



United Nations Principles of Responsible Banking (UN PRB) Index

August 2025

THANK YOU
FROM TOMORROW



Summary template
CIMB Bank 2025

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content</p> <p>CIMB Group's Forward23+ strategy was developed to successfully navigate the dynamic environment to create shared value in the long term, where we aim to deliver sustainable financial returns for shareholders by looking beyond immediate risks and opportunities.</p> <p>At CIMB, we embrace our pivotal role in sustainability, understanding that our influence extends beyond our own efforts to empowering our clients and all our stakeholders towards positive change. Our decisions are shaped by medium-and longer-term sustainability issues such as climate change, biodiversity loss, resource depletion, human rights violations and widening social inequalities, which are interconnected with and can amplify the impact of other environmental, social and governance risks.</p> <p>Through our new Forward30 strategy, we remain steadfast in supporting our clients, employees, communities and other stakeholders in their journeys towards greater resilience and sustainability.</p>	<p>Content</p> <p>We identified and set targets for two material impact areas:</p> <ol style="list-style-type: none"> 1. Climate change mitigation. We have published a white paper detailing our decarbonisation plans, delineating sector-specific pathways and immediate strategies for six sectors (thermal coal, palm oil, real estate, oil and gas, power, cement), which collectively account for 60% of our financing portfolio emissions as of 2023. CIMB is the first local bank to complete its 2030 decarbonisation target setting for high-emitting sectors. 2. Financial inclusion and Health <ul style="list-style-type: none"> • KPI 1: 378,000 prioritised vulnerable customers with insurance & wealth building products by 2026, compared to a 2022 baseline of 352,000 customers • KPI 2: 560,000 prioritised vulnerable customers with products beyond savings accounts, by 2026, compared to a 2022 baseline of 492,000 customers 	<p>Content</p> <p>We proactively engage with clients to support them in adopting more sustainable practices in their operations, as well as their transition plans towards low carbon operations.</p> <ul style="list-style-type: none"> • As of 2024, we mobilised over RM117 billion in Green Social Sustainable Impact Products and Services since 2019. • As part of the implementation of our interim sector targets under the Net Zero Operationalisation Programme (NZOP), we have established a commercialisation workstream focused on engagement strategy. Currently in its pilot stage, it aims to develop robust methods for assessing clients' transition progress and ultimately to customise our engagements, ensuring we provide the most effective support for their decarbonisation journeys. <p>In the area of financial inclusion, we offer solutions that lower barriers to banking and provide support through grants and training to enhance their economic position.</p>

<p><i>No change to reporting year.</i></p>		<ul style="list-style-type: none"> • RM33.3 billion in financing to low-income customers between 2021 to 2024 to support their needs, enhance economic opportunities and improve wellbeing • RM17.7 billion in financing to small and micro enterprises between 2021 and 2024, driving greater economic impact through job creation and business expansion • 760,000 microinsurance policies provided via TNG eWallet between 2021 to 2024 enabling low-income customers to obtain protection solutions for themselves and their loved ones
<p>Links & references Sustainability Our Pledge CIMB</p>	<p>Links & references Our Path to Net Zero: Charting a Course to Decarbonisation" Whitepaper</p>	<p>Links & references Sustainability Report 2024. 47-50, 126 Our Path to Net Zero: Charting a Course to Decarbonisation" Whitepaper Climate Change Sustainability CIMB</p>

Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
<p>Content</p> <p>We engage with a wide range of stakeholders to understand and capture their valuable feedback on how we can continue to meet their evolving needs and expectations. This is guided by a comprehensive engagement framework that enables us to effectively gain insight into delivering innovative programmes and solutions that address their most critical environmental, social, economic and governance concerns.</p> <p>Our key stakeholders include clients, colleagues, investors/ shareholders, regulators, and communities. Major initiatives aimed at ensuring we put our stakeholders at the center of our thinking and processes include:</p> <ul style="list-style-type: none"> - Investor and media engagement on our Net Zero sector targets. - Active participation in regulatory and industry committees to drive sustainable finance. - The Cooler Earth Sustainability Series, which promotes awareness and engagement with clients on issues and connects clients with solution providers. - Participation in exhibitions and conferences. 	<p>Content</p> <p>Sustainability has been institutionalised into our business through CIMB's sustainability governance framework. The Group Sustainability and Governance Committee (GSGC) oversees and steers our sustainability risks and opportunities, providing the Board with effective decision-making capabilities. In 2024 we embedded the Group's Net Zero strategy, targets, and climate risk management into the terms of reference for relevant Board committees.</p> <p>The Group Sustainability Council (GSC) supports the Group Chief Sustainability Officer in leading the development and successful implementation of CIMB's sustainability initiatives. The GSC reports to the Group Transformation Committee, which assists the Group CEO in directing and steering CIMB's overall strategy. Remuneration of our GCEO, top management, and employees of all divisions are linked to sustainability-related key performance indicators.</p> <p>We have embedded sustainability specialists and champions into business units and enablers. The Integrated Sustainability Operating Model ensures that sustainability issues are discussed throughout our operations. Additionally, we have established</p>	<p>Content</p> <p>By adopting a structured and transparent approach to sustainability reporting, we aim to build trust, enhance our reputation and strengthen our position as a responsible financial institution.</p> <p>Our Sustainability Report has been prepared in accordance with:</p> <ul style="list-style-type: none"> • Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting • Global Reporting Initiative Standards 2021 • The United Nations Environment Programme Finance Initiative Principles for Responsible Banking <p>We have voluntarily started to align our disclosure to the IFRS Sustainability Disclosure Standards, particularly the IFRS S2 climate-related disclosure requirements. In 2024, we are partially aligned with the IFRS S2 requirements and intend to be fully aligned with the IFRS Sustainability Disclosure Standards by 2027 at the latest, in accordance with Malaysia's National Sustainability Reporting Framework.</p> <p>Limited third-party assurance has been</p>

	the Sustainability Academy to enhance our employees' knowledge, understanding, and technical expertise in the realm of sustainability.	undertaken for selected Sustainability disclosure.
Links & references Sustainability Report 2024 . Pg. 24-26, 126	Links & references Board Committees CIMB Group Committees CIMB Sustainability Report 2024 . Pg. 102	Links & references Sustainability Report 2024 , Pg 162

Principle 1:

Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main business lines, customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, business areas or by disclosing the number of customers and clients served.

About CIMB

[CIMB Integrated Annual Report 2024](#)

The Group is headquartered in Kuala Lumpur, Malaysia, and offers Consumer Banking, Commercial Banking, Wholesale Banking, Islamic Banking, Wealth Management and Digital Payment Products and Services. It is the fifth-largest banking group by assets in ASEAN and, as of the end of 2024, had over 33,000 staff and approximately 28 million customers.

CIMB Group Holdings Berhad has been listed on the Main Market of Bursa Malaysia since 1987 and has market capitalisation of RM88.0 billion as at 31 December 2024. As at 31 December 2024, total assets stood at RM745.0 billion, with total shareholders' funds of RM66.8 billion and total Islamic assets of RM215.4 billion. At the end of December 2024, the substantial shareholders were Khazanah Nasional Berhad with 21.5%, Employees Provident Fund with 16.5% and Kumpulan Wang Persaraan (Diperbadankan) with 5.7%.

Strategy alignment

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Right (UNGPs), the forthcoming instrument on plastic pollution etc.

Include any other national and/or regional frameworks that your bank has a strategy to align with where relevant.

[Sustainability | Our Pledge | CIMB](#)

As a leading ASEAN bank, our greater purpose is to serve and advance our customers and the societies in which we operate. In line with this, we integrate economic, environmental and social (EES) considerations into all aspects of our business. Our strategy is two-pronged. We commit to investing resources and influencing networks to reduce negative EES impacts. We also aspire to create a net positive impact through our business activities.

ASEAN is projected to be one of the regions most impacted by climate change. If global temperatures continue to rise at their current rate, the region will face extreme heat, longer monsoon seasons and increased droughts. The financial system is crucial in facilitating the region's long-term socio-economic progress, as well as financing low-carbon transitions and climate adaptation. At CIMB, we acknowledge the far-reaching impacts we have on people and the planet and are committed to using this influence for good.

CIMB Group's corporate strategy was developed to navigate the dynamic environment to create shared value in the long term, where we aim to deliver sustainable financial returns for shareholders by looking beyond immediate risks and opportunities. Our decisions are also shaped by medium-and longer-term sustainability issues such as climate change, biodiversity loss, resource depletion, human rights violations and widening social inequalities, which are interconnected with and can amplify the impact of other environmental, social and governance risks. Through Forward30, we remain steadfast in supporting our clients, employees, communities and other stakeholders in their journeys towards greater resilience and sustainability.

In keeping with our inclusive growth strategies, we support the 2030 Agenda for Sustainable Development. Based on our material matters, sector exposure, and areas of our direct impact and influence, we have prioritised 7 of the 17 SDGs. All our sustainability efforts, programmes and initiatives, performance tracking, and impact reporting related to our focus areas are structured and designed to meet specific targets of our seven priority SDGs.

As a signatory of NZBA, we mobilise our products, services and relationships to help facilitate a just transition towards a climate-resilient future. CIMB also committed to the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption.

Principle 2:

Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and the environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Impact Analysis

Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target- setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

Links & references

[Information about the PRB methodology used for mapping portfolio impact is publicly available on PRB's website](#)

We used the UNEP FI Impact Analysis methodology and tools to undertake an analysis of our businesses (wholesale banking, commercial banking, consumer banking) and the relevant Sustainable Development Goals (SDGs) given our exposure across our main geographies (Malaysia, Indonesia, Singapore, Thailand, Cambodia, the Philippines, Vietnam). The outcome of our context analysis identified the two most significant impact areas, i.e. Financial Inclusion and Health, and Climate.

Financial Inclusion and Financial Health

CIMB Group's core business, which can drive impact in this area, is Consumer Banking, which accounts for approximately 32% of our Group's portfolio by assets by 31 December 2024. Within Consumer Banking, Malaysia has the largest asset size among countries where CIMB Group has a presence, accounting for around 74% of the total.

Positive and negative impact areas:

- Our significant Consumer Business portfolio is able to make an impact in the areas of Availability, Accessibility, Affordability, Quality of Resources and Services (SDGs 2, 3, 4, 6, 7, 8, 9, 11, 16), where access alludes to financial inclusion of vulnerable groups, while affordability and quality speak to financial health of the population. The population's ability to access resources and services that pertain to their individual needs such as water, food, housing, mobility and finance can be directly served by our consumer portfolio
- Other impact areas are in Equality and Justice (SDGs 5, 10) towards vulnerable groups, i.e. by gender (rural women, female-led MSMEs, gender-based victims of abuse), age (elderly, youth), geographical areas (rural, urban), low income or financial distress. Equality and justice can be addressed via products that are inclusive towards vulnerable groups
- At the same time, increased access can create negative impact due to the risk of over indebtedness

Climate

Positive and negative impact areas:

- Our business, through our financing and investment decisions particularly, is able to make an impact in the areas of Climate Stability (SDG13), Biodiversity and Healthy Ecosystems (SDGs 6, 11, 12, 14, 15), and Circularity (11, 12). These impact areas were consistently identified as priority SDGs and are politically prioritised in our key markets.
- Analysis on negative impact from sectors we finance relating to Climate: As guided by the UNEP FI Guidelines for Climate Target Setting for Banks, Coal, Cement, Power, Agriculture, Oil & Gas, and Real Estate are amongst the sectors identified as the most climate-critical, being responsible for a significant portion of global CO2 emissions. These sectors are also leading contributors to biodiversity loss. However, the Power and Agriculture sectors also provide energy and food security thereby supporting economic development and wellbeing of societies.
- Regulatory shifts such as the EU CBAM introduce short-term cost pressures for export-oriented clients, but also accelerate transition planning and carbon accounting maturity across supply chains. Our green finance and advisory offerings enable us to support our clients to unlock opportunities in low-carbon technologies and improve their resilience

As a financial institution, our impact to climate primarily stems from the way we finance or invest, or broadly defined as "financed emissions" under Category 15: Investments of our indirect Scope 3 greenhouse gas (GHG) emissions.

Based on our initial establishment of the Group's financed emissions inventory for 2019 to 2021, it was found that our financed emissions were approximately 150 times higher than our Scope 1 and 2 emissions combined, accounting for around 99% of the Group's total reported Scope 1, 2, and 3 GHG emissions. This signifies the importance of decarbonising our financing and investment portfolios by establishing meaningful targets and implementing transition strategies targeted at carbon-intensive sectors, asset classes or products, as well as clients.

To better understand the Group's overall climate impact from a financed emissions perspective and to identify the most carbon intensive sectors, asset classes and/or products that the Group should prioritise and pivot towards low carbon or Net-Zero pathways, a total portfolio financed emissions estimation was carried out based on the methodological decisions:

- To focus on key operational markets, i.e. Malaysia, Indonesia, Singapore, and Thailand as these markets contribute to more than 80% of the Group's portfolios in terms of total assets and net interest income, respectively;
- To cover only emissions associated with on-balance sheet financing and investments (i.e. financed emissions) due to greater sphere of influence that we could potentially exert over our clients, and because guidance on facilitated emissions estimation was relatively recent at the time of this assessment (note: PCAF Facilitated Emissions Standard was launched in December 2023);
- To set our financing and investment positions as of 31 December 2022 as the baseline year;
- To estimate the Group's financed emissions (Scope 1 and 2) associated with nine carbon-intensive sectors (i.e. Agriculture, Cement, Coal, Iron & Steel, Oil & Gas, Real Estate, Transport, Power as listed in the UN Environment Programme Finance Initiative's (UNEP FI)) in accordance with the Global GHG Accounting and Reporting Standard developed by the Partnership for Carbon Accounting Financials (PCAF Standard);
- To use a pragmatic top-down approach⁴ to estimate Scope 1 and 2 emissions of the rest of the sectors⁵ at the sectoral level, with several assumptions made (e.g. assuming that all loans/financing and investments are for general corporate purposes); and
- To aggregate financed emissions of the nine carbon-intensive sectors (derived based on PCAF Standard) with the high-level estimates of the rest of the sectors, to obtain the Group's total portfolio emissions.

The portfolio view offers several useful insights:

- Collectively, carbon-intensive sectors, which represent 55% of the Group's financing and investment portfolios and contribute to around 71%, a significant majority of our total portfolio financed emissions; and
- The rest of the sectors only contribute to 29% of our total financed emissions, despite making up to close to half of the Group's financing and investment exposures.

We publish our financed emissions annually.

Targets, Target Implementation, and Action Plans/Transition Plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/ Transition plans and Milestones.

Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector \(2024\)](#).

Links & references

[Progress against our 2022 benchmark](#)

Financial Inclusion and Financial Health

Target Setting

- The target-setting exercise focused on the Consumer Business in Malaysia, which represents around 74% of total assets within Group Consumer Banking across key markets in 2024.
- Within Malaysia, the context analysis identified the B40 (Bottom 40% income earners of the population) as the Prioritised Group for target-setting. This group is the most economically vulnerable and is the focus for support from the government and broader stakeholders, considering the rising cost of living.
- About 88% of Malaysians have access to bank accounts, hence the concern for Malaysia is to improve Financial Health and not just access. Gaps relating to the B40 also include access to loans and life insurance, lack of monthly savings & financial literacy
- Our goal is therefore to enhance the financial health and quality of life of our prioritised vulnerable group in Malaysia. Given data limitations, our approach to target-setting is to start with a Financial Inclusion Impact Target, in alignment with the UNEPFI and Principles of Responsible Banking theory of change indicators. This will allow us to gain a deeper understanding of our prioritised group and enable us to gather more data to measure indicators that pertain to Financial Health eventually.
- We aim to empower our prioritised vulnerable groups by ensuring they have access to a wide range of financial solutions, and we have carefully excluded unsecured products such as credit cards and personal loans. Increasing access to these products is an important step for these customers to build a strong credit history and improve their financial health and we will provide financial education and literacy initiatives alongside these campaigns to ensure responsible usage of our banking products.
- Management has also considered control measures to mitigate negative impacts of over indebtedness and to ensure that the targeted customer base is educated to manage their finances responsibly, and are designing initiatives for those who would like to take up such financing to attend online training on financial literacy. The Consumer Business will work closely with CIMB Foundation to this end i.e. to tie in financial education initiatives and awareness campaigns with this initiative.
- These KPIs have the potential to assist Malaysia with its national policies to drive financial inclusion, in line with the Financial Inclusion Framework (2023–2026) Strategy Paper by Bank Negara Malaysia, in which its desired outcomes include access to affordable and suitable financial products and services, and responsible usage of financial products and services, among others.

Prioritised Group

CIMB Bank has developed, documented, and formalised detailed definitions of "Prioritised Group" to be followed for setting and tracking this KPI, outlined below:

- Financially vulnerable customers, i.e. active B40 customers. These customers are at risk of financial difficulties, and they include those living in poverty and those who face additional obstacles in accessing financial services to build economic resilience

The above definition will be reviewed annually to ensure alignment with prevailing market definitions.

Impact area

In 2022, we had ascertained the baseline for the Financial Inclusion target i.e. % of Active B40 customer segment who hold products in 2 or more Product Categories with CIMB. Our progress will be tracked from this baseline

Targets

We have set the following targets:

- **KPI 1:** 378,000 prioritised vulnerable customers with **insurance & wealth building** products by 2026, compared to a 2022 baseline of 352,000 customers
- **KPI 2:** 560,000 prioritised vulnerable customers with products beyond savings accounts, by 2026, compared to a 2022 baseline of 492,000 customers

Note: Credit cards and personal loans are excluded for both targets, and the numbers indicated above have been rounded up.

Action Plans

To drive product holding among the Active B40 segment, we have undertaken a comprehensive review of our portfolio and overlaid it with our understanding of the Active B40 segment.

We will monitor the year-on-year growth of the prioritised group holding two or more products, as a means of tracking progress towards achieving these targets.

Accordingly, our action plans revolve around three key aspects:

1. Drive availability, i.e., modify or introduce new products/services that can be easily accessible by the Active B40 segment (e.g., lowering the threshold limits for placing a fixed deposit)
2. Drive awareness: Periodic campaigns to drive awareness around the products and services that the B40 segment can use to drive financial and fiscal responsibility (incl. borrowing and savings)
3. Drive education: Develop information portals for customers to understand different banking services/products, when to use them, and what are the ideal situations to use them

Climate

Target Setting

Our interim sector targets are aligned to recognised science-based reference scenarios as follow:

Coal: Our thermal coal target is aligned to IEA's NZE 2050 scenario where the power sector will need to phase out unabated coal power generation by 2040, reducing demand for coal and putting an end to the need for new or lifetime extensions of thermal coal mines after 2021.

- Target: Halve our financing and investment exposure to the thermal coal mining sector from 2021 baseline, by 2030, and phase out thermal coal financing by 2040
- Refer to section 4 of the Group's [Net Zero Whitepaper](#) for further info.

Cement: The cement sector's emission intensity target was set using SBTi Cement Target Setting Guidance –Sectoral Decarbonisation Approach (SDA), which refers to the global IEA Net Zero by 2050 (NZE) scenario. We have adopted a global scenario for this sector due to the lack of available regional data at the time of target setting. If a regional scenario becomes available, we will review and update our approach accordingly.

- Target: Reduce the physical emissions intensity in the cement sector by 36% from 0.72 (2021 baseline) to 0.46 tCO₂e/t cement produced, by 2030.
- Refer to section 5 of the Group's [Net Zero Whitepaper](#) for further info.

Palm Oil: We have anchored our reference scenario on the Science-Based Targets Initiative (SBTi) Forests, Land and Agriculture (FLAG) emission intensity pathway specific to palm oil commodity, as it is the only credible and widely accepted science-based target specific to palm oil at the point of target setting. To account for treatment and discharge of palm oil mill effluent (POME), which is not currently included in SBTi FLAG, we have scaled up the pathway with emissions intensity associated with POME in line with scientific literature while maintaining the same decarbonisation trajectory. This ensures that it is consistent with our value chain coverage and covers >95% of the emissions intensity of palm oil.

- Target: Reduce the physical emissions intensity by 16% from 1.81 (2022 baseline) to 1.52 tCO₂e/tCPO, by 2030.
- Refer to section 6 of the Group's [Net Zero Whitepaper](#) for further info.

Power: The IEA's Net Zero Emissions by 2050 (NZE) reference scenario from the 2023 Net Zero Roadmap forms the core guidance for our Net Zero ambitions in the Power sector. We have enhanced our reference pathway with regional insights from the IEA Sustainable Development Scenario (SDS) to better reflect our power generation clients who primarily operate assets in Southeast Asia, to chart a pathway that is feasible and equitable safeguarding energy security and affordability.

- Target: Reduce the physical emissions intensity by 38% from 439 (2022 baseline) to 272 kgCO₂e/MWh, by 2030.
- Refer to section 7 of the Group's [Net Zero Whitepaper](#) for further info.

Oil and Gas: We have taken the IEA NZE roadmap (2023 update) as the core basis for our Net Zero ambitions in the Oil and Gas sector. Similar to the Power sector, we have enhanced the IEA NZE global scenario with insights from the IEA Sustainable Development Scenario (SDS) which reflects the relative ambitions across different regions, to calibrate a Net Zero scenario that is appropriate for Southeast Asia.

- Target: Reduce the financed emissions lending intensity by 16% from 684 tonnes CO₂e/MYR MM (2022 baseline) to 583 tonnes CO₂e/MYR MM by 2030.
- Refer to section 8 of the Group's [Net Zero Whitepaper](#) for further info.

Real Estate: For this sector, we adopted a reference pathway that combines the CRREM v2 Net Zero emissions scenario with an overlay from the IEA Announced Pledges Scenario (APS) for grid decarbonisation. This approach acknowledges that while energy efficiency improvements are within our clients' control, their ability to influence the pace of grid decarbonisation is limited. The scenario therefore integrates a Net Zero trajectory for building energy use alongside a pragmatic, nationally-aligned outlook for the grid transition. We remain committed to supporting grid decarbonisation through our Power sector targets (see Section 7 of the whitepaper).

- *Target: Reduce the physical emissions intensity by 34% from 117 (2022 baseline) to 77 kg CO₂e/m² by 2030*
- *Refer to section 9 of the Group's [Net Zero Whitepaper](#) for further info.*

The year-on-year progress of our interim sectoral targets are tracked and disclosed in our Sustainability Report. Refer to page 136-141 of the [Sustainability Report 2024](#) for the most up to date progress.

Strategy

Our transition to Net Zero is supported by sector-specific plans that outline key actions to drive decarbonisation, recognising that each sector has its own unique challenges and opportunities. These plans, detailed in our Whitepaper v2.0, focus on:

- *Supporting a fair and equitable transition for our clients, particularly for vulnerable groups such as smallholders, by addressing unique sector-specific challenges*
- *Collaborating with broader economic ecosystems to align stakeholders with decarbonisation goals, recognising the interdependencies in these efforts*
- *Regularly reviewing and refining our targets to stay ambitious and aligned with best practices, upholding relevance and practicality for regional implementation*
- *Building capabilities and governance mechanisms across our organisation to embed climate-focused practices into decision-making*
- *Driving adoption of renewable technologies and supporting national schemes to accelerate transition efforts*

Targets

A summary of the Bank's interim sectoral targets that have been set to date are as follow:

Sector	Target Metric	Baseline Year	Baseline	2030 Target	Year published
Oil and Gas	tCO ₂ e/MYR MM	2022	694	583	2024
Real Estate	kgCO ₂ e/m ²		117	77	
Palm	tCO ₂ e/tCPO		1.81	1.52	2023
Power	kgCO ₂ e/MWh		439	272	
Thermal coal mining	% of portfolio exposure	2021	100%	50%	2022
Cement	tCO ₂ e/t cement		0.72	0.46	

For further details on our approach to establish our baseline, refer to sub-section 3 under sections 4-7 in the Group's Net Zero Whitepaper.

Principle 3:

Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Client and Customer engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy including but not limited to the impact areas identified/ targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Links & references

[Our Path to Net Zero: Charting a Course to Decarbonisation" Whitepaper, Section 10](#)
[2024 Sustainability Report](#), pages 136-141

Climate Change

Achieving a just transition requires the active participation of carbon-intensive industries. As a financial institution, the most productive way we can enable the transition is by being a genuine partner to our clients, helping them with the task of decarbonisation, rather than retreating from our clients in hard-to-abate sectors. In our whitepaper, we have outlined our client engagement strategy for each high-carbon-emitting sector.

As such, we are committed to continuing our engagement and offering financing solutions to support relevant clients in increasing their ability to measure their emissions and implement decarbonisation plans.

Financial Inclusion and Health

To safeguard the financial well-being of our prioritised underserved group, CIMB has established comprehensive internal policies and guidelines for evaluating borrower creditworthiness, aiming to avert over-indebtedness among clients. We implement training initiatives to raise awareness of the challenges faced by vulnerable clients, ensuring that all communications and information on our products and services are clear and easy to understand, while also curbing aggressive sales tactics and disrespectful interactions with clients. CIMB also has in place a straightforward complaint mechanism for our financial inclusion clients, allowing us to address their needs promptly and uphold service excellence.

Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio,* and which SDGs or impact areas you bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).

* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

Links & references

[2024 Sustainability Report](#), pages 38 - 52

[2024 Sustainability Report](#), pages 109 - 115

[CIMB Sustainable Finance Framework](#)

Our commitment to continuously create positive, sustainable impact through our financing is encapsulated in our Green, Social, Sustainable Impact Products and Services (GSSIPS) Framework. The GSSIPS Framework guides our efforts towards facilitating a just transition and financial inclusion through our products and services. It is aligned with the principles of Islamic finance through the Value-Based Intermediation (VBI), and the UN SDGs. We had set a target to mobilise RM100 million in GSSIPS financing by 2024 and surpassed at RM117 million. We will publish a transition finance framework in 2025.

In managing negative impacts, our Group Sustainable Financing Policy (GSFP) governs the handling of environmental and social risks in non-retail financing and capital-raising transactions. The policy, risk management processes and high sustainability risk sector position statements are covered in our Sustainable Finance Framework (SFF).

Principle 4:

Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

Stakeholder identification and consultation

Describe which stakeholders (or groups/types of stakeholders) your bank has identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of the bank's engagement strategy following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Links & references

[Sustainability Report 2024](#), Pg. 24-26

At CIMB we engage with a wide range of stakeholders to understand and capture their valuable feedback on how we can continue to meet their evolving needs and expectations. This is guided by a comprehensive engagement framework that enables us to effectively gain insights into delivering innovative programmes and solutions that address their most critical environmental, social, economic and governance concerns.

Principle 5:

Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Governance Structure for Implementation of the Principles

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

Links & references

[Board Committees | CIMB Group Committees | CIMB Sustainability Report 2024](#). Pg. 102

Sustainability has been institutionalised into our business through CIMB's sustainability governance framework. The framework has been designed with a clear delineation of roles and responsibilities that ensure accountability, transparency and effective execution of our sustainability decisions. We continuously review and enhance our sustainability governance and operating model to ensure it remains robust, resilient and up-to-date with new developments.

The Group Sustainability and Governance Committee (GSGC) oversees and steers our sustainability risks and opportunities, providing the Board with effective decision-making capabilities. The committee advocates for sustainability and strengthened governance across the Group, fostering a work environment that prioritises positive impacts, ethics, and integrity. GSGC was changed to Group Board Sustainability Committee in 2025

The Board is the highest governing body accountable for CIMB's sustainability strategy. Sustainability-related roles and responsibilities of the Board are incorporated in the Board Charter. The GSGC assists the board in fulfilling its responsibilities in advocating and fostering a culture of sustainability, ethical conduct, and integrity in our corporate DNA. In 2024, we further strengthened internal climate governance by embedding oversight of the Group's Net Zero strategy, targets, and climate risk management into the terms of reference for relevant Board committees. These updates reflect our commitment to robust and accountable climate governance

The Group Sustainability Council (GSC) supports the Group Chief Sustainability Officer in leading the development and successful implementation of CIMB's sustainability initiatives. The GSC reports to the Group Transformation Committee, which assists the Group CEO in directing and steering CIMB's overall strategy.

The Sustainability Risk Management Framework defines how we govern sustainability risks in our business. Sustainability risks, including climate-related physical and transition risks and human rights risks, are integrated into both the Group's Risk Library and the Enterprise-Wide Risk Management Framework.

The analysis, reports and targets for the Principles of Responsible Banking impact analysis,

including the two impact areas, are reported and approved by our management and board committees (i.e. GSC, GTC, GSGC, as above) in accordance with our Sustainability Governance Operating Model.

Our commitment to sustainability is demonstrated by the linkage of our CEO, top management, and employees of all divisions to sustainability-related key performance indicators (KPIs), which impact their remuneration.

Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Links & references

[Sustainability Report 2024](#). Pg. 102, 119

We have embedded sustainability specialists and champions into business units and enablers to drive Sustainable Finance from the forefront. This Integrated Sustainability Operating Model ensures that sustainability issues are discussed throughout our operations. Additionally, we have established the Sustainability Academy to enhance our employees' knowledge, understanding, and technical expertise in the realm of sustainability.

Risk and due diligence processes and policies

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

Links & references

[Sustainability Report 2024](#). Pg. 111-114

[Sustainable Finance Framework](#)

All financing and capital raising transactions for businesses (including SMEs), including annual reviews of financing facilities, are subject to a Basic Sustainability Due Diligence (BSDD) by our Relationship Managers.

In addition, clients that are identified as exposed to high environmental or social risk are subject to an Enhanced Sustainability Due Diligence (ESDD), which is conducted by the Group Sustainability team. Generally, ESDD is conducted for clients who fail the BSDD, those operating in pre-identified high sustainability risk sectors, those who do not meet our Sector Guide requirements, or those who have been highlighted through credible sources to be involved in environmental or social issues.

Principle 6:

Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

Our Sustainability Report has been prepared in accordance with:

- Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting
- Global Reporting Initiative Standards 2021
- The United Nations Environment Programme Finance Initiative Principles for Responsible Banking

We have voluntarily started to align our disclosure to the IFRS Sustainability Disclosure Standards, particularly the IFRS S2 climate-related disclosure requirements. In 2024, we are partially aligned with the IFRS S2 requirements and intend to be fully aligned with the IFRS Sustainability Disclosure Standards by no later than 2027, in accordance with Malaysia's National Sustainability Reporting Framework.

The assurance statement in our [Sustainability Report 2024](#) page 162.