across the organisation.



In addition to our ongoing initiatives, the OSH Unit redoubled its commitment to enhancing safety and wellbeing in 2023. Our focus expanded beyond CIMB staff to include the wider community, underscoring our dedication to creating safer, healthier environments for all. As a notable addition, the unit conducted a Corporate Social Responsibility (CSR) activity titled OSH CSR 2023, which is a 'Safety Donation Drive' CSR project aiming to improve the safety and wellbeing of chosen charity homes.

### ESCALATION PROCESS FOR REPORTING INCIDENTS

Employees deserve to work in an environment that is both safe and secure. We are committed to achieving this by fostering a culture and governance structure that upholds the highest standards of professionalism, integrity and ethics in every employee's conduct. These principles are enshrined in our Code of Ethics and Conduct and Sexual Harassment Policy, both of which are detailed on our website. [🔗](#)

We provide comprehensive training to all our employees on these policies to ensure they are fully aware of our stance regarding discrimination and harassment in the workplace. Any employee found to be in violation of the Code of Ethics and Conduct and related Group policies will be subject to disciplinary action, which may include termination of service.

In instances where employees' rights are violated, our Whistleblowing Policy clearly outlines the escalation process. This policy is readily available on our website for reference. [🔗](#)



<sup>1</sup> Numbers reported through the Whistleblowing Channel (10 grievances) and other employee channels (four).

<sup>2</sup> Whistleblowing cases were reported in Malaysia, Singapore and the Philippines.

<sup>3</sup> The remaining two are ongoing cases.

## WELLNESS AND WELLBEING

Our employees' safety, wellness and wellbeing are our top priorities. We give equal importance to the needs of our employees as we do to business and client needs. Therefore, we offer them a comprehensive range of benefits and support to safeguard and promote their wellbeing. These include long-term savings for retirement, coverage for physical and mental health, as well as programmes designed to support their financial, social and spiritual wellness.

### Physical and Mental Health



- ▶ Health talks and fairs
- ▶ Onsite dentist and clinic
- ▶ Honour-based medical leave
- ▶ Long-term disability insurance
- ▶ 24/7 emotional wellbeing careline and WhatsApp text line for mental health, available in English, Bahasa Malaysia and Mandarin
- ▶ Mental health educational resources
- ▶ One-on-one remote consultations with professionals of choice, including mental health coaches, dietitians, and career coaches
- ▶ Digital coaching with a multidisciplinary team of health coaches
- ▶ DASS-21, a clinically validated assessment to measure the current state of emotional wellbeing and check levels of depression, anxiety or stress
- ▶ Wellness webinars

### Financial Resilience



- ▶ Savings for retirement beyond regulatory requirements
- ▶ Staff scholarships and sponsorships
- ▶ Employee financing and other banking facilities at preferential rates
- ▶ Interest/profit-free home financing
- ▶ Financial support for single parents
- ▶ Financial support for parents of children with special needs
- ▶ **FLEX4ALL**  
Flexiwork arrangements where employees can adjust their working hours as long as they fulfil the standard number of hours per day
- ▶ **Reduced Work Week**  
Employees have the option to work fewer days with a reduced workload

### Family-friendly Workplace



- ▶ **Six-month maternity leave (first-time mothers)**  
26 weeks (180 days) of paid maternity leave for the birth of their firstborn, beyond the minimum legal requirement of 14 weeks
- ▶ **Enhanced maternity leave for subsequent children**  
Up to 13 weeks (90 days) of extended maternity leave on a half-pay basis, with no change to benefits
- ▶ One-month paternity leave (first-time fathers)
- ▶ **Adoption leave**  
Up to 60 days of paid leave for employees who adopt a child
- ▶ **Special leave**  
Up to 10 days of paid leave per calendar year for employees facing significant life events, including death, serious illness or hospitalisation of an immediate family member, and extends to situations where the employee's home is directly impacted by a natural disaster, fire or robbery.
- ▶ Onsite lactation rooms for breastfeeding mothers

## Sustainable Action



### **DIVERSITY AND INCLUSION**

As a banking leader that is committed to driving positive change in Asia, we are conscious of the power and influence we have to shape communities that value openness, celebrate diversity, and champion inclusion. We view diversity and inclusion not as a corporate obligation, but a cornerstone of our success. Research and our own experience have shown that diversity fuels creativity, fosters better decision-making and creates the optimal environment for people with different talents to thrive. Therefore, we remain dedicated to being an organisation where each employee feels valued, respected, empowered and embraced for their unique contributions to our diverse workforce.

#### **CIMB's Key Diversity and Inclusion Principles**



##### **Equal Opportunities and Fair Treatment**

We aim to provide equal opportunities for employment, development and career progression based on objective criteria, merit and with due regard for diversity.



##### **Inclusiveness, Dignity and Respect**

We strive to maintain a work environment that promotes positive wellbeing and one where all employees are treated with respect and dignity.

### **WOMEN IN LEADERSHIP**

Overall, the representation of women in CIMB's workforce stands at 57%, reflecting a gender distribution trend that mirrors the predominantly female-skewed demographics observed across ASEAN. In addition, 41% of our identified pool of digital and data talent are comprised of women.

As at the end of 2023, women held 38% of senior leadership level roles. Notably, this figure exceeds Asia's average for female representation in both C-suite and senior leadership (non-C titled executives) roles. However, it marks a decline from CIMB's internal benchmark of 42.4% in 2022. This decrease is attributed to operational restructuring therefore also impacting the composition of the leadership team as well as the gender representation within.

We continue to make conscious efforts to develop a diverse succession pipeline to enable diverse leadership regionally. This involves providing the necessary support and avenues for advancement within our organisation. We ensure that women are equally represented in targeted programmes aimed at nurturing leadership potential such as the CIMB Signature Leadership programmes, as well as skills-based developmental programmes. Our commitment lies in fostering merit-based leadership development, empowering well-equipped female leaders to assume top leadership positions.

In addition to our focus on leadership development, we prioritise creating a supportive work environment by championing inclusivity. This is reflected in our family-friendly workplace policies, flexible work arrangements and flexible benefits among others, to ensure our people, especially our female employees, are given the right support for achieving balance in work-life integration.

To strengthen an inclusive mindset among employees, we continue to create awareness and provide education on Diversity and Inclusion through our learning programmes. These programmes cover a range of topics, including raising general awareness and addressing specific issues such as recognising and overcoming unconscious bias and fostering effective communication in diverse and inclusive teams. We also focused on cultivating strong leadership to drive workplace equity through our D&I Series and Inclusive Leadership programmes. This year, 1,485 CIMBians participated in learning programmes related to Diversity and Inclusion.

## **GENDER PAY EQUALITY**

As an inclusive employer, equality in economic participation and opportunities is one of our key priorities. As part of our efforts to promote diversity and inclusivity, one of the key metrics we monitor is our gender pay ratio to ensure fairness in compensation. In 2023, we analysed the gender pay ratio for Malaysia, Indonesia, Singapore and Thailand. The gender pay gap analysis compares the average pay of men and women by function (profit-generating vs. enablers) and seniority levels.

At the Group level, the gender pay ratio stands at 1.00 (male) to 1.01 (female), aligning with our target of not exceeding a 5% difference.

### **Diversity and Inclusion**

#### ***Friskilia Ana Maria HB, Talent Partnership Specialist***

Diversity and inclusion, to me, means fostering an environment where individuals from diverse backgrounds not only feel welcomed but also receive the necessary support to thrive. Joining CIMB Niaga during the pandemic was a daunting prospect, especially coming from a non-banking background. Adapting to remote work and missing out on traditional team bonding added to the challenge. However, my concerns quickly dissipated thanks to the exceptional support from my supervisor. The guidance and encouragement made me feel both welcomed and valued.

The collaborative and inclusive atmosphere at Niaga has greatly facilitated my integration into my role and enabled me to excel. Over time, my responsibilities have expanded, and I have been entrusted with project leadership. Moreover, this acknowledgement of my performance has paved the way for a regional exposure in Kuala Lumpur, which has proven to be an immensely enriching experience for my career growth.



The meritocracy evident at CIMB Niaga instills confidence in me regarding the advancement of my career within the organisation. Witnessing women holding prominent positions, notably Ibu Lani Darmawan as President and CEO, serves as a perpetual source of inspiration for me as a female professional committed to delivering my best work every day.

Overall, I take immense pride in being a part of CIMB.