



BIBD



30 Years of Islamic Banking: Building a Legacy, Shaping the Future

Annual Review 2023



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About this Report

This report documents Bank Islam Brunei Darussalam (BIBD)'s activities and achievements from 1 January to 31 December 2023. This Annual Report offers a comprehensive glimpse into our organisation's accomplishments, strategic focus areas, ongoing initiatives, and our vision for the future.

In keeping with our commitment to environmental responsibility, we are delighted to share this year's report in a digital format. This decision underscores our dedication to sustainability and to reducing our environmental footprint.

As we embark on this journey of reflection and anticipation, we invite you to join us in celebrating our milestones, exploring our strategies, and sharing our ongoing efforts to achieve our goals.

Thank you for being an important part of BIBD.

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About Us

BIBD, Brunei's largest bank and Islamic financial institution, was established in 2005 through the merger of the Islamic Bank of Brunei and the Islamic Development Bank of Brunei. As an internationally recognized financial institution, we adhere to global best practices, guided by our experienced management team.

BIBD is dedicated to serving the needs of our customers through ongoing advancements in service, products, and technology.

BIBD is more than just a bank; we are a bank for the people of Brunei, built by the people of Brunei. Our core values embody the inclusive spirit of Islamic banking, offering intelligent, secure, and practical financial services to all. Our ultimate aim is to support the aspirations of the Bruneian community.

With a long-standing history of truly understanding the values and culture of Brunei Darussalam, BIBD continually innovates to provide solutions that best meet the needs of our customers.



Vision, Mission and Values

Vision

Serving Brunei through Islamic Solutions as its leading financial institution

To be the benchmark Institution and Point of Reference through responsible Fusion of Islamic Values, Real Economy and Finance

Mission

To be the Best Islamic Bank in Asia-Pacific

Values

- Integrity
- Customer Focus
- Unity of Purpose
- Excellence



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Corporate Profile

We are Bruneian at Heart

In 1981, our journey began as the Island Development Bank (IDB). In January 1993, under the wise guidance and vision of His Majesty Sultan Haji Hassanal Bolkiah Mui'zzaddin Waddaulah, the Sultan and Yang Di-Pertuan of Brunei Darussalam, we transformed into the Islamic Bank of Brunei (IBB), becoming the first Islamic financial institution in Brunei Darussalam. We merged with the Islamic Development Bank of Brunei in 2005, giving rise to Bank Islam Brunei Darussalam (BIBD).

Celebrating our 30th anniversary in 2023, BIBD stands as Brunei's largest bank and flagship Islamic financial institution. Governed by global best practices and guided by an esteemed Board of Directors, we are unwavering in our commitment to meeting the diverse needs of our customers from all walks of life. We achieve this through continuous innovations in services, products, and technology, bringing accessibility and efficiency to the forefront of our operations.

Headquartered in Bandar Seri Begawan, our network encompasses eighteen strategically located branches across Brunei Darussalam's four districts, along with the country's largest ATM network, serving over a quarter of the Bruneian population. With more than 1000 dedicated

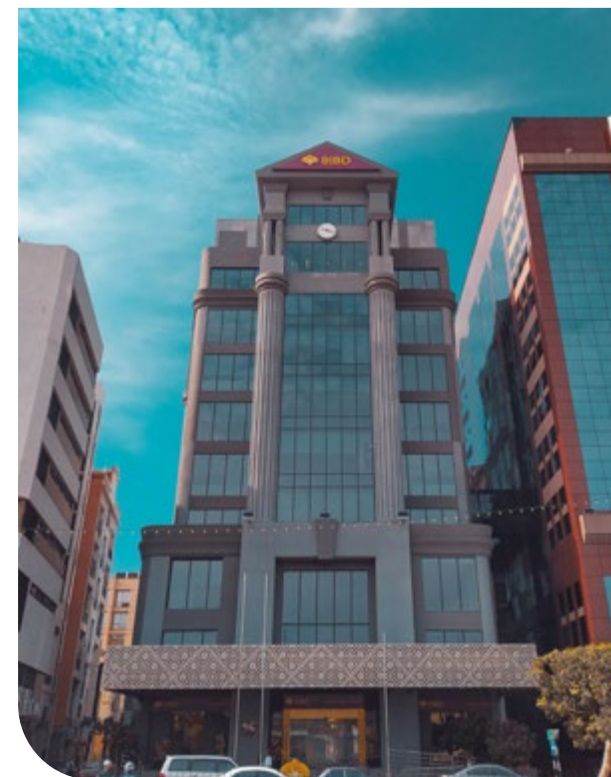
employees and assets exceeding B\$10 billion, we proudly serve a customer base exceeding 345,000, spanning retail, corporate, and international segments.

Complemented by our expansive network, we take pride in being the only bank in Brunei Darussalam that serves all segments within the retail banking market.

BIBD remains deeply committed to embracing the future through digitalisation and digital transformation. Recognising the evolving needs of our customers in a rapidly changing world, we have invested significantly in cutting-edge technology to enhance the accessibility and convenience of our services. This dedication to digital innovation underscores our unwavering commitment to providing the Bruneian community with modern, forward-thinking financial solutions, all while preserving the essence of our heritage and actively contributing to the nation's aspiration of becoming a Smart Nation.

Our achievements over the years are a testament to our hardworking and dedicated workforce who embody our values of Integrity, Customer Focus, Unity of Purpose, and Excellence. Our people have always been our greatest asset, and we are committed to investing in

them, equipping our employees with internationally benchmarked certifications, expertise, and skills required to serve customers beyond their expectations.



We are Rooted in Doing the Greater Good

Our journey has been marked by a commitment to the principles of Maqasid Shariah. In 2021, we embarked on a transformative journey, aligning our efforts with a broader commitment to sustainability through the adoption of the BIBD Sustainability Framework.

As a responsible business, we are dedicated to being a catalyst for positive change. Our Sustainability Framework mirrors the Maqasid Shariah principles, underpinning our identity as an Islamic financial institution. This framework also aligns with the 17 United Nations Sustainable Development Goals (UN SDGs), reinforcing our commitment to preserving the wellbeing of our people and society.

Through this framework, we focus on three pillars: Environmental Protection, Responsible Entrepreneurship, and Inclusive Social Impact. These pillars form an integral part of our overall business strategy and enable us to actively contribute to building a better, greener world.

BIBD has always complemented the Government's efforts to achieve Brunei Vision 2035 through both business activities and Corporate Social Responsibility (CSR) initiatives. These initiatives include contributions to and participation in youth development programmes, education scholarships for underprivileged children, entrepreneurship empowerment programmes and support for local micro enterprises.

**As a responsible business,
we are dedicated to being
a catalyst for positive
change.**



Corporate Governance

BIBD is committed to sound corporate governance and is fully guided by the principles and regulations set forth by the Brunei Darussalam Central Bank (BDCB), Shariah Financial Supervisory Board (SFSB) and the Companies Act Chapter 39, the Bank has strong internal controls and risk management in line with internationally benchmarked standards, especially in financial, Shariah and risk practices.

Active Subsidiaries and Associates

BIBD At-Tamwil Berhad

A wholly-owned subsidiary, mainly handling the provision of Islamic hire-purchase facilities.

BIBD Securities Sdn Bhd

A wholly-owned subsidiary, offering Islamic wealth management products and brokerage services for local BIBD shares and foreign securities listed on the Kuala Lumpur and Singapore stock market.

BIBD (Middle East) Limited

A wholly-owned subsidiary of BIBD and is a Dubai Financial Services Authority (DFSA) regulated entity providing Islamic financial services which include arranging deals in investments; advising of financial products; arranging credit and advising on credit.

Syarikat Takaful Brunei Darussalam Sdn Bhd (Associate)
It provides General and Family Takaful services through its subsidiaries: Takaful Brunei Am Sdn Bhd and Takaful Brunei Keluarga Sdn Bhd.

Shareholders



34%

Khazanah Satu Sdn Bhd

25%

Yayasan Sultan Haji Hassanah Bolkiah

30%

Salam Investments Limited

11%

Approximately 6,000 individual Bruneian investors



**Yang Berhormat Dato Seri Setia
Dr Awang Haji Mohd Amin Liew bin Abdullah**

Minister at the Prime Minister's Office and
Minister of Finance and Economy II,
Chairman of the Board of Directors
BIBD

A Message from Our Chairman

*Bismillahir Rahmanir Rahim.
Assalamualaikum Warahmatullahi Wabarakatuh.*

Alhamdulillah, with utmost gratitude to Allah (SWT), I am pleased to report BIBD Group's remarkable resilience and success amidst the turbulence of global economic headwinds.

Our dedication to our nation's prosperity and supporting the people, the BIBD's agility and the staff unwavering commitment have led to another record year for BIBD.

2023 was especially significant, marking 30 years of Islamic banking in Brunei. This historic milestone finds its roots in the very foundation of BIBD, born from the legacy of Islamic Bank of Brunei (IBB) in 1993. It is not merely a celebration of our own journey, but a testament to the pivotal role BIBD has played in realising the vision of His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah ibni Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien, Sultan and Yang Di-Pertuan of Brunei Darussalam to place Islamic banking at the heart of Brunei's economic progress.

Guided by the unwavering principles of Maqasid Shariah, BIBD has been pivotal in building a financial ecosystem that fosters social justice, economic sustainability, and individual well-being, resonating with the Ministry of Finance and Economy's focus on building a diversified and inclusive economy, one that benefits all Bruneians.

Throughout 2023, we achieved numerous milestones that embody this shared vision. These achievements are a direct result of the well-aligned strategies implemented by the entire BIBD Group, guided by the sound wisdom of the BIBD Board and the BIBD Shariah Advisory Body.

Record performance

While there remained a lot of uncertainties in the global economy, 2023 posed different challenges and opportunities and had achieved a record net profit of B\$178.7 million and revenue of B\$376.5 million. The Group's capital adequacy ratio (CAR) at 18.5 % in 2023, is well above the 10% minimum required in the Banking Order, 2006 and Islamic Banking Order, 2008. This has allowed us to maintain a robust capital position in implementing our strategies.

I am pleased to note that the health of our financing continues to improve. At the same time the Bank had achieved record low Non-Performing Loans/Financing (NPLF) ratio at 1.6% in 2023 compared to 2.1% in the same period of 2022.

BIBD Group's total assets in 2023 stood at B\$10.4 billion which cements BIBD's position as the market leader in Brunei

The BIBD Group's total assets in 2023 stood at B\$10.4 billion which cements BIBD's position as the market leader in Brunei, with a very sizeable market share both in the retail and corporate market segments.

The Group also delivered a 13.1% Return on Equity (ROE) further boosting returns and value to our shareholders.

Alhamdulillah, this success is a shared triumph, reflecting the dedication of our exceptional team and the trust placed in us by our valued customers. BIBD and the Brunei banking industry remain resilient, adaptable, and ready to capitalise on the opportunities ahead. BIBD is committed to fostering a stable and prosperous financial future for all our stakeholders, including our valued shareholders.

Riding the Wave: Growth Amidst Global Turmoil

Amidst various global economic risks, Brunei continued to demonstrate the resilience and stability of its economy. According to the Department of Economic Planning and Statistics, our nation recorded a commendable growth of 1.4% year-on-year ("y-o-y") for 2024.

While the Oil and Gas sector declined by 2.0% y-o-y in 2023, the non-oil and gas sector posted a growth of 4.5 per cent during the same period. The finance sector, which contributed 7.1% of GDP grew by 13.9%.

This bodes well for the financial sector and banking industry, providing a solid foundation for continued growth and investment.

According to the Brunei Darussalam Central Bank (BDCB), Brunei's financial sector, which consists of both Islamic and conventional financial institutions, held a total asset value of B\$19.8 billion as of Q4 2023, of which over half of it consists of assets in the Islamic finance sector.

The robust performance of the financial sector, specifically the Islamic finance sector, provides a beacon of optimism. Its growing asset base indicates significant potential for mobilising investments and supporting economic growth.

BIBD continues to play its role in the vibrant and dynamic ecosystem, leveraging our expertise to help to grow the Islamic finance in the country. We look forward to partnering with you, our valued shareholders, to capitalise on these exciting opportunities and deliver sustainable returns.

BIBD is enthusiastic about diversifying Brunei's economy and setting our sights on even brighter horizons, a key partner in realising the vision of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam to create a future powered by innovation and entrepreneurship.

Brunei's Digital Leap: Transforming Finance and Economy by 2025

In 2023, the BIBD Group embarked on a significant phase of its digital transformation journey, marking a pivotal moment with the launch of the Olive mobile application by its subsidiary, BIBD At-Tamwil. This initiative, encapsulated within Project Olive, is not just an ambitious technological leap but a strategic alignment with the broader national vision of Brunei becoming a Smart Nation, as articulated in the Brunei Digital Economy Masterplan. The project's roadmap extends to 2025, with a clear mandate to revolutionise customer service, adapt to the evolving needs of consumers, and underpin the pillars of a digital-first economy.

At the heart of Project Olive is the facilitation of seamless cross-border transactions, a cornerstone of the Bank 4.0 paradigm, which envisions banking without borders, accessible anytime and anywhere, devoid of traditional physical constraints. This initiative dovetails with the Brunei Digital Economy Masterplan's objectives, emphasising the criticality of a robust, secure, and universally accessible digital banking framework.

The integration with the National Payment Gateway (NDPx) through Project Olive is a strategic manoeuvre to enhance the security and efficiency of digital transactions, a fundamental aspect of the digital economy's infrastructure. This move is pivotal in standardising payment systems, a step that resonates with the global shift towards unified digital payment solutions and is a testament to Brunei's commitment to a secure and efficient digital economy.

Moreover, Project Olive's emphasis on e-money adoption and the promotion of e-Wallet solutions is a direct response to the global trend of transitioning towards cashless societies. This approach not only aligns with the Brunei Digital Economy Masterplan but also caters to the modern consumer's preference for digital-first payment solutions, thereby accelerating the nation's journey towards a comprehensive digital economy.

The initiative also extends a hand to corporate clients, enabling them to integrate into the digital economy by registering as merchants and adopting digital payments through QR code systems. This aspect of Project Olive reflects a deep understanding of the digital transformation needs of businesses, ensuring they are well-equipped to thrive in an increasingly digital marketplace.

Project Olive stands as a cornerstone of BIBD Group's commitment to not just digital innovation but to laying down a foundational framework that will support the growth and prosperity of future generations. By aligning its objectives with those of Bank 4.0 and the Brunei Digital

Economy Masterplan, Project Olive is not merely a project but a pivotal chapter in Brunei's journey towards realising its vision of a Smart Nation, ensuring the BIBD Group remains at the forefront of this transformative era.

Building a Sustainable Future Together

BIBD's comprehensive approach to sustainability, as outlined in its recent initiatives and commitments, reflects a strategic alignment with Brunei's National Climate Change Council Policy (BNCCC). This policy, aimed at mitigating the impacts of climate change while promoting sustainable development, finds a strong ally in BIBD's efforts to weave environmental responsibility into the fabric of its operations.

At the core of BIBD's strategy is the robust Sustainability Framework, guided by Environmental, Social, and Governance (ESG) principles that are rooted in the Maqasid Shariah. This framework not only underpins BIBD's operational ethos but also resonates with the BNCCC's emphasis on sustainable development practices. By embedding ESG principles into its business model, BIBD ensures that its success is not measured solely by financial gains but also by the positive environmental impact it generates, a cornerstone of Brunei's climate change strategy.

Education and empowerment form another critical junction where BIBD's initiatives intersect with the BNCCC. Through strategic partnerships with entities like Shell Exploration and Production Brunei (SEPB), the

Science Technology Environment Partnership (STEP) Centre, and Big BWN Project, BIBD has embarked on a mission to impart Brunei's youth with financial literacy and zero-waste principles. This educational thrust aligns with the BNCCC's objective to enhance public awareness and understanding of climate change, ensuring that the nation's future leaders are equipped with the knowledge and values necessary for sustainable living.

Furthermore, BIBD's engagement with the youth through the BIBD Youth Sustainability Leadership Awards exemplifies the bank's commitment to fostering a new generation of environmental stewards. This initiative not only celebrates young environmental champions but also supports the BNCCC's goal of societal engagement in climate action, highlighting the role of youth in driving the sustainability agenda forward.

BIBD's dedication to sustainability is also manifested in tangible actions like the Eco-Alam Festival and tree-planting campaigns. These initiatives directly contribute to the environmental goals set forth in the BNCCC by enhancing green spaces and promoting eco-friendly practices among the community. Such activities not only help in carbon sequestration but also foster a broader cultural shift towards environmental consciousness, echoing the BNCCC's call for integrated climate action in national development planning.

In essence, BIBD's sustainability efforts are intricately linked to the aspirations of Brunei's National Climate Change Council's policy as well as Vision 2035 Department

that looks into the UN Sustainability Development Goals (UNSDG) objectives by 2030. By championing the sustainability agendas, focusing on educational empowerment, engaging the youth, and implementing practical environmental steps through responsible businesses' initiatives, BIBD is not just advancing its sustainability agenda within the UNSDG but also actively contributing to the national narrative of resilience and sustainability in the face of climate change. This synergy between BIBD's initiatives and the His Majesty's Government underlines the critical role of corporate responsibility in achieving national climate objectives, paving the way for a greener, more sustainable future for Brunei as BIBD's proactive involvement was documented in the Brunei's 2nd National Voluntary Review 2023 (Brunei's 2nd VNR) that was presented at the United Nations, New York in July 2023.

In 2021, BIBD pledged a commitment of B\$2 billion by 2030 towards initiatives aligned with the Sustainable Development Goals (SDGs) under our Sustainability Framework and Roadmap. In a collaborative effort, BIBD has engaged closely with our valued customers to pinpoint critical areas for investment. We remain steadfast in our dedication to fostering a sustainable future, embodying our ongoing commitment to Building a Sustainable Future Together.

Oiling up Brunei's Economic Engine: Empowering MSMEs in 2023

BIBD's strategic focus on empowering Micro, Small, and Medium Enterprises (MSMEs) is a testament to its alignment with Brunei Vision 2035 and the Brunei Economic Blueprint, both of which underscore the significance of MSMEs in achieving economic diversification, sustainable development, and increased competitiveness in the global market.

Under the canopy of Brunei Vision 2035, the nation aspires to transform into a diversified economy less dependent on oil and gas sectors, with a strong emphasis on high-skilled employment opportunities and sustainable living standards. MSMEs, recognized as the backbone of economic resilience and innovation, are pivotal in realising this vision. BIBD's commitment to fostering a holistic ecosystem for MSMEs directly contributes to this national agenda by facilitating entrepreneurial growth, job creation, and the broadening of the economic base.

The Brunei Economic Blueprint, serving as a roadmap to achieve the aspirations of Vision 2035, outlines strategic initiatives to enhance the business environment, promote entrepreneurship, and support the growth of MSMEs. BIBD's endeavors, such as its active participation in the MSME Festival and the pioneering of the Projek Tunas collaborations, resonate with these initiatives by providing MSMEs with platforms for networking, exposure, and practical experience. These efforts not only elevate the MSME sector within the domestic market but also prepare

it to venture into international arenas, aligning with the blueprint's focus on expanding market access and integration into regional and global value chains.

Moreover, BIBD's recognition of the challenges faced by MSMEs, including market competition, talent acquisition, and the development of sustainable growth strategies, positions the bank as a strategic partner beyond financial services. By offering tailored solutions and support, BIBD embodies the Blueprint's call for a collaborative approach to nurture and empower the entrepreneurial ecosystem, ensuring that MSMEs have the resources and guidance to navigate the complexities of the business landscape.

In weaving these initiatives and supports into the fabric of its operations, BIBD is not merely contributing to the economic narrative of Brunei but is actively shaping it. The bank's dedication to the MSME sector reflects a broader national commitment to economic diversification, innovation, and sustainable development as envisioned in Brunei Vision 2035 and detailed in the Brunei Economic Blueprint. Through these concerted efforts, BIBD is helping to pave the way for a resilient, diversified, and prosperous future for Brunei, where MSMEs play a central role in the nation's economic narrative.

Empowering Our Community: BIBD's Initiatives for Inclusive Growth

In 2023, BIBD's strategic initiatives underscored a profound commitment to Brunei's national development, seamlessly aligning with the long-term goals of Brunei

Vision 2035, the ethical compass provided by Maqasid Shariah, and the inclusive societal framework outlined in the Brunei Social Blueprint. Through its Advocating Lifelong Learning for an Aspiring Future (ALAF) program and the BIBD Special Entrepreneurial Empowerment and Development Scheme (SEED), BIBD has championed educational enrichment and women's entrepreneurship, respectively, marking significant strides towards a more equitable and prosperous society.

Brunei Vision 2035 envisions a future where the nation's prosperity is shared among its people, underpinned by a high quality of life, excellent education, and a dynamic economy. BIBD's ALAF program, celebrating a decade of success, directly contributes to this vision by focusing on the youth, the very foundation of Brunei's future. By providing educational support and opportunities, BIBD ensures that the youth are equipped with the skills and knowledge necessary to thrive in a rapidly evolving global landscape, thereby contributing to the nation's aim of developing a well-educated and highly skilled population.

The principles of Maqasid Shariah, emphasising the protection and preservation of religion, life, intellect, lineage, and wealth, offer a holistic approach to individual and societal well-being. BIBD's initiatives resonate with these principles, particularly in fostering intellectual growth through ALAF and economic empowerment through SEED. By supporting women entrepreneurs, BIBD not only contributes to economic diversification but also promotes gender equality, enhancing the socio-economic fabric of Brunei in accordance with Shariah's emphasis on justice and equity.

Brunei Vision 2035, with its focus on building an inclusive society, finds a strong ally in BIBD's efforts. The SEED program, by empowering women entrepreneurs, addresses key social objectives such as reducing inequality, promoting social inclusion, and ensuring that development benefits are widely shared. This initiative aligns with the Blueprint's goals of social cohesion and equitable opportunities for all segments of society, particularly in uplifting women's roles in business and community leadership.

In weaving these initiatives into the broader tapestry of Brunei's national development goals, BIBD not only reaffirms its role as a key player in the nation's economic and social landscape but also exemplifies the synergy between corporate responsibility and national aspirations. As BIBD continues to support Brunei's journey towards Vision 2035, its alignment with Maqasid Shariah and the Brunei Social Blueprint ensures that its contributions are both meaningful and sustainable, paving the way for a resilient and inclusive Bruneian economy.

A Year of Distinction and Growth

In 2023, BIBD solidified its position as a leader in Brunei's banking industry, exemplifying strategic vision and adaptability in a dynamic financial landscape. Our sustained A- Stable rating from S&P Global, a testament to our three-decade dedication to Islamic finance and community service, underscores our robust financial health and readiness for future challenges.

Our recognition as 'Bank of the Year 2023' by The Banker, alongside accolades from The Asian Banker and Global Finance, affirms our strong market presence and the success of our strategic initiatives. Furthermore, BIBD Asset Management's accolade as 'Asset Manager of the Year' underscores our ability to provide outstanding value and returns, in line with our long-term growth and sustainability goals.

Our commitment to excellence is further evidenced by our ISO 9001:2015 recertification, highlighting our dedication to quality management, consistent high-quality service, and adherence to international standards, ensuring we meet the evolving needs of our customers with reliability and excellence. While external recognition serves as a valuable metric of our progress, it is the trust and confidence of our stakeholders that truly fuels our motivation. Moving forward, we are poised to leverage these achievements to enhance our service offerings and drive forward our strategic goals, contributing significantly to Brunei's economic prosperity and the well-being of our community.

In Appreciation

As Chairman, it has been a privilege to lead this dynamic and progressive institution through a period of rapid transformation.

First and foremost, I express my sincerest appreciation to the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam, whose enduring

vision guides our path. I am grateful to my fellow Board of Directors as well as to the Chairman and members of our Shariah Advisory Body for their commitment and dedication to steering BIBD towards continued success, ensuring our strategies and operations align with our core values and the highest standards of Islamic banking. Our success is deeply rooted in the unwavering trust and dedication of our valued shareholders and loyal customers who are the pillars of our success.

Every member of the BIBD team has been instrumental in elevating us to greater heights, for which I hold deep appreciation. Their diverse talents, relentless drive, and shared commitment to our vision have not only enriched our corporate culture but have also been pivotal in achieving our strategic goals and responding effectively to the dynamic demands of the banking industry.

As we step into 2024, the future holds further challenges as well as exciting opportunities.

The global economic uncertainty and geo-political tensions continued to pose further challenges to the industry, with the expectation of monetary policy easing towards the second half of 2024. This will further dampen the margin but at the same time, there remains opportunities for the Banks to participate in positive economic developments in the country.

The opportunities before us are vast and dynamic. The digital revolution continues to reshape the financial and social landscape, and BIBD is at the forefront of this

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exciting evolution. We are actively harnessing cutting-edge technologies to offer innovative solutions that cater to the evolving needs of our customers. Additionally, we remain resolute in our commitment to fostering financial inclusion, ensuring that everyone has access to the tools and resources needed to achieve their financial aspirations. Looking ahead, I am confident that with the continued support of our stakeholders and the dedication of our employees, BIBD will continue to rise above expectations. We are prepared to navigate the challenges and capitalise on the opportunities that lie ahead, and by embracing transformation, fostering sustainability, and prioritising inclusivity, BIBD will continue to contribute meaningfully to the socio-economic prosperity of Brunei and beyond. In Shaa Allah.

*Wabillahi Taufik Walhidayah Wassalamu 'Alaikum
Warahmatullah Hi Wabarakatuh*

Yang Berhormat

Dato Seri Setia Dr Awang Haji Mohd Amin Liew

bin Abdullah

Minister at the Prime Minister's Office and

Minister of Finance and Economy II,

Chairman of the Board of Directors

BIBD



Awang Junaidi bin Haji Masri
Managing Director and Chief Executive Officer
BIBD

Reflections from Our Managing Director and CEO

Dear Respected Shareholders,

Bismillahir Rahmanir Rahim.

Assalamualaikum Warahmatullahi Wabarakatuh.

Alhamdulillah, I am grateful for the opportunity to present the 2023 Annual Report for BIBD, a year that saw us achieve commendable results amidst a complex global scenario filled with both challenges and opportunities.

Against this backdrop, BIBD remained steadfast in its commitment to financial stability, embracing social responsibility, and making significant contributions to the nation's sustainable development.

Our achievements would not have been possible without the unwavering support of our stakeholders. I extend my deepest gratitude to the BIBD Group Board of Directors and the BIBD Shariah Advisory Body for their invaluable guidance and leadership. I also extend my heartfelt appreciation to our senior management team and the entire BIBD family for their relentless commitment and dedication, which have been indispensable to our success.

Performance review

Alhamdulillah I am pleased to report that the BIBD Group has once again demonstrated resilience and growth amidst these uncertainties, with a record profitability showing an increase from B\$175 million in 2022 to B\$178.7 million in 2023.

A central pillar of our strategy is fostering deposit growth. In 2023, we saw a stable and healthy deposits balance reflecting our clients' enduring trust and laying a solid foundation for future growth.

Our commitment to strategic planning and robust risk management practices yielded a 1.7% return on assets in 2023, which reaffirms the effectiveness of our approach in securing consistent, targeted results for our stakeholders.

Our financial stability is further evidenced by a robust total capital adequacy ratio of 19%, exceeding the minimum regulatory requirement set by BDCB. This resilience allows us to confidently implement our best practices and navigate unforeseen challenges.

Recognising the importance of value creation for all shareholders, the Board of Directors recommended a

dividend payout of 17.4 cents, totalling B\$126 million which was approved by the shareholders during our Annual General Meeting in September 2023. This distribution reflects our commitment to rewarding our shareholders, which include over 6,000 individual shareholders, who all play a vital role in BIBD's growth journey.

BIBD remained steadfast in its commitment to financial stability, embracing social responsibility, and making significant contributions to the nation's sustainable development.

While we approach the future with cautious optimism, we are confident that our continued focus on innovation, technology, and sustainability will enable us to thrive in the evolving economic environment and contribute to our nation's sustainable development and inclusive prosperity.

By attaining high-value and sustainable income, we ensure the long-term viability of the BIBD Group while simultaneously contributing to the prosperity and well-being of the Brunei economy and industries. We believe that a healthy and sustainable future for BIBD is inextricably linked to the progress and shared wealth of the nation.

Celebrating 30 Years of Growth and Impact

In 2023, BIBD proudly commemorated 30 years of dedicated Islamic banking services to the Bruneian community - a milestone that provided a unique opportunity to reflect on our rich history but also to celebrate our achievements and reaffirm our commitment to spur the economy and the nation's future.

The anniversary celebrations started on 13 January 2023 with a mass Asar prayer and Doa Kesyukuran at the Jame' Asr Hassanil Bolkiah Mosque, attended by members of the BIBD Board of Directors, senior management, staff and retired employees. The event served as a solemn reminder of our gratitude for the blessings received and the dedication of those who contributed to our success.

Further marking this landmark year, we also unveiled the BIBD 30th Anniversary Commemorative Gallery at the Brunei Energy Hub Dermaga Diraja. This dynamic exhibition, which offered a vibrant chronicle of our evolution, interactive exhibits and historical artifacts, narrating our journey, underscoring our contributions to Brunei's financial landscape and aimed to inspire the next generation and drive continued progress.

We also celebrated the year by launching limited-edition debit and credit cards featuring unique designs symbolising different aspects of our progress and commitment to innovation, provided a tangible and collection celebration for our clients.

These celebrations served to invigorate our commitment to the future. The lessons learned and experiences garnered over the past three decades provide a solid foundation for further growth and impact. We are confident that by building upon our legacy and embracing these core values, BIBD will continue to contribute significantly to the prosperity and well-being of Brunei Darussalam's economy for generations to come. We will "Build a Sustainable Future Together".

Our Strategic Business Direction in 2023: Sustainability, Innovation and Inclusivity

In 2023, BIBD chartered a strategic course anchored in sustainability, innovation, and inclusivity, ensuring our alignment with the BIBD Sustainability Framework.

Leveraging on our strong position in Brunei's Islamic banking domain, we embarked on a journey to not only deliver financial solutions but also contribute to the nation's progress and well-being.

Understanding the critical role finance plays in driving a sustainable future, we mobilised funds to support initiatives that promote our Sustainable Development Goals.

Building a Sustainable Future Together

In 2023, BIBD took significant strides to embed sustainability into every facet of our operations and community engagement.

Among the highlights include the BIBD Eco-Alam Festival, a vibrant blend of market and workshops, to raise awareness about environmental preservation while supporting local businesses, in line with the Sustainable Nation Campaign under the overall SME360 Series, echoing our commitment to Brunei Vision 2035 goals and the UN SDGs.

The event also covered topics on food security and food waste management.

Participants included local companies such as Biofield Brunei, Tebalik Plastik and Shaliz Waste Recycling who were offering solutions to the issue of food waste.

Another key initiative was the inaugural BIBD Youth Sustainability Leadership Awards, aimed at fostering youth leadership in addressing environmental, social and economic challenges, forging a path towards a more sustainable and resilient society, in alignment with Brunei Vision 2035 and the UN SDGs.

The awards were broken into three Clusters, rewarding youth leaders in the Education Cluster, Health Cluster, Environment Cluster and Jobs Cluster with B\$3,000 each; and the BIBD Youth Sustainability Leaders Award - Most Inspiring Male Leader and Most Inspiring Female Leader

will be rewarded with BIBD Aspirasi Certificate of Deposit worth B\$1,000. The final category is the Best Overall Sustainability Project which BIBD will award B\$3,000 to the winners, once the overall project incubation period is completed after 9 months.

The BIBD Youth Sustainability Leaders Award has provided a platform to recognise and honour outstanding youth champions who have demonstrated exceptional commitment to sustainable practices. These initiatives and projects that truly address the issues faced by our society have illustrated how youths of Brunei wants to make a greater impact and contribution towards Brunei Vision 2035 and the UN SDGs.

Investing in the future, we launched the "Waste Not, Save More" series of workshops in collaboration with Shell Exploration Brunei Brunei (SEPB), STEP Centre, Ministry of Education and Big BWN Project. This year-long program equips students with the knowledge and skills to adopt sustainable practices and make informed financial decisions for a more sustainable future. By covering 15 schools nationwide with interactive sessions on zero waste education and financial literacy, we aim to empower the next generation to be responsible stewards of our environment and their finances.

Furthermore, our participation in tree-planting activities, including the Mid-Year Conference and Exhibition (MYCE) Environment Week, the Ministry of Health's Mission Green Possible, and a collaboration with the Brunei Girl Guides Association, reinforced our dedication to environmental

conservation. These initiatives, meticulously planned with locally adaptable trees planted in strategic locations, contributed not only to the beautification of public spaces but also to the overall enhancement of Brunei's environmental landscape.

These initiatives not only supported the government's vision but also aligned with the UN SDGs. We believe that by working together with stakeholders across government, businesses, and communities, we can create a more equitable and prosperous future for all.

Looking ahead, we remain steadfast in our commitment to sustainability. We will continue to develop innovative financial products and services that support sustainable development; partner with stakeholders to raise awareness and promote sustainable practices; invest in initiatives that address climate change and other environmental challenges; and empower future generations to build a more sustainable future.

Enabling a Digital Nation

Alhamdulillah, I am pleased to highlight, in its 30-year history, BIBD has consistently been a strong advocate and supporter of Brunei Vision 2035, the BDCB Financial Sector Blueprint, and Brunei's Smart Nation aspirations under the Digital Economy Masterplan 2025. We continue to align and dedicate our efforts with these visionary goals of His Majesty Sultan Haji Hassanal Bolkiah Muizzaddin Waddaulah, Sultan and Yang DiPertuan of Brunei Darussalam's Government, a testament we will uphold, true to our DNA of being a Bruneian at Heart.

BIBD has also been at the forefront of digital innovations, setting milestones such as introducing the first mobile banking application in Brunei in 2012, pioneering QuickPay, a QR code-based e-wallet payment solution, and introducing the Virtual Prepaid Mastercard, a card that can be entirely set up online. And when BDCB unveiled the eKYC non-face-to-face onboarding regulation in September 2022, BIBD was also quick to embrace this technology with the launch of the Olive platform mobile application in July 2023.

This groundbreaking digital banking platform is currently being adopted by our subsidiary, BIBD At-Tamwil Berhad and positions us as the first financial institution in Brunei to offer e-KYC non-face-to-face customer onboarding, eliminating the need for physical branch visits. This revolutionary technology empowers individuals to conveniently open accounts, apply for financing, and manage their finances entirely through their mobile devices.

Alhamdulillah, since its inception, there has been great participation by the public and merchants that allow seamless digital transactions.

In 2023, we also continued to improve the BIBD NEXGEN Wallet. Throughout the year, we rolled out several updates focused on enhancing convenience and security. From enhancing e-statement access to addressing bug fixes and implementing performance improvements, we prioritised user experience, ensuring a frictionless and reliable digital banking experience. Digital transformation will continue to be one of our strategic priorities and I am pleased to share

that we are currently in the midst of our comprehensive five-year IT Digital Roadmap which encompasses the 3R strategies: Rehost, Revise, and Rebuild.

Rewarding Our Valued Customers

In 2023, we celebrated the trust and loyalty of our esteemed customers, acknowledging the vital role they play in our success. This recognition was at the heart of our diverse retail activities, particularly highlighted by the BIBD Mega 30 Campaign. Held in conjunction with our 30th anniversary, the nine-month campaign, spanning from March to November, rewarded over 300 winners with exciting prizes ranging from monthly vCard credits to BIBD Aspirasi savings certificates and mutual funds investments, showcasing our collaboration across various banking groups under a unified campaign. The main highlight, however, was the grand prize of term deposit/ mutual funds investments worth B\$10,000, awarded to three lucky individuals.

Furthermore, our BIBD Aspirasi Rewards programme continued to inspire, fulfilling financial dreams and igniting hope for a brighter future. In 2023, the BIBD Aspirasi 4 culminated with a grand prize of B\$250,000 awarded to one lucky winner, while Aspirasi 5 was set to reward over 400 individuals with a total prize pool of B\$870,000, including another grand prize of B\$250,000.

Recognising the desire for greater inclusivity, we were delighted to launch the Aspirasi 6 campaign in December 2023. The latest iteration introduces two grand prizes of

B\$200,000 each, while increasing the overall number of winners to 306. This demonstrates our commitment to cater to a wider audience and empower more Bruneians to achieve their financial aspirations.

BIBD also continued to collaborate with local businesses, offering attractive discounts and rewards as a way of rewarding customer loyalty and encouraging a rewarding spending experience. As a result, BIBD recorded over B\$1 billion worth of card transactions in 2023, a milestone achieved only made possible through the unwavering support and trust of our valued customers. Their continued preference for BIBD's card services, whether for everyday purchases, online shopping, or larger transactions, has been crucial in enabling the bank to attain this level of transaction volume. This milestone not only underscores the robust relationship BIBD has with its clientele but also highlights the growing trend of digital and card-based payments in the region. As we move forward, we remain firmly committed to customer-centricity. BIBD will continue to explore innovative ways to reward the loyalty and support of our customers, in a bid to make every interaction with BIBD a positive and rewarding experience. We are deeply grateful for their continued patronage and we look forward to serving them even better in the years to come.

Supporting Brunei's economic backbone

Throughout 2023, the remarkable resilience and entrepreneurial spirit of Bruneian micro, small and medium enterprises (MSMEs) shone brightly. We are

proud to have been a constant companion in their journey, fuelling their growth through a wide range of initiatives.

Our commitment to these vital players went beyond traditional banking, extending into strategic collaborations with government agencies, industry players and other stakeholders to foster a supportive business ecosystem.

In line with the national vision of supporting the growth of MSMEs in Brunei, we supported platforms like the 2023 Brunei MSME Festival and was one of the main sponsors for the event.

These events act as launchpads, allowing entrepreneurs to showcase their products and services to a wider audience, forge connections with potential customers and investors, and ultimately, propel their businesses forward.

Our SME360 team underscores the bank's commitment to empower small businesses with tailored advice and growth strategies, offering efficient and cost-effective banking solutions designed for the unique needs of MSMEs.

BIBD's participation at events such as the Consumer Fair and Local Product Expo also highlighted our unwavering commitment to nurturing local enterprises, supporting the growth and development of the community's economic landscape.

Through these events, we aim to empower the local business community by providing them with opportunities for growth, development and economic self-sufficiency.

BIBD believes in the potential of local enterprises to contribute significantly to the economic landscape of Brunei and we remain committed to the betterment of the community, fostering economic resilience and creating a conducive environment for local businesses to succeed.

Empowering the community

At BIBD, we firmly believe that our success is intricately woven with the well-being of the communities we serve. As an engaged community partner, we are driven by a shared responsibility to give back, share our blessings, and play a pivotal role in uplifting the quality of life for all. We recognise that education and empowerment are the seeds of a brighter future, and these principles guide our community investment strategy.

In 2023, we celebrated another momentous milestone - the 10th anniversary of our BIBD ALAF programme.

This flagship education initiative stands as a testament to our unwavering belief that everyone deserves access to education, regardless of background.

Over the past decade, BIBD ALAF has transformed the lives of 272 underprivileged students, providing them with comprehensive support encompassing financial assistance, mentorship, and guidance.

During the year, we celebrated the graduation of our first BIBD ALAF student from the prestigious Al-Azhar University in Egypt. This achievement, accompanied by the

ongoing academic journeys of two students at Al-Azhar and the University of Nottingham, and over 30 students at local universities, serves as a powerful testament to the programme's success.

During the 10th-anniversary celebration, we also presented the BIBD ALAF Star Awards to 83 outstanding ALAF students who excelled in public examinations during the 2022 academic session.

Recognising the critical role women play in driving societal and economic progress, we remain steadfast in our commitment to female empowerment.

In 2023, we witnessed the graduation of 12 participants from the 5th cohort of BIBD SEED. Six of the 12 entrepreneurs would follow their passion in the food and beverage industry while the remaining six will be operating their businesses in the service industry. These female entrepreneurs comprise of targeted segments under the Islamic Dakwah Centre, Ministry of Religious Affairs; the Brunei Islamic Religious Council; the Community Development Department under the Ministry of Culture Youth and Sports as well as the Single Mothers Association.

We also welcomed the sixth cohort of this transformative programme which is aimed at developing the participants and instilling a 'growth mindset' that is resilient and competitive, and to always seek opportunities for self-improvement and business endeavours, in line with current dynamics of the business environment.

Investing in our community is not just a corporate responsibility; it is an investment in the future of Brunei. We believe that by fostering education, empowering women, and addressing critical community needs, we can collectively create a brighter, inclusive and a sustainable future for all.

Collaboration at the Heart of BIBD's Growth Strategy

At BIBD, we firmly believe that collaboration is the key to national progress. By joining forces with diverse stakeholders across the public and private sectors, we can create synergies that empower entrepreneurs, drive innovation, and unlock the full potential of Brunei's vibrant talent pool.

A prime example of our collaborative spirit is Projek Tunas, a joint initiative with the Ministry of Home Affairs, which is currently supporting 235 entrepreneurs from targeted segments by providing them with financial assistance, training workshops, and mentorship, alongside opportunities to showcase their products at prestigious events like the MSME Festival and BIBD's Gema Syawal.

BIBD's involvement as a financial institution providing initial capital injection has instilled motivation and confidence among the youth to venture into the desired fields of agriculture.

With the collaborative project between the MPRT and BIBD, the challenge of securing start-up capital, often

faced by youth, no longer remains a major obstacle to the government's initiative of fostering youth engagement in the agricultural sector as a lucrative career option.

Looking ahead, we remain committed to forging new partnerships and strengthening existing ones. We believe that by working together, we can foster a future where Bruneian businesses flourish, innovation thrives, and our nation's diverse talents truly shine.

Extending a Helping Hand: BIBD's Commitment to Social Responsibility

In 2023, we remained steadfast in our dedication to serving those in need through a multitude of impactful initiatives and donations, driven by our core values, our adherence to Maqasid Shariah and our unwavering commitment to supporting the less fortunate.

For over a decade, the Sirah Amal programme has been a beacon of support, providing financial assistance and essential resources to disadvantaged families and individuals. In 2023, the programme continued its legacy of compassion and support, reaching out to those in need and making a tangible difference in their lives.

We also provided support to nearly 4,000 orphans, not only through donations but also through academic awards. This multi-pronged approach aimed to not only alleviate their immediate needs but also empower them to build brighter futures through education.

As a responsible corporate citizen, BIBD is proud of the impact it has made and remains dedicated to continuously seeking new ways to contribute to the well-being of our community.

Investing in Our People

Building on our dedication to both societal contributions and strategic collaborations, we now focus on our internal community - our employees - underscoring the importance of investing in our people as a pivotal component of BIBD's overarching strategy. At BIBD, employee development remains at the heart of our organisational strategy. By fostering a culture of continuous learning, providing growth opportunities, and prioritising their well-being, we are building a workforce equipped to excel in an ever-evolving landscape.

In 2023, we recorded the highest number of learning days in BIBD's history, with an unprecedented 5,278 days dedicated to upskilling and growth. This figure represents a remarkable 58.2% increase compared to 2022 and 14% higher than our previous record.

These learning days encompass a diverse range of training programs, workshops, and certifications, empowering our employees to acquire new skills, enhance their knowledge, and remain at the forefront of their respective fields.

In line with enhancing our workplace environment, the Board also approved a comprehensive revision of several policies aimed at improving employee well-being. These

revisions include changes to working hours, expanded windows for leave utilisation, increased compassionate leave allotments, and amended medical leave policies.

We also take pride in supporting our employees who represent Brunei internationally, acknowledging their contributions to both the nation and organisation.

These improvements are being implemented in stages, demonstrating our commitment to creating a work environment that prioritises both professional growth and personal well-being.

Among the notable achievements this year, six individuals successfully attained certification in Green and Sustainable Financing by the Chartered Bankers' Institute, solidifying their expertise in this increasingly crucial field. Additionally, eight employees have also obtained certifications from the Chartered Institute of Personnel and Development (CIPD).

This accomplishment reflects their dedication to sustainability and exemplifies BIBD's commitment to fostering talent aligned with our values.

Additionally, we recognised and appreciated the efforts of 49 employees from 15 branches who played a vital role in the renewal of our ISO 9001:2015 certification, a testament to the consistent quality management practices and commitment to excellence upheld by our employees.

Looking ahead, we remain dedicated to fostering a vibrant and engaging work environment that fuels continuous learning, prioritises well-being, and recognises achievements. By empowering our people, we empower BIBD to reach even greater heights and contribute meaningfully to the growth and prosperity of Brunei Darussalam.

A Year Marked by Excellence

In 2023, our A- Stable rating from S&P Global, is a direct result of our adherence to prudent and sound financial practices. This steadfast rating, consistent since 2015, underscores our commitment to Islamic finance and community service, while also highlighting our strong capitalisation and robust funding profile.

Furthermore, we successfully renewed our ISO 9001:2015 certification, reaffirming our unwavering commitment to providing consistent, high-quality services and adhering to international standards. These achievements underscore our dedication to continuous improvement and exceeding expectations.

The highlight of the year was BIBD winning 'Bank of the Year 2023' bestowed upon us by The Banker, a globally renowned institution setting the gold standard for banking excellence.

We also earned numerous other awards including 'Strongest Bank in Brunei' and 'Strongest Islamic Bank in Brunei' by The Asian Banker, and 'Safest Bank in Brunei'

and 'Best Islamic Bank in Brunei' by Global Finance which symbolise our dedication to perfection and excellence.

Additionally, the recognition of BIBD Asset Management (BIBD AM) as 'Asset Manager of the Year' for Brunei by The Asset stands as a testament to their expertise and dedication to delivering superior returns for their clients.

These elements are crucial for BIBD's future growth and resilience, ensuring we continue to serve our community effectively while navigating the complexities of the global financial landscape. Our unwavering focus on maintaining high standards of financial health and operational integrity not only reinforces our market position but also affirms our dedication to upholding the principles of sound financial management and ethical banking practices, in line with our commitment to Islamic finance.

In Closing

On behalf of the BIBD family, our heartfelt thanks go to our honourable Chairman and members of the BIBD Board, the Chairman and members of the Shariah Advisory Board whose insightful guidance and wisdom have been invaluable in navigating our course to success.

I am also grateful to the senior management and leadership teams for their resolute commitment to achieving BIBD Group's goals and targets, allowing us to navigate complex landscapes and secure notable achievements.

My gratitude extends to the Government of His Majesty the Sultan and Yang Di Pertuan of Brunei Darussalam,

the Ministry of Finance and Economy, and our regulators Brunei Darussalam Central Bank (BDCB) for their steadfast trust and support, providing us with unique opportunities to contribute to the growth of Brunei's economy and local financial industry.

Anchored by Brunei Vision, we are committed to playing our part in executing our Sustainable Development Goals. Through innovative financial solutions and social responsibility initiatives, we're working hard to make this vision a reality. Looking ahead, we are optimistic about the future. With the spirit of teamwork and dedication, In Shaa Allah, BIBD will continue to scale to even greater heights, continuing to pushing the envelope, embrace innovation and deliver exceptional service to our customers and shareholders who are at the heart of everything we do.

We thank you for entrusting us with your financial aspirations and allowing us to be your partner in progress. Your success is our greatest reward.

*Wabillahi Taufik Walhidayah Wassalamu 'Alaikum
Warahmatullah Hi Wabarakatuh*

Junaidi bin Haji Masri
Managing Director and CEO
BIBD

Our People



Board of Directors



**Yang Berhormat Dato Seri Setia
Dr. Awang Haji Mohd Amin Liew bin Abdullah**
Chairman of the Board / Independent Director

Date of Appointment: 30 January 2018
Length of Tenure as Director: 6 years
Shares held as BIBD Nominee in the Bank: 2 shares

Board Committees served on:

- Audit and Finance Sub-committee
- Executive Committee

Qualifications:

- Member of Chartered Financial Analyst (CFA), Singapore
- PhD in Corporate Finance, Imperial College, University of London
- Master's Degree in Management, Imperial College, University of London
- Bachelor's Degree (First Class) in Computer Science and Statistics, Queen Mary College, University of London

Relevant Experience:
 Yang Berhormat Dato Seri Setia Dr. Awang Haji Mohd Amin Liew bin Abdullah (YB Dato Dr Amin) was appointed as the Minister at the Prime Minister's

Office and Minister of Finance and Economy II on 27 September 2018, and before that was holding the position of the Minister of Finance II from 30 January 2018. Prior to these appointments, he was the Deputy Minister of Finance (Investment), while holding the CEO position of Darussalam Assets Sdn Bhd ("DA"), an investment holding company owned by the Minister For Finance Corporation, Brunei Darussalam.

Before joining DA, he held several key positions with the Brunei Government, including being appointed as the Permanent Secretary of the Ministry of Finance, the Permanent Secretary of the Ministry of Industry and Primary Resources and the Managing Director of the Brunei Investment Agency.

Prior to his tenure with the Brunei Government, he worked as a Crude Oil Trader with Brunei Shell Petroleum Co Sdn Bhd in the mid-nineties after returning from the United Kingdom where he worked for ICI Finance PLC as a research analyst in the late 80's / early 90's.

Further details of Board Member Directorships and other disclosures are outlined in the Corporate Governance Report.



Dr. Jan Hendrik (Hennie) van Greuning
Independent Director

Date of Appointment: 31 December 2010
Length of Tenure as Director: 13 years

Board Committees served on:

- Audit Finance and Risk Committee

Qualifications:

- Chartered Financial Analyst (CFA)
- Chartered Accountant, South Africa and Canada
- Doctorate Degrees in Accounting Science and Monetary Economics

Relevant Experience:
 Dr. Hennie was previously a Senior Advisor in the World Bank Treasury, focusing on Operational Risk Management in the Treasury environment, as well as Islamic Banking issues. He was a member of the Board of First Rand Limited (a listed bank holding company in South Africa), for nine years, until November 2017. He taught a Master's class in Finance at George Washington University for several years and has co-authored six editions of the World Bank's publication on International Financial Reporting Standards:

A Practical Guide. He has also co-authored books on conventional as well as Islamic banking risk. His publications have been translated into more than 15 languages.

Further details of Board Member Directorships and other disclosures are outlined in the Corporate Governance Report.



Awang Sofian bin Mohammad Jani
Independent Director

Date of Appointment: 19 March 2020

Length of Tenure as Director: 4 years

Shares held as BIBD Nominee in the Bank: 2 shares

Board Committees served on:

- Audit Finance and Risk Committee
- Human Resources Remuneration and Nomination Committee
- Executive Committee

Qualifications:

- BA (Hons) Degree in Economic and Social Studies in Accounting & Finance, Victoria University of Manchester, United Kingdom
- Chartered Financial Analyst (CFA)

Relevant Experience:

Haji Sofian is a CFA charterholder with more than 24 years of investment management experience. He is currently the Managing Director for Brunei Investment Agency.

He began his career at Portfolio Asset Management Department and later moved to Research and Business Development in 2001. In 2005, he was promoted to Assistant General Manager and transferred to Internal Fund Management. He was appointed as Head of Listed Market in 2012 before heading the Investment Department in 2014. In 2018, he was confirmed as Senior Assistant Managing Director.

Further details of Board Member Directorships and other disclosures are outlined in the Corporate Governance Report.



Mr Errol Melville Kruger
Independent Director

Date of Appointment: 1 October 2023

Length of Tenure as Director: > 1 year

Board Committees served on:

- Audit Finance and Risk Committee
- Human Resources Remuneration and Nomination Committee

Qualifications:

- Chartered Financial Analyst (CFA)
- Chartered Accountant, South Africa and Canada
- Doctorate Degrees in Accounting Science and Monetary Economics

Relevant Experience:

- Expertise in retail and investment banking and other financial services, macroeconomic and public policy, business strategy and strategic planning, stakeholder management, human resources and marketing..
- Experience in regulatory affairs, doing business in emerging economies, corporate governance and stakeholder management, and banking and financial services.

He was with the South African Reserve Bank (SARB) from July 1978, and from September 2003 to July 2011, he was the Registrar of Banks at SARB. As the Registrar of Banks, Errol represented South Africa as a full member of the Basel Committee on Banking Supervision from 2009 to 2011, and he successfully project-managed early adoption and full implementation of both the revised 25 Basel Core Principles for Effective Banking Supervision and Basel II. Errol was appointed as Managing Director of Supervision and Authorisation at the Qatar Financial Centre Regulatory Authority on 1 August 2011, whereafter he was also appointed by the board of the Qatar Central Bank to serve on Qatar's Financial Stability and Risk Control Committee. He relinquished his role at the Qatar Financial Centre Regulatory Authority on 31 July 2016. Errol also serves as an Independent Non-executive Director of Nedbank Group Limited, Nedbank Limited, Capital Appreciation Limited and is the Chairperson of the Board of Directors of Nedbank Private Wealth Limited (Isle of Man).

Further details of Board Member Directorships and other disclosures are outlined in the Corporate Governance Report.



Awang Junaidi bin Haji Masri

Executive Director/Managing Director & Chief Executive Officer

Date of Appointment: 1 February 2010

Length of Tenure as Director: 14 years

Shares held as BIBD Nominee in the Bank: 2 shares

Shares held as BIBD Nominee in BIBD At-Tamwil Berhad: 1 share

Board Committees served on:

- Audit, Finance and Risk Committee
- Human Resources Remuneration and Nomination Committee
- Executive Committee

Qualifications:

Bachelor's Degree in Computer and Management Sciences,
Keele University, United Kingdom

Relevant Experience:

With over 30 years of working experience, he has held various positions in Brunei Investment Agency (BIA) and the Ministry of Finance and Economy (MOFE). In BIA, he managed investments globally as Director of Venture Capital and Strategic Investments and in 2014 he was appointed as the Acting Managing Director of BIA until his confirmation as Managing Director in 2017. Subsequently, in August 2018, Junaidi was appointed as the Managing Director of MOFE's Strategic Development Capital Fund and responsible in managing the Foreign Direct Investment portfolio. During this period, he was appointed as a member on the Board of Directors of the Government-Linked Companies under MOFE.

Junaidi was appointed as Executive Director of BIBD effective July 2022.

Further details of Board Member Directorships and other disclosures are outlined in the Corporate Governance Report.

Shariah Advisory Body



BIBD



Associate Professor Dr Abdul Nasir bin Haji Abdul Rani
Chairman

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Economics and Muamalat Administration, Islamic Science University of Malaysia;
- Master's Degree in Economics and Islamic Banking, Yarmouk University, Hashemite Kingdom of Jordan;
- Bachelor's Degree in Islamic Studies (Shariah), University Brunei Darussalam.

Relevant Experience:

Associate Professor Dr Abdul Nasir is the Dean of Faculty Islamic Economics and Finance, Sultan Sharif Ali Islamic University (UNISSA). He is the Chairman of BIBD At-Tamwil Berhad's Shariah Advisory Body and a member of the Board of Directors, Syarikat Takaful Brunei Darussalam. He has been a part of the Islamic finance industry in many areas namely Shariah advisory, academician, lecturer and trainer. He has published many books, research papers and articles in various academic journals and publications. He also presented in various conferences both local and overseas as well as conducted a number of Islamic finance trainings locally.



Dayang Hajah Noraini binti Haji Buntar
Deputy Chairperson

Date of Appointment: 27 October 2023

Qualifications:

- Master's Degree in Islamic Revealed Knowledge and Heritage (Fiqh and Usul Al-Fiqh), International Islamic University Malaysia (IIUM);
- Bachelor's Degree in Syariah Islamiah, Al-Azhar University, Egypt;
- Certificate Holder of Fiqh Muamalat Professional Programme, Brunei Institute of Leadership & Islamic Finance (BILIF), Brunei Darussalam

Relevant Experience:

Dayang Hajah Noraini is a Senior Istibat Officer in the Ifta Department, State Mufti Office and was appointed as a member of the BIBD SAB since 2018. She also presented in various conferences and speaker in many forums both local and overseas preaching Islamic religion. She has vast experience in conducting Shariah Research at the State Mufti's office and was directly involved in issuing the fatwa for the country.



Dr Haji Mohd Aidil Yusrie bin Haji Shari
Member

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Syariah, Sultan Sharif Ali Islamic University (UNISSA);
- Master's Degree in Syariah, Sultan Sharif Ali Islamic University (UNISSA);
- Bachelor's Degree in Shariah, Universiti Brunei Darussalam (UBD);
- Investment Foundations Certificate, Chartered Financial Analyst (CFA) Institute.

Relevant Experience:

Dr Haji Mohd Aidil Yusrie is the Head of the Sukuk Financing Office, Treasury Department, Ministry of Finance and Economy, Brunei Darussalam. He is the member of BIBD Shariah Advisory Body. He also a member of the Board of Directors of Bank Usahawan Berhad and Bursa Brunei Darussalam. He has over 15 years of experience in the field of Islamic finance which includes industry and regulatory. Previously, he was an Assistant Professor (Islamic Finance) at UNISSA and Islamic Finance Specialist at Islamic Development Bank Group (IsDB), Jeddah. He also was the Manager of Capital Market Supervision at Regulatory Department, Brunei Darussalam Central Bank (BDCB) and at the same time attached to the Islamic Capital Market Business Group of Securities Commission Malaysia (SC). Prior to joining BDCB, he was the Deputy Manager of Shariah Department, BIBD.



Dr Amnisuhailah binti Abarahan

Member

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Islamic Finance, International Centre for Education in Islamic Finance (INCEIF)
- Master of Islamic Revealed Knowledge and Heritage, Fiqh & Usul Fiqh (Islamic Jurisprudence) specialising in Islamic Banking (Fiqh Muamalat); International Islamic University Malaysia (IIUM)
- Bachelor of Islamic Revealed Knowledge and Heritage, Fiqh & Usul Fiqh (Islamic Jurisprudence) (Hons) minoring in Comparative Religious; International Islamic University Malaysia (IIUM)

Relevant Experience:

Dr Amnisuhailah is Deputy Dean, Faculty of Islamic Economics and Finance, UNISSA. She is an Associate Member of Associations of Shariah Advisers in Islamic Finance (ASAS), Malaysia and of the Chartered Institute of Islamic Finance Professionals (CIFP), Malaysia. She is also a member of BIBD Securities Sdn Bhd's Shariah Advisory Body



Hj Muhammad Ahmad Roza bin Haji Md. Daud

Member

Date of Appointment: 28 November 2023

Qualifications:

- Masters Degree in Fiqh wa Ushuluh, Jordan University, Jordan
- Bachelor's Degree in Syariah Islamiyyah, Al-Azhar University, Egypt

Relevant Experience:

Hj Muhammad Ahmad Roza is a Senior Istibat Officer at the State Mufti's Office. He was appointed as a member of the BIBD SAB in November 2023. He has vast experience in conducting Shariah research at the State Mufti's Office. This research includes current Islamic finance issues such as Islamic Investment, Forex Trading, Insurance, Riba, and others. He also presented and attended local and overseas conferences and forums preaching the Islamic religion. He has published many articles and research papers and was directly involved in issuing the fatwa for the country.

BIBD Securities



Dr Haji Mohd Aidil Yusrie bin Haji Shari
Chairman

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Syariah, Sultan Sharif Ali Islamic University (UNISSA);
- Master's Degree in Syariah, Sultan Sharif Ali Islamic University (UNISSA);
- Bachelor's Degree in Shariah, Universiti Brunei Darussalam (UBD);
- Investment Foundations Certificate, Chartered Financial Analyst (CFA) Institute.

Relevant Experience:

Dr Haji Mohd Aidil Yusrie is the Head of the Sukuk Financing Office, Treasury Department, Ministry of Finance and Economy, Brunei Darussalam. He is the member of BIBD Shariah Advisory Body. He also a member of the Board of Directors of Bank Usahawan Berhad and Bursa Brunei Darussalam. He has over 15 years of experience in the field of Islamic finance which includes industry and regulatory. Previously, he was an Assistant Professor (Islamic Finance) at UNISSA and Islamic Finance Specialist at Islamic Development Bank Group (IsDB), Jeddah. He also was the Manager of Capital Market Supervision at Regulatory Department, Brunei Darussalam Central Bank (BDCB) and at the same time attached to the Islamic Capital Market Business Group of Securities Commission Malaysia (SC). Prior to joining BDCB, he was the Deputy Manager of Shariah Department, BIBD.



Dr Amnisuhailah binti Abarahan
Member

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Islamic Finance, International Centre for Education in Islamic Finance (INCEIF)
- Master of Islamic Revealed Knowledge and Heritage, Fiqh & Usul Fiqh (Islamic Jurisprudence) specialising in Islamic Banking (Fiqh Muamalat); International Islamic University Malaysia (IIUM)
- Bachelor of Islamic Revealed Knowledge and Heritage, Fiqh & Usul Fiqh (Islamic Jurisprudence) (Hons) minoring in Comparative Religious; International Islamic University Malaysia (IIUM)

Relevant Experience:

Dr Amnisuhailah is Deputy Dean, Faculty of Islamic Economics and Finance, UNISSA. She is an Associate Member of Associations of Shariah Advisers in Islamic Finance (ASAS), Malaysia and of the Chartered Institute of Islamic Finance Professionals (CIIFF), Malaysia.



Pg Hjh Saerah binti Pg Hj Petra
Member

Date of Appointment: 27 October 2023

Qualifications:

- Master's Degree in Islamic Banking and Finance, University of Brunei Darussalam (UBD).
- Bachelor's Degree Major in Economics and Minor in Islamic Banking and Finance, UBD.
- Higher National Diploma in Accounting and Business, Institute Technology Brunei (ITB).
- Professional Certificate in Microfinance, The Microfinance, Kent.

Relevant Experience:

Pg Hjh Saerah is a Lecturer at the UBD School of Business and Economics. She was awarded the ASEAN Peoples Awards (APA) and Teaching Excellence Awards (Business). Her specialization is in Islamic Microfinance, Entrepreneurship and SMEs, Cost-Accounting and Control, and Business Ethics. She has published many journal and articles, books and research papers in various academic journals and publications.

BIBD At-Tamwil



Associate Professor Dr Abdul Nasir bin Haji Abdul Rani
Chairman

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Economics and Muamalat Administration, Islamic Science University of Malaysia;
- Master's Degree in Economics and Islamic Banking, Yarmouk University, Hashemite Kingdom of Jordan;
- Bachelor's Degree in Islamic Studies (Shariah), University Brunei Darussalam.

Relevant Experience:

Associate Professor Dr Abdul Nasir is the Dean of Faculty Islamic Economics and Finance, Sultan Sharif Ali Islamic University (UNISSA). He is the Deputy Chairman of BIBD Shariah Advisory Body and member of Syarikat Takaful Brunei Darussalam's Board of Directors. He has been a part of the Islamic finance industry in many areas namely Shariah advisory, academician, lecturer and trainer. He has published many books, research papers and articles in various academic journals and publications. He also presented in various conferences both local and overseas as well as conducted a number of Islamic finance trainings locally.



Pengiran Dr Md Hasnol Alwee Pengiran Haji Md Salleh
Member

Date of Appointment: 27 October 2023

Qualifications:

- PhD in Islamic Finance from Durham University, United Kingdom.
- Master of Science Finance (MSc Finance), Lancaster University, the United Kingdom
- Bachelor's Degree in Business Administration, University Brunei Darussalam

Relevant Experience:

Pg Dr Md Hasnol Alwee is a lecturer at School of Business and Economics, University Brunei Darussalam (UBD) since 2009. He had taught few modules related to Islamic banking and finance, such as Introduction to Islamic Banking and Finance, Islamic Business Ethics, Investment in Islamic Finance, and Islamic Microfinance. His expertise and interest are in a research area related to Islamic financial literacy, Financial Literacy, Awqaf, and Social Finance. He has published many journal articles, chapters in books, and research papers in various academic journals and publications.



Haji Md Syahiran bin Haji Md Sofian
Member

Date of Appointment: 27 October 2023

Qualifications:

- Master's Degree in Syariah, Sultan Sharif Ali Islamic University (UNISSA);
- Bachelor's Degree in Shariah, Al-Azhar University, Egypt.

Relevant Experience:

Haji Md Syahiran is a Director, Centre of Fundamental Knowledge at the Religious Teachers University College of Seri Begawan (KUPUSB). He has strong Shariah background with relevant banking and finance knowledge. His experience in teaching began in 2007 and to date has conducted many Shariah and Finance courses, namely Principles of Fiqh (*Usul Fiqh*), Islamic Legal Maxims (*Qawa'id Fiqhiyyah*), Fiqh Muamalat & Current Issues and Fatwas of jurisprudential rulings (*Fatawa Al-Ahkam AlFihiyyah*).

Heads of Division



Management



Awang Junaidi bin Haji Masri
Managing Director & CEO

With over 30 years of working experience, he has held various positions in Brunei Investment Agency (BIA) and the Ministry of Finance and Economy (MOFE). In BIA, he managed investments globally as Director of Venture Capital and Strategic Investments and in 2014 he was appointed as the Acting Managing Director of BIA until his confirmation as Managing Director in 2017. Subsequently, in August 2018, Junaidi was appointed as the Managing Director of MOFE's Strategic Development Capital Fund and responsible in managing the Foreign Direct Investment portfolio. During this period, he was appointed as a member on the Board of Directors of the Government-Linked Companies under MOFE.



Hajah Noraini binti Haji Sulaiman
Deputy Managing Director I

Hajah Noraini was previously the Deputy Managing Director of BIBD and Acting Managing Director of Syarikat Takaful Brunei Darussalam, on secondment from BIBD. She was also the Chief Financial Officer for BIBD, and has held other accounting and financial roles in various Bruneian companies such as Brunei Shell Petroleum Sdn Bhd. Currently, she is the director for BIBD At-Tamwil Berhad, BIBD Securities, BIBD Management Services, Pantai Jerudong Specialist Centre and Jerudong Park Medical Centre. She was also a director in Tabung Amanah Pekerja (TAP) and the Chairman for the TAP Audit Committee. She is a member of the Brunei Darussalam Accounting Standards Council.



Irwan bin Haji Lamit
*Deputy Managing Director II,
Head of Retail Banking & Chief Information Officer*

Irwan joined BIBD to lead the Retail Banking Group. He has more than fifteen years of experience in the Finance industry, of which, he has served as the Managing Director and a member of the Board of Directors of BIBD At-Tamwil Berhad since 2011. As a result of Irwan's leadership, BIBD At-Tamwil became one of the most profitable finance companies in the country, and has enjoyed continuous and uninterrupted increase in profits from 2006 to 2017. YM Irwan is a qualified Chartered Accountant and is a fellow member of the Association of Chartered Certified Accountants (ACCA). Prior to joining the BIBD group, YM Irwan has a brief stint with Brunei Shell Marketing Company Sdn Bhd. YM Irwan holds a BSc (Hons) in Applied Accounting from Oxford Brookes University, UK and recently received his EMBA from University of Oxford, UK.



Haji Minorhadi bin Haji Mirhassan
Chief Operating Officer

Haji Minorhadi has spent the last 30 years in the banking and finance industry. His early banking career started with the HSBC Group since 1989, then to Islamic Development Bank of Brunei (IDBB) in 2005, which subsequently merged with Islamic Bank of Brunei (IBB) to become Bank Islam Brunei Darussalam (BIBD). Haji Minorhadi is currently the Chief Operating Officer (COO) for BIBD.

Throughout his career, he has held leadership roles in Corporate Banking, Retail Banking, Institutional Banking businesses including Marketing & Public Affairs, as well as various landmark projects and financing assignments. He was responsible for setting up of the HSBC Amanah Finance office in Brunei Darussalam and was entrusted with additional subsidiary directorship responsibilities in HSBC Finance Sdn Bhd and BIBD Securities Sdn Bhd. He has overseas working experience in Kuala Lumpur, Dubai and Hong Kong. Previously, he was also appointed to sit in various Government related working committees such as the National Wawasan 2035 working committee, the Narcotics Control Bureau (NCB) Pusat Al Islah advisory committee, the National Development Plan (NDP) committee and the Universiti Brunei Darussalam (UBD) council. He was also the founding Chairman for the Brunei Darussalam Capital Markets Association (BCMA).

Haji Minorhadi earned his BTEC Higher National Diploma in Business and Finance from Institut Teknologi Brunei (ITB) in 1989, now known as Universiti Teknologi Brunei (UTB), achieved best student and won the HSBC Excellence in Business award. He completed an executive Master of Business Administration (MBA) from the Singapore Management University (SMU) in 2013. Additionally, he holds an Islamic Financial Planning Certificate (IFPC) from Hijrah Financial Planners, the Islamic Finance Qualification (IFQ) from the Chartered Institute for Securities and Investments (CISI), a Foundation in Design Thinking Certificate from IDEO U and a Fintech: Innovation and Transformation in Financial Services certificate from the National University of Singapore (NUS) Business School.



Tan Pheong Leong
Chief Financial Officer

Pheng Leong has more than 20 years of experience working in the financial services industry as a Chief Financial Officer (CFO) and auditor of various financial institutions. He joined BIBD as the CFO in 2017 heading the Finance Division and is responsible for the financial matters of the group. Prior to joining BIBD, Pheng Leong worked for an international audit firm in Singapore, United Kingdom, Taiwan and Brunei and was a partner in Brunei and Singapore looking after clients in a range of industries from banking, insurance, fund management, oil and gas and telecommunication. He advised clients in International Financial Reporting Standards (IFRS) conversions and audited the financial statements of a number of banks and insurance companies under IFRS. Pheng Leong has a strong appreciation of global working practices, IFRS and IFRS conversion, having worked with BIBD in Brunei and offices in various countries. Pheng Leong obtained a Bachelor Degree in Accounting (First Class Honours) from Nanyang Technological University and is a Chartered Accountant of the Institute of Singapore Chartered Accountants, the Institute of Chartered Accountants in England and Wales as well as a Certified Public Accountant of the Brunei Darussalam Institute of Certified Public Accountants. He is also a Certified Financial Analyst of the CFA Institute.



Effendy bin Othman

General Counsel & Company Secretary

Prior to joining BIBD, Effendy was in private legal practice in Kuala Lumpur for 24 years, of which 10 years was as a senior partner with the largest regional law firm in Malaysia with presence in all the Asean countries. Effendy's clients ranged from local and international financial institutions, multinational, public and public listed companies. Effendy is a certified company secretary with the Malaysian Association of Company Secretaries.

He is also the co-author of several publications including the Malaysian Company Law: Principles and Practice (3rd Ed. 2021 - Wolters Kluwer), the author for the Malaysian chapter on Asian Conflict of Laws - East and South East Asia (2017- Wolters Kluwer), and the contributor for Malaysia for the Global Perspectives on the Hague principles chapter of the Choice of Law in International Commercial Contracts (2021 - Oxford University Press).

Effendy graduated with First Class honours in law from the International Islamic University, Malaysia. He also holds Masters' Degree in Law from the University of Cambridge and the London School of Economics and Political Science.



Edmundo Horacio Uribe Bobadilla

Chief Risk Officer

Edmundo has thirty years of International banking experience, twenty-four years in Risk Management and six in Corporate and Investment Banking. He has worked for twenty-two years in Bank of America, Chase Manhattan Bank and lately for Citibank. He has worked in the Middle East in Islamic banking for Bank Aljazira in Saudi Arabia, Al Khaliji France in Qatar and Emirates Islamic in Dubai where he was invited to upgrade the risk functions and to implement international best practices, including various risk related trainings across different areas. In his previous job, as Head of Credit and Risk at Emirates Islamic, he fully revamped the risk structure, including processes, related systems and people. Edmundo holds a Bachelor's degree in Business Administration from Universidad Iberoamericana and a Master's in Finance from University of Exeter.



Pengiran Suhardy bin Pengiran Haji Nordin

Acting Chief Human Resources Officer

Pengiran Haji Suhardy bin Pengiran Haji Nordin currently serves as the Acting Chief Human Resource Officer at BIBD, where he has accumulated 33 years of service. His career at the bank includes roles such as Government Relations & Protocol Advisor, Head of Branches, and Area Manager among others, indicating a broad exposure to various facets of banking operations and management. Suhardy holds a Master of Science in Management and Human Resource Management from The Nottingham Trent University, obtained in 2006. His professional journey within the bank demonstrates a consistent upward trajectory, transitioning from entry-level positions to senior management roles, reflecting his expertise in human resources, branch management, and corporate banking.



Hajah Nurul Akmar binti Haji Mohd Jaafar
Chief Marketing Officer

Hajah Nurul has been with BIBD for more than twenty five years with experience across the areas of finance, investment and retail banking. She has been involved in the key transformations of BIBD's strategic initiatives including rebranding, product innovations, customer service excellence and strengthening of the brand equity.

She pioneered BIBD's CSR programmes since 2008 that underscored the Bank's 'Bruneian at Heart' values, with flagship initiatives including BIBD ALAF. Now assigned as the Chief Marketing Officer to lead the strategic marketing role for the Group of companies to further elevate BIBD's brand equity and positioning, and the Group to be at par with the best within the industry, regionally and globally. She has recently been appointed as lead of the organisation's Sustainable Transformation Group, which has established the Bank's Sustainability Framework and roadmap for the Group of companies announced during the ASEAN Business Investment Summit 2021.

Hajah Nurul holds a BA in Accounting & Finance from United Kingdom and was an Islamic Bank of Brunei Scholar prior to joining BIBD in 1995.



Koh Swam Sing
Head of Corporate Banking

Swam Sing has vast knowledge and experience working in Corporate Banking as well as in Operations and Credit Risk. His career began with the Island Development Bank Bhd in 1983 where he held various positions in branch operations, administration and credit management. As one of the pioneer members of BIBD, he played a key role in the Bank's transformation into Islamic financial banking and services, and has been instrumental in introducing some of the Bank's core offerings. He currently leads the Corporate Banking Division which is responsible for building BIBD's Corporate Banking portfolio, and supporting local businesses that contribute to Brunei's infrastructure growth.



Hazimah Izzati binti Pehin Orang Kaya Johan Pahlawan Dato Seri Setia Awang Haji Adanan
Head of Treasury and Global Markets

Hazimah was recently appointed as the Head of Treasury & Global Markets Division in April 2021. With more than ten years of experience, Hazimah held several roles such as Money Market Dealer, Chief Dealer, Head of Foreign Exchange and Money Markets and the Deputy Head of TGM prior to her current role. Her primary responsibilities include the control and management of the Bank's capital and liquidity, with asset size of approximately USD 3 billion. Hazimah holds a Bachelor of Arts in Economic and Social Studies (Finance) from the University of Manchester. She is also a CFA charterholder.



Jason Wong

Managing Director, BIBD Securities

Jason has been with BIBD since 2012 and has worked across the entire Shariah asset management spectrum with over 10 years of investment management experience.

Prior to BIBD Securities, Jason headed the proprietary investment team of BIBD Bank and was responsible for the management of more than B\$1 billion worth of global market investments, including Sukuk (Islamic bonds), Islamic credit-linked notes (I-CLNs) and other medium-term investments. Additionally, Jason has worked at BIBD's Singapore representative office, BIBD's Debt Capital Markets (DCM) team and Citi London.

He holds a Master's degree (MSc) in Finance and a Master's degree (MEng) in Chemical Engineering, both from Imperial College London and is a CFA charter-holder.



Haji Mohd Said bin Haji Zania

Managing Director, BIBD At-Tamwil Berhad

Haji Mohd Said has twenty years of Brunei Banking and Finance industry experience. He joined BIBD At-Tamwil Berhad in 2000 and has been an ever-present figure in the ongoing success of BIBD At-Tamwil Berhad. In his previous role as Head of Operations, he has shown strong leadership qualities, and ability to manage strategic and operational matters has allowed significant improvements in the operations of BIBD At-Tamwil Berhad.



Ivy Wee Sheau Ng

Acting Head of Internal Audit

Ivy Wee Sheau Yng is the Acting Head of the Internal Audit Division at BIBD, with a tenure of 15 years at the bank. Her academic credentials include a Bachelor of Business in Accounting and a Certified Practicing Accountant designation, both from Edith Cowan University, Australia. Ivy's career at the bank has seen her occupying several significant roles, including Deputy Head of Internal Audit Division, Head of Operations and Customer Services in the COO Division, and Senior General Manager in both Operation and Customer Service, as well as Operation and Information Technology Divisions. Prior to joining BIBD, she was associated with PricewaterhouseCoopers Brunei, where she served as an Audit Manager and later as an Advisory & Assurance Manager, spanning a period from 1995 to 2008.



Hajah Hanifah binti Haji Jenan

Head of Shariah

Hajah Hanifah is BIBD's Head of Shariah with over ten years banking experience covering branch banking, recovery and legal advisory prior to taking the leading role of the Shariah Department. She is also experienced in Takaful matters which was gathered during her secondment to Takaful BIBD, where she looked after legal and claims matters. She holds a Bachelor's Degree (Hons) in Shariah from the University of Malaya, Malaysia, and a Diploma in Law and Administration of Islamic Judiciary from the International Islamic University of Malaysia (IIUM). She is a Certified Islamic Financial Planner from AlHijrah Consultancy and a certificate holder of Fiqh Muamalat Professional Programme (FMPP) from CIBFM Brunei.



Susanna Maria Goh Ghim Hong

Head of Compliance

Susanna has more than thirteen years of banking industry experience with more than seven specifically in the legal and compliance arena, having previously been the Head of Compliance for HSBC Brunei. She has also previously acted as Director for HSBC Finance (Brunei) Berhad. She joined BIBD as the Head of Compliance in July 2018 and manages the Compliance Division for BIBD, overseeing engagement with banking regulators and all aspects of financial crime compliance. She holds a Bachelor of Law LL.B honours degree from the University of Nottingham and is a qualified Barrister-at-Law.



Haji Mohammad Yusri bin Haji Wahsalfelah

Head of Government Relations and Special Projects

Haji Mohammad Yusri started his career as an economist under the Department of Economic Planning and Development at the Prime Minister's Office and was responsible for overseeing policy formulation and economic planning in the areas of Privatization, Public Private Partnership (PPP), Competition Policy, Fair Trade Practices, and Consumer Protection. He joined BIBD as a Senior Relationship Manager in 2012, overseeing the Bank's overall relationship with the Ministry of Finance, Government Linked Companies (GLCs), as well as other strategic stakeholders in the Government and Corporate agencies. Currently, Haji Mohammad Yusri heads the Government Relations and Special Projects Division, the bank's key focal point for collaboration with key stakeholders in government sectors. He holds an MSc in Economics from the University of Leicester, United Kingdom, and a Double Majors Degree in Economics and Financial Planning, from Curtin University of Technology, Western Australia.

**Lyndsay Spray***Deputy Chief Operating Officer*

Lyndsay joined BIBD in July 2020 and has 30 years of experience in the banking industry, with BIBD and HSBC Group. Her professional experience ranges from marketing, human resources and training and retail banking, with her expertise being operations. She spent 28 years with HSBC Brunei, during which time she was also seconded to Singapore, Vietnam and New Zealand. After her role as Head of Retail Banking and Chief Operating Officer for HSBC Brunei and prior to joining BIBD, she was the Chief Operating Officer in HSBC New Zealand. In her current role, Lyndsay oversees the operations of the branch network, as well as the operations and customer services department and provides support for the other Departments under the leadership of BIBD's Chief Operating Officer. Lyndsay holds a BSc in Financial Services from United Kingdom and Associateship of the Chartered Institute of Bankers, UK.

Section **2**

Corporate Governance

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Corporate Governance Report

Introduction

Building on our commitment to robust corporate governance to fortify transparency, integrity, and accountability across the BIBD Group.

In 2023, the BIBD Board of Directors (“**Board**”) continued to focus on enhancing and strengthening corporate governance in BIBD and its subsidiaries (“**BIBD Group**”). Recognizing the pivotal role of governance in driving sustainable growth and ensuring ethical conduct, the Board approved the implementation of several key governance initiatives aimed at enhancing transparency, integrity, and accountability across the BIBD Group.

It is with the above objective, that the Board had approved the following governance related documents for the BIBD Group:

- Revision to the Management of Conflict of Interest and Related Party Transaction Policy. This Policy aims to guide the Bank in effectively identifying, documenting, escalating, and addressing conflicts of interest and related party transactions, in line with the Islamic Banking Order (“**IBO**”) 2008, the Companies Act (Chapter 39), Principle 19 of the BDCB Corporate Governance Guidelines, and established best practices.

- BIBD Outsourcing Management Framework which serves as a guidance on the management of outsourcing activities undertaken by BIBD, particularly those that fall under the purview of the BDCB Outsourcing Guidelines and require BDCB’s approval.

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2.1.1

RISK MANAGEMENT REPORT BY THE CHIEF RISK OFFICER

BIBD has placed a significant emphasis on the role of risk management in ensuring a sustained and responsible long-term growth of the Group. In order to support BIBD's aspirations, a robust risk management function and respective processes, coupled with a strong awareness program have been placed to allow an independent assessment, monitoring and controls of all financial and non-financial risks across the BIBD Group.

The comprehensive management of all risks faced by BIBD is part of our wider efforts to uphold the highest standards of risk governance and compliance throughout the Group. BIBD undertakes a variety of businesses, and is required to be able to govern, monitor and report all risks with a clear enterprise and holistic approach.

BIBD has in place various Risk policies and processes intended to cover different risks across all businesses that are reviewed annually.

Risk Management Strategy

The BIBD Risk Management Strategy is reviewed and approved by the BIBD Board of Directors on an annual basis. The Risk Management Strategy provides a holistic approach in managing risks, triggers, and thresholds within BIBD Group.

Risk Appetite Statements

Within the Risk Management Strategy, holistic Risk Appetite Statements ("RAS") are established as primary risk parameters, and are aligned to the BIBD Group's overall risk management objectives:

- (a) To consistently exceed minimum regulatory capital requirements
- (b) To ensure sufficient levels of liquidity and funding
- (c) To manage the level of risk in the portfolio to an acceptable level,
- (d) To maintain external debt ratings.

Enterprise Risk Management Framework

The BIBD Group has embraced an enterprise-risk approach, covering 19 (nineteen) core risks, within its risk management structure. This is supported by the Enterprise Risk Management Framework ("ERMF") which provides a standardized approach to manage all risks within the BIBD Group. The key tools used within the ERMF are to establish, within each BIBD division, the proper governance, monitoring and controls to be tracked on a monthly and quarterly basis.

Risk Governance Structure

A strong governance structure is in place to ensure that the ERMF can be implemented effectively. While

the Board is ultimately responsible for BIBD's risk management activities, it has delegated its responsibilities on the oversight of BIBD risk management to its Board Committees; the Audit and Finance Sub-Committee ("AF"), the Risk Sub-Committee ("RC"), and the Executive Committee ("ExCom"). These Board Committees are updated on risk-related matters on a quarterly and monthly basis or as and when required. The Shariah Advisory Body ("SAB") has also been delegated by the Board to provide oversight over Shariah matters, including Shariah Risk. The SAB meets at least every quarterly and are updated on Shariah matters including any Shariah related risk issues where their SAB's guidance can be sought.

At Management level, the Group Risk is managed by the established committees of the Credit Risk Committee ("CRC"), the Asset & Liabilities Committee ("ALCO"), Capital Committee ("CC") and Enterprise Risk Management Committee ("ERMC"). These management committees meet on a weekly, monthly, bi-monthly, and quarterly basis, respectively. Specific matters such as the Capital Adequacy ("ICAAP") and the Recovery Plan are reviewed within the ERM.

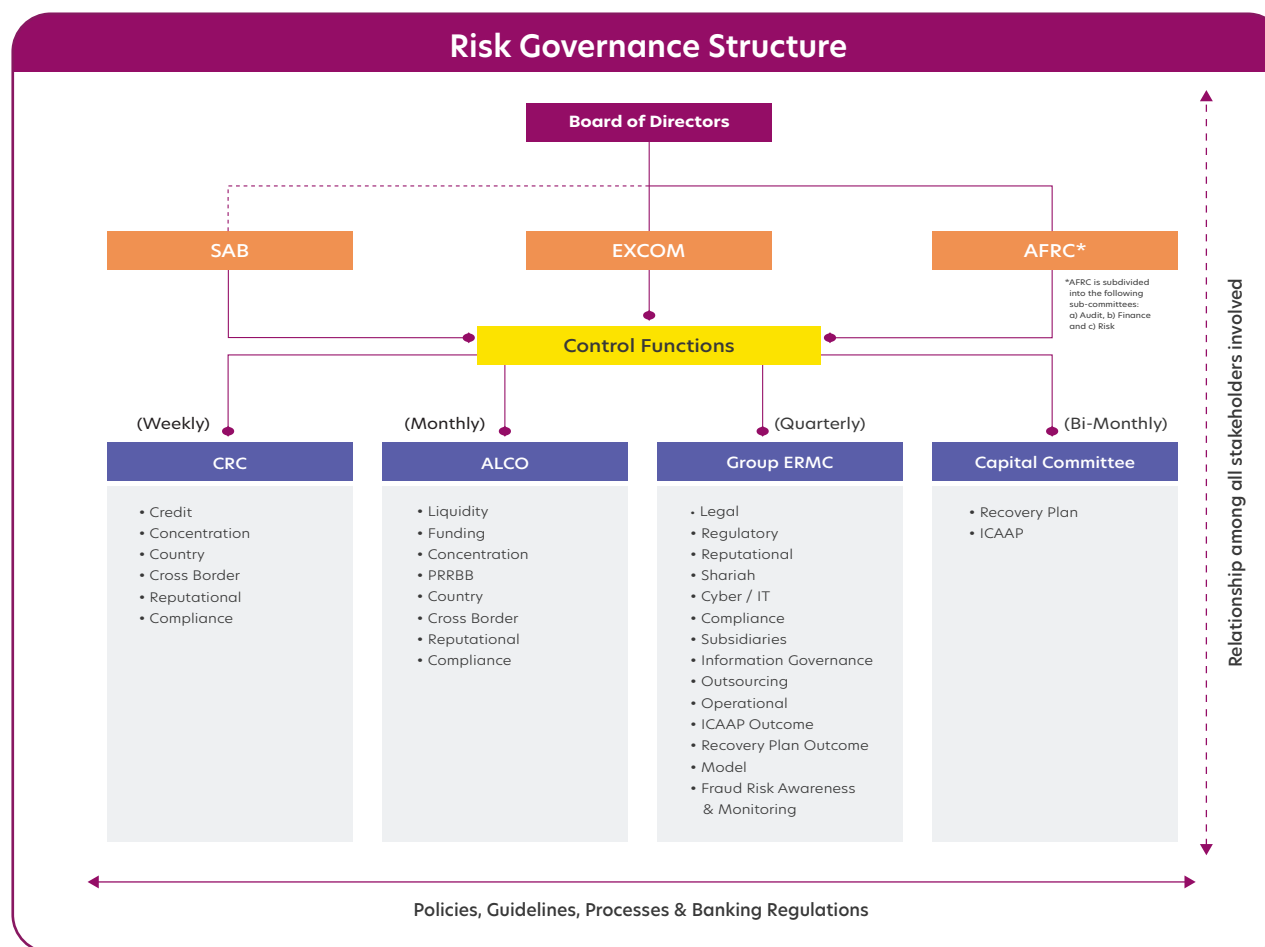
Group Risk Management Model

The Group Risk Management model utilizes the “Three Lines of Defense” approach, to contain any potential risk. This is achieved by maintaining an ongoing monitoring process, and the proper implementation of respective controls.

The responsibilities are shared as follows:

- 1st Line of Defense (Risk Owner), the Business/ Support units.
- 2nd Line of Defense (Monitoring and Oversight Functions), Risk Management and Compliance.
- 3rd Line of Defense (Risk Assurance), Internal Audit.

While risks are managed at the point of risk-taking activity, there is a clear accountability of the risk ownership across BIBD as demonstrated in the following chart.



Within the Risk Governance Structure (“RGS”), BIBD has several committees at Board and Senior Management level:

- Board
 - (a) ExCom – Monthly
 - (b) AFRC – Quarterly
 - (c) SAB – Monthly
- Senior Management
 - (a) CRC – Weekly
 - (b) ALCO – Monthly
 - (c) ERM – Quarterly
 - (d) CC – Bi-monthly

The main risks within the Group are controlled and monitored under the Risk Management Division, as a 2nd Line of defense covering:

- **Credit Risk**
- **Market Risk**
- **Operational Risk**
- **Profit Rate Risk Banking Book (“PRRB”)**
- **Liquidity Risk**
- **Funding Risk**
- **Concentration Risk**
- **Country Risk**
- **Cross Border Risk**
- **Reputational Risk**
- **Legal Risk**
- **Regulatory Risk**
- **Shariah Risk**
- **Compliance Risk**
- **Cyber Risk**

- **IT Risk**
- **Information Governance**
- **Outsourcing Risk**
- **Model Risk**

We take the approach of analyzing all financing and investment proposals, as well as, evaluating the Group’s operational processes and events, in close cooperation with respective business units, to ensure that the Group’s exposure to all risks is understood, discussed and managed in a proactive way, in order for all stakeholders’ interests to be protected.

Financial risks are analyzed by performing different stress tests using different economic scenarios within the ICAAP, Recovery Plan and other Stress tests annually as required by the Brunei Darussalam Central Bank (“BDCB”), coupled with other specific exercises presented within ALCO.

BIBD adopts a proactive approach in monitoring the Group’s risks which are exposed to, by having a robust Enterprise Risk Management Framework, coupled with a solid Operational Risk Governance that utilizes several tools to constantly monitor the risks resulting from People, Systems, Processes and External factors. The Operational Risk responsibility lies within all BIBD’s employees, which is strongly driven by the ongoing Risk Awareness and Risk Culture trainings.

The allocation of risk related responsibilities among all units, within BIBD, are organized in such a way to be in line with the Three Lines of Defense (“LOD”) principle, where each line of defense is independent from each other:

- The 1st LOD is provided by the business units and supporting functions, other than 2nd and 3rd LODs. responsible for identifying, and managing the inherent risks in the products, activities, processes, and systems for which are accountable.
- The 2nd LOD is provided by the independent risk management and compliance functions. The risk management function is primarily responsible for overseeing the bank’s risk-taking activities, couple with the undertaking of the risk assessments, with independent reporting from the 1st LOD. The compliance function monitors the compliance with respect to laws, corporate governance rules and internal policies.
- The 3rd LOD is provided by the independent internal audit function, responsible for providing assurance on the effectiveness of the bank’s 1st and 2nd LODs.

There are several initiatives from the BDCB that have been adopted or in the process of being adopted by BIBD to align the Brunei Banking Sector with international standards. These initiatives include

- (i) Risk management guideline and governance
- (ii) Credit risk management guideline
- (iii) Minimum regulatory capital requirements
- (iv) IFRS9 model implementation
- (v) Classification of impaired credit facilities and financial assets for provisioning purpose

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- (vi) Market Risk Management Guidelines
- (vii) IT and Cyber Risk Guidelines
- (viii) Basel II – Pillar 3 Public disclosure document
- (ix) Corporate governance for Islamic banks
- (x) Prudential treatment of problem assets and allowance for credit losses
- (xi) Shariah Governance Framework
- (xii) Operational Risk Management
- (xiii) Liquidity Risk Management
- (xiv) Capital Adequacy Framework
- (xv) Outsourcing Guidelines
- (xvi) Internal Capital Adequacy Assessment Process (“ICAAP”)
- (xvii) Recovery Plan

Temporary Regulatory Measures (COVID-19)

On 30 June 2022, BDCB put an end to the liquidity relief program which was introduced to support all Corporate and Retail clients impacted by the COVID-19 pandemic. The relief program provided a deferment of principal payments across identified industries and sectors.

By April 2020, BIBD promptly implemented the new directive, by adding this program within BIBD credit policies. By December 2022, the program has been extended several times by BDCB, as follows: The 1st extension was implemented from April to September 2021, following an additional extension up to 31 December 2021 and a final extension up to June 2022. All extensions were approved by BDCB, and directives duly updated within the BIBD policies.

Standard & Poor’s Credit Rating

As a testament to BIBD’s prudent approach to risk management, the Bank was reaffirmed with an A- (Stable) by one of the big three international credit rating agencies, Standard & Poor’s (“S&P Global”).

Management of Material Risks

The emphasis of a strong risk management culture is the foundation of the Group’s control mechanism. This involves an on-going process of identification, assessing, controlling, monitoring, and reporting of material risks, called “Risk Taxonomy” that affects the performance of the Group’s strategic objectives, as follows:

1. Credit and Concentration Risks

A robust credit risk framework is the one that embeds prudent financing guidelines to minimize credit defaults and losses, whilst maintaining a credit portfolio that is within the Group’s Risk Management scope. The Bank has in place several systems and processes to have a proper set of controls and a monitoring scheme to overview across all risks within BIBD’s the risk management .

The concentration factor per industry, limit, obligor, and product is an important aspect within the Group’s portfolio and is continuously tracked. In the Non-Retail spectrum, the Group’s industry portfolio concentration remained stable with the highest concentration in the oil and gas industry, which has been a historic trend, due to the importance of the domestic oil and gas revenues for Brunei. Within the Retail Portfolio, there is no concentration due to the regulatory guidelines in place (Capital Adequacy Framework dated 13 February 2019), whereby, each retail obligor cannot represent more than 0.2% of the total retail portfolio.

Non-Retail Portfolio

In the non-retail space, the Bank implemented an internal risk rating system from S&P Global, to help the Board and Senior Management to differentiate the risk levels, via a probability of default approach, across all financings and investments to facilitate the decision-making process.

In addition, there is an assessment process throughout a fundamental analysis approach – the review of qualitative and quantitative information – and financings above one year have additional analysis requirements, where specific projections and assumptions take place. Collateral coverage of financings is high. However, credit decisions are always based on the cash flow generation, as the primary source of repayment, coupled with an appropriate facility structure, where all facilities have specific limits per risk type (Funded, Unfunded and Pre-settlement risk).

There is a general monitoring scope, throughout two specific processes:

- (a) Watchlist accounts
This approach covers all accounts above 1 Day Past Due (“**DPD**”) as well as movements within the DPD buckets (1-30, 31-60, 61-90 and above 90 days).
- (b) Close monitoring accounts
This approach covers only current accounts with minor issues that may deteriorate if not monitored properly.

For accounts above 30 DPD but below 90 DPDs, Exposure at Default (“**EAD**”) must be transferred to Stage 2 (IFRS9) and when reaching 90 DPDs, must be defined as impaired and EAD transferred to Stage 3 along with their corresponding Expected Credit Losses (“**ECL**”) or impairments. Within the Corporate Banking Group, the Special Assets Department (“**SAD**”) is responsible to continuously follow

up and assesses trends for all accounts with DPDs above 30 days, to bring possible solutions. Risk Management closely works with the SAD, to properly manage all related efforts as well as the right level of impairment.

Retail Portfolio

In the retail space, the Bank has a portfolio approach assessing individual product types using internal risk models throughout different scorecards, and in some cases, fundamental credit analysis, for the final evaluation and respective approval. All facilities have specific limits per risk type (Funded, Unfunded and Pre-settlement risk).

There is a constant follow up on market trends/behaviors and portfolio analytics per product type, such as months on books under a performing status and DPDs bucket movement analysis, among others

Within the retail portfolio, there are secured financings, whereby, collaterals fully covered the financing amounts, and with the addition of the salary assignments. For unsecured financings, there is no collateral assigned. However, most obligors have the salary assignment in place.

Collections and Recovery

Collections and Recovery Department under the Chief Operating Officer is responsible to track all DPDs and trends, to assess the proper strategy for each product type. The Risk Management Division works closely with this department to understand behavioral patterns that can be used to further enhance to existing policies.

Expected Credit Loss

BIBD had established its IFRS9 process which has enabled us to calculate the Expected Credit Losses or credit impairments. This process provides forward looking expected credit losses for either a 12-month Probability of Default (“**PD**”) or Lifetime PD, based on a statistical historic data with respect to BIBD portfolio’s PDs, Loss Given Defaults (“**LGDs**”), Macroeconomic overlays and Exposures at Default “EAD”.

2. Operational and Shariah Risks

Operational Risk events stemming from People, Systems, Processes and External Factors that may lead to losses for the Group. These factors are constantly monitored and reported.

As a continuous proactive measure to better capture all operational risk related events, the Group has placed a strong emphasis on providing regular training to all employees. The Group has assigned employees across all Divisions to act as the Risk Coordinators (“**RC**”), in charge to capture any operational risk issues, including Shariah Risks.

Risk Management Division has also implemented several tools and processes to provide a holistic operational risk view across the Group. Any Risk Event Report is carefully analyzed using a Root Cause methodology together with the respective causal factors to identify the proper solution within a reasonable timeline. Another key tool used for operational risk

issues are the monthly tracking of the Risk Appetite Statements (“RAS”) and Key Risk Indicators (“KRIs”) implemented by each unit, in agreement with the Risk Management Division.

3. Market, PRRBB, Funding, Liquidity, Country and Cross Border Risks

As part of the regular monitoring and reporting of BIBD’s market risk exposures, there are several reports that are tracked to ensure these exposures are within the approved risk appetite parameters, the Risk Management team continuously keeps abreast of the market developments in different geographies, which may impact BIBD cross border portfolio and specific risk guidelines. BIBD maintains high quality liquid assets and well diversified sources of funding that act as a liquidity buffer.

Another aspect of the market risk is the interest/profit rate movements affecting the banking book performance, and the consequent impact on the earnings and capital. This analysis is presented within the ALCO by the Risk Management Division, monthly.

BIBD utilizes several assessment methodologies with the help of various analytical techniques, to manage relevant risks and support specific business requirements:

- (a) Counterparty Limits Process using qualitative and quantitative techniques,

- (b) Country Limits using fundamental economic, political, and social analysis,
- (c) Cross Border Risk analysis covering the Nationalization, Expropriation, Convertibility and Transferability risks (“NECT”).

BIBD also uses the Country Sovereign International risk ratings, from S&P Global, Moody’s and Fitch to ensure further alignment with international practices.

4. Legal, Regulatory, Compliance and Reputational Risks

BIBD Group has placed the utmost priority on the compliance surveillance with respect to the international and local governance guidelines. BIBD is well-aware of the proper and proactive implementation of all compliance principles, to mitigate, transfer or avoid all risks related to legal, regulatory, compliance, and the adverse impact to BIBD’s reputation.

5. Cyber and IT Risks

Regular reviews, upgrades and testing of all IT systems (hardware, middleware and software), as well as BIBD’s cyber infrastructure, are performed to avoid any internal and external disruptions that may affect the Group’s general capabilities to operate.

This approach allows further strengthening of BIBD’s overall IT and Cyber risk management capabilities, by implementing best international practices. As part of this scope, the IT and Cyber risk framework is

assessed and reviewed periodically as BIBD continues in developing a predictive risk management culture.

6. Information Governance and Outsourcing Risks

The BIBD Board and Senior Management has placed significant emphasis on ensuring that risks related to data quality, data security, record management and client data privacy, among others, are mitigated and avoided.

The BIBD Group has implemented an outsourcing monitoring process to ensure that material services and data received by external sources are reliable and providers have a sound and proven track record.

7. Model Risk

This refers to losses resulting from using inappropriate models, data model’s review, and maintenance service updates. BIBD Group is building its model inventory tracking list in order to have a comprehensive record of all available models in order to allow proper management, maintenance and tracking.

Foreseeable Risk Factors

In 2022, the world witnessed erratic movements in the global supply and demand of goods and services, coupled with the already disrupted worldwide supply chain system. These situations are the consequences of the COVID effect, plus the Russian invasion of Ukraine. In addition, many countries among them the USA injected considerable amount of liquidity, boosting their respective economies, resulting in a further disruption effect between the supply

vis demand, generating a worldwide inflationary effect, pushing interest rates hikes within the major economic blocks and the world, in general, and also causing constant markets volatility.

For 2023, a recession may hit major economic blocks, and interest rates hikes will continue, however at a different pace, depending on the specifics of the countries in reference. Oil & Gas prices will be an important component within the worldwide inflation, where climate changes and production outputs will be elements to be considered.

Domestic (Brunei)

- Aggregate demand will grow across the economy.
- Limited new major governmental projects, within 2023.
- For 2023 domestic spending will improve due to the COVID Endemic phase, which was effective since 1st of June 2022.
- Higher activity in the corporate sector.
- Concentration is still in the oil & gas industry (Including derivatives), accounting for 62.1% of Domestic GDP (3Q22 – MOFE).
- GDP for 2023 is expected to grow 3.3% (IMF) and the Consumer Price Index expected to be at 2.5%(IMF).

International

- It is expected that the worldwide economy will have some reactivation for 2023, however common constraints and specific situations are still present across all economic blocks, such as:
 - o High Inflation
 - o Interest rates hikes
 - o Volatility in the stock, bond, and exchange rate markets
 - o Supply chains still partially disrupted
 - o Energy prices volatility
- Uncertainty on new Covid variants and contagion rates for 2023.
- Russia invasion to Ukraine development.
- Other geopolitical tensions.

2.1.2 DISCLOSURE OF OTHER OPERATIONAL AND FINANCIAL RELATED MATTERS

Statutory/Regulatory Provision	Disclosure Requirement	Disclosure Response
Reg 18(3)(d) Securities Market Regulation, 2015	Disclosure of the details of any matter or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect: (i) the reporting entity's operations in future financial years; (ii) the results of those operations in future financial years; or (iii) the reporting entity's state of affairs in future financial years	- There are no significant subsequent events, between the financial year ended 31 December 2023 and the date of the financial report of 22 March 2024, that affects: (i) the reporting entity's operations in future financial years; (ii) the results of those operations in future financial years; or (iii) the reporting entity's state of affairs in future financial years. - Consequently, no such disclosures are made in the audited financial statement for the year ended 31 December 2023.
Reg 18(3)(e) Securities Market Regulation, 2015	Disclosure of the likely developments in the reporting entity's operations in future financial years and the expected results of those operations.	- The Bank is principally engaged in the provision of Islamic banking business in accordance with Shariah principles as allowed under the Islamic Banking Order 2008. - The subsidiaries (together with the Bank is referred to as the BIBD Group) are principally engaged in the provision of Islamic hire-purchase, stockbroking, asset, and fund management, leasing and management services. - There were no significant changes in these activities during the financial year ended 31 December 2023. - The BIBD Group expects to continue its similar principal activities with the results of the operating reflecting these activities in the foreseeable future financial years. - The operational results of these activities are subject to the following risk namely, credit risk, market risk, liquidity risk and operational risk from financial instruments and put in place financial risk management processes and controls to manage these risk as set out in note 36 of the Audited Financial Statements for the year ended 31 December 2022.

2.1.3 CORPORATE GOVERNANCE PRINCIPLES

PRINCIPLE 1

Every Bank should be headed by an effective Board to lead and control the Bank. The Board has ultimate responsibility for the Bank's business strategy and financial soundness and is collectively responsible for the long-term success of the Bank, including approving and overseeing management's implementation of the Bank's strategic objectives, governance framework and corporate culture. The Board works with Senior Management to achieve these objectives and Senior Management remains accountable to the Board.

The BIBD Board of Directors' ("**Board**") primary role is to assume stewardship in setting the direction, management, control, strategies, values, and financial objectives of the BIBD Group for its long-term and sustainable growth and its continued ability to deliver value to its shareholders. The BIBD Board Charter guides the BIBD Board in its stewardship role by outlining its duties, responsibilities, and roles in line with all Applicable Laws.

To ensure that the Board's obligation to its shareholders and other stakeholders (employees, customers, regulators, etc.) remains paramount, the following aspirations and values are propagated throughout the BIBD Group:

BIBD Vision

Serving Brunei through Islamic Solution as its leading financial institution through responsible fusion of Islamic Values, Real Economy, and Finance.

BIBD Mission

The Best Islamic Bank in Asia Pacific. As such, BIBD is

driven by the ABCDEF strategy: -

- A** - Aligned
- B** - Bank of Choice
- C** - Customer Trust
- D** - Digital
- E** - Employees
- F** - Focus and Finish

I-CUE Values

- I**ntegrity
- C**ustomer Focus
- U**nity of Purpose
- E**xcellence

The duties and responsibilities of the Board are clearly established in accordance with the law and guidelines issued by the regulator as set out in the Board Charter and Terms of Reference ("**TOR**") of the Board.

The roles, duties and responsibilities of the Board including that of the Chairperson, Independent Directors

and Managing Director & Chief Executive Officer ("**MD & CEO**") are set out in detail in the Board Charter.

In addition to the matters which the Bank's Articles of Association may have specifically reserved for its directors, the following are matters reserved for the Board's decision as set out in the Board Charter:

(a) Board structure and organisation

- (i) appointment, extension of contract and removal of directors (including directors on the Boards of subsidiaries), MD & CEO, Deputy Managing Director, Company Secretary, and other key responsible persons;
- (ii) establishment of the Board Committees, appointment, removal or replacement of their members, and the approval of amendments to the respective Board Committee's TORs;
- (iii) appointment and reappointment of Shariah Committee members, subject to the approval of the

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Syariah Financial Supervisory Board; (iv) oversee the performance and succession plans of the MD & CEO.		
(b) Financials		
(i) review and approval of the audited financial statements, financial reporting, and quarterly financial results of the BIBD Group;	(iii) ensure the implementation of appropriate governance framework and effective internal control procedures for audit, risk, and compliance to monitor and manage material risks affecting the BIBD Group, and to undertake periodic review of their appropriateness and adequacy in light of any material changes to the size, nature, and complexity of the BIBD Group's operations;	(vii) approve or to delegate authority to approve credit and market risks limits, acquisition, disposal, investment, capital expenditure or realisation or creation of a new transactional exercise including related party transactions, material acquisitions and disposals of assets not in the ordinary course of business to the extent they are consistent with Applicable Laws of BIBD or the other entities within the BIBD Group;
(ii) approval of the dividend policy and determine the amount, nature, and timing of interim dividends as well as final dividends or other distribution to be recommended for shareholders' approval;	(iv) approval of any substantial change in the policies established from time to time by the BIBD Board for balance sheet management including capital adequacy, liquidity, maturity, structure of assets and liabilities, asset concentration both geographically and by sector;	(viii) approve or (where appropriate) delegate authority to the Board Committees to approve BIBD or BIBD Group Policies;
(iii) approval of the annual budget;	(v) oversee and approve the recovery and resolution and business continuity plans for the BIBD Group for the preservation and continuity of critical operations and services if the BIBD group comes under stress;	(ix) review and approve strategies and frameworks on the promotion of sustainability throughout the BIBD Group through the assimilation of appropriate environmental, social and governance ("ESG") considerations;
(iv) approval of capital management plan and policies;	(vi) review and approve the compensation and benefits policy, service contracts and remuneration packages for the BIBD Group MD & CEO, Deputy Managing Director, Senior Management, and any other persons as the Board may determine as well as the succession plan for these positions;	(x) recommend necessary changes to the BIBD Memorandum and Articles of Association for the approval of the shareholders and regulator;
(v) adoption of the relevant accounting policies in line with the Brunei Financial Reporting Standards; (vi) approval of all significant financial expenditures exceeding the authorisation limits granted to the Board Committees;		(xi) approval on any purchase of BIBD's own shares (if required); (xii) approval relating to the issuance of debt instruments;
(c) BIBD Group operations		(xii) granting power of attorney to any person to act as attorney of BIBD;
(i) approval of strategic, business plan and other initiatives which would have a material impact to the BIBD Group;		(xiii) approval for BIBD to provide any corporate guarantee and indemnity.
(ii) approval of the risk appetite, business strategy plans, information technology and other initiatives		

Additionally, to ensure that its responsibilities and oversight over the BIBD Groups business and operations can be effectively undertaken, the Board has delegated its authority to the following key Board Committees which operate in accordance with their roles and responsibilities as defined in their respective TOR:

Audit, Finance and Risk Committee ("AFRC")

The AFRC ensures that a risk governance framework is established for the Group that includes well-defined organizational responsibilities for risk management, typically referred to as the three lines of defence;

- (a) the Business Line (**1st Line of Defence**);
- (b) a risk management function and a compliance function independent from the first line of defence (**2nd Line of Defence**); and
- (c) an internal audit function independent from the first and second lines of defence (**3rd Line of Defence**).

The AFRC is constituted as two separate sub-committees namely:

- (a) The Audit and Finance Sub-Committee ("**AFSC**"); and
- (b) The Risk Sub-Committee ("**RSC**").

The AFSC comprises entirely of independent directors, whilst the RSC consists of a majority of independent directors.

The AFRC's responsibilities are, amongst others:

- (i) to recommend to the Board on the appointment, reappointment, remuneration and dismissal of the external auditors and the scope of service of the external auditors;
- (ii) to provide the opportunity for the internal and external auditors to meet and discuss findings;
- (iii) to review the end of year financial statements with the external auditors;
- (iv) to frame policy on internal audit and financial reporting;
- (v) to oversee the financial reporting process;
- (vi) to provide oversight of and interact with the BIBD Group internal and external auditors;
- (vii) to review and approve the audit scope and frequency;
- (viii) to receive key audit reports and ensuring that Senior Management takes the necessary corrective actions in a timely manner to address control weaknesses, non-compliance with Applicable Laws, or other findings identified by auditors and other control functions;
- (ix) to oversee the establishment of accounting policies and practices by the BIBD Group;

- (x) to review any third-party opinions on the design and effectiveness of the overall risk governance framework and internal control systems;
- (xi) to discuss, advise on and approve all of the BIBD Group risk strategies and policies in respect of financials, and make recommendations to the Board thereon;
- (xii) to discuss, advise on and approve BIBD's risk appetite statement ("**RAS**");
- (xiii) to conduct periodic reviews on the effectiveness of the BIBD Group's risk management and internal control policies and systems including, but not limited to financial, operational, compliance and information technology controls;
- (xiv) to oversee that Senior Management has processes in place to promote BIBD's adherence to approved risk policies.

Executive Committee ("ExCom")

The ExCom consists of a majority of independent directors and its key responsibilities as per its TOR are, amongst others:

- (i) to have oversight of significant management decisions relating to the operations and business activities of the BIBD Group;

- (ii) to review of major strategic matters including the Financial Performance, Annual Operating Plan and Budget, prior to Board approval;
- (iii) to review and approve of domestic financing proposals with a net exposure equal to or greater than B\$20,000,000 based on recommendations from the CRC; and
- (iv) to review and approval of Treasury related exposures, new country/financial institution limit applications and offshore exposure proposals with a gross exposure greater than US\$20,000,000 based on recommendations from the CRC.

Human Resources, Remuneration and Nomination Committee (“HRNC”)

The HRNC must consist of independent directors, and entrusted with, amongst others, the following responsibilities:

- (i) to provide its recommendations to the Board on all appointments to the Board and Senior Management;
- (ii) establish a formal and transparent process for the identification, assessment, appointment and re-appointment of directors to the Board and ensure that the appropriate succession plan for the Board is in place;
- (iii) assist the Board to formulate, implement and review the remuneration policies and procedures

(“RPP”) for the Board, Senior Management and all personnel of BIBD. The RPP must be aligned with the BIBD’s ethical values, goal and culture and promotes recruitment, motivation, loyalty, and retention;

- (iv) ensure that the remuneration of directors is sufficient and proportionate to attract and retain directors of calibre;
- (v) to undertake a pre-employment review and employment clearance exercise of all prospective hires of BIBD.

The Board continues to give its unwavering commitment to maintain BIBD’s exceptional standards of corporate governance and ensures values and behaviours are consistent across the business. The Board manages the affairs of the Group not by merely following prescribed rules and regulations, but by promoting open and transparent discussions. Additionally, the Board continues to ensure best practices and strong governance process, which are integral to BIBD’s strategy and decision-making processes. Thus, these values are maintained for the benefit of BIBD’s shareholders and other stakeholders.

For the first-time Directors, BIBD requires the appointed Directors to attend BIBD’s Board induction programme to familiarise themselves with the Group’s operations and to build a strong foundation of knowledge about the Group. Similarly, the Board also ensures that individual directors attend ongoing and regular training on relevant issues

including amongst others training on any relevant new laws, regulations and changing commercial risk, financial and any other relevant trainings.

The Board’s alignment with Senior Management

The Board also ensures that the BIBD Group’s vision, mission, values, aspirations and objectives are aligned with the business activities carried out by the senior management.

The roles and responsibilities of the senior management are as follows:

- To undertake the Ownership, Governance and Execution of the day-to-day operations and strategic projects;
- To provide collective, aligned and coordinated leadership towards the BIBD Group’s ABCDEF strategy;
- To consider and execute appropriate decisions on critical matters affecting the BIBD Group.

PRINCIPLE 2

There should be an effective Board composition, with a strong independent element where no individual or small group of individuals should be allowed to dominate the Board's decision making.

As of 31 December 2023, there are 5 members in the BIBD Board comprising of 4 independent directors and 1 executive director who between them bring to the BIBD Group a broad range of experience, knowledge and management skills in the banking, finance and governance sectors.

Board Composition

Director	Designation	Remarks
YB Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah	Independent Director (Chairman)	-
YM Dr Jan Hendrik van Greuning	Independent Director	-
YM Hj Sofian bin Mohammad Jani	Independent Director	-
YM Errol Melville Kruger	Independent Director	Appointed as Independent Director effective 1 October 2023
YM Junaidi bin Hj Masri	Executive Director (Managing Director & Chief Executive Officer)	Appointed as Managing Director & Chief Executive Officer on 28 July 2022

SECTION 02

The Board acknowledges the importance of a clear division of responsibility between the Chairperson and the Group CEO. The roles of Chairperson and Group CEO are therefore exercised by separate individuals to ensure optimal balance, resulting in increased accountability and enhanced decision-making.

The Board is chaired by YB Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah (“**YB Dato Amin**”) an Independent Director, who plays a key role in ensuring the Board operates effectively and fully discharges its legal and regulatory responsibilities.

BIBD also ensures that an Independent Director is independent of Management and free from any business or other relationship which could interfere with his ability to act in the best interests of BIBD. Thus, the Independent Director is able to:-

- provide and enhance the necessary independence.
- ensure checks and balances on the Board.
- mitigate any possible conflict of interest between policy making process and day-to-day business activities.

As the Chairperson, YB Dato Amin also leads the Board in the oversight of the Management and in inculcating the right culture, values and behaviours, both at the top and throughout the entire organisation. The Board delegates responsibility for the overall business and day-to-day management of the BIBD Group to the Group CEO. The Group CEO is responsible for leading Management and for making and implementing operational decisions. In addition, the Group CEO will also be able to track and measure the performance of core programmes against the agreed strategies and roadmap and provide regular feedback and ensure timely course corrections.

In addition to the above, some members of the Board are also appointed as Chairman or as members of the board of BIBD’s wholly owned subsidiaries (“**Subsidiary Boards**”). This practice provides a bridge between the Board and Subsidiary Boards, from which the overall goals and objectives of the Group Business Plan and Strategy could be conveyed to the Subsidiary Boards, for better alignment and execution of the Group Business Plan and Strategy.

PRINCIPLE 3

There should be a clear division of responsibilities between the leadership of the Board and those executives responsible for managing the Bank’s business. Decision making power should not be concentrated in the hands of one individual.

As explained in **Principle 2**, the positions of BIBD Chairman of the Board and Managing Director & Chief Executive Officer are held by different individuals as shown in the table under the Principle 2 with clear division of roles and responsibilities in line with best practices. This distinction allows for a better understanding and distribution of jurisdictional responsibilities and accountabilities. The clear hierarchical structure with its focused approach facilitates efficiency and expedites decision-making.

PRINCIPLE 4

There should be a formal and transparent process for the identification, assessment, appointment and reappointment of directors to the Board. The Board, not Senior Management, nominates candidates and promotes appropriate succession planning of directors.

The Human Resources, Remuneration and Nomination Committee ("HRNC") is responsible to make recommendations to the Board on all appointments to the Board and Senior Management including to ensure that the relevant selection processes are complied with.

The appointment of a director shall also follow the selection, assessment and recommendation process established by the HRNC and set out in its Terms of Reference as follows:

- (i) HRNC will assess of the need to hire a new director or to fill in a vacancy for the board as an independent or non-executive director.
- (ii) HRNC will then develop the candidate profile such as the industry they major in, gender and proof of qualification. Selection will be based on the candidacy from the Board, major shareholder and the Committee's own search.
- (iii) HRNC will shortlist the candidates based on the assessment criteria
- (iv) HRNC will conduct an interview before the final assessment prior to submission of recommendation to the Board

Finally, if approved by the Board, the following actions are carried out:

- (v) Issue appointment letter;
- (vi) Secure the signing by the new director of the Letter of Undertaking to maintain Confidentiality.
- (vii) Submit application for BDCB's approval.
- (viii) In the case when the appointment requires Shareholder's approval, the necessary members resolution will be prepared to be tabled to the Shareholders.

For new appointments, the candidate must fulfill the following criteria to the satisfaction of HRNC before it can recommend the candidate to the Board:

- (a) Not disqualified under any Applicable Laws to assume directorship position, including Rules 4 and 5 of the Companies (Corporate Governance) (Public Companies) Rules, 2016.
- (b) Possess the knowledge, skills and experience to promote talent and diversity in the Board.

- (c) Understands local/regional economy & market. (d) Possesses integrity and of good repute.
- (d) Ability to commit time.
- (e) Character – able to work collectively without affecting independent voice i.e. avoid group thinking.
- (f) Not conflicted to join the Board – assess other directorships.
- (g) If applicable, fulfill the independence criteria under Principle 2.11 of the BDCB Corporate Governance Guidelines for Islamic Banks.

Effective from 19 March 2020, BIBD has ceased to have any alternate directorship appointment on its Board.

The key information regarding directors, such as academic and professional qualifications, shareholding in the bank and its related corporations, Board committees served on and date of appointment as a director can be found in the directors' profile section of this Annual Review.

SECTION 02

In respect of **Principle 4.7** of BDCB's Corporate Governance Guidelines for Islamic Banks relating to Board members' other directorships, the list of Directorships held by Members of the Board of BIBD are stated below:

- **YB Dato Seri Setia Dr Hj Awang Mohd Amin Liew bin Abdullah (as of 18 March 2024)**

1. Bank Islam Brunei Darussalam Berhad (BIBD)
2. Gleneagles Jerudong Park Medical Centre
3. Muara Port Company Sdn Bhd
4. Brunei Gas Carriers Sdn Bhd
5. Brunei Shell Marketing Company Sendirian Berhad
6. Brunei Shell Petroleum Company Sendirian Berhad
7. Brunei LNG Sendirian Berhad
8. Lembaga Dana Sustainability (SF)
9. Lembaga Eksekutif Dana Modal Pembangunan Strategik
10. Brunei Fertilizer Industries Sdn Bhd
11. Damai Holdings Limited
12. Khazanah Satu Sdn Bhd
13. Bank Usahawan Berhad
14. Brunei Investment Agency
15. Syarikat EVYD Technologies Sdn Bhd
16. Brunei Economic Development Board
17. Takaful Brunei Darussalam (TBD; TBA & TBK)
18. Hengyi Industries Sdn Bhd
19. JPMC College of Health Sciences Sdn Bhd

- **YM Dr Jan Hendrik (Hennie) van Greuning**

1. Bank Islam Brunei Darussalam Berhad (BIBD)

- **YM Haji Sofian bin Mohammad Jani (as of 14 February 2024)**

1. Bank Islam Brunei Darussalam Berhad (BIBD)
2. BIBD Securities Sdn Bhd
3. Tabung Amanah Pekerja
4. Royal Brunei Catering Sdn Bhd
5. Badan Tanmiah Harta Majlis Ugama Islam
6. DST Digital
7. Bursa Saham Brunei Darussalam (BNX)

- **YM Errol Melville Kruger (as of 1 October 2023)**

1. Nedbank Group Limited
2. Nedbank Limited
3. Nedbank Private Wealth (Isle of Man) Limited
4. Capital Appreciation Limited

- **YM Junaidi bin Haji Masri (as of 20 February 2024)**

1. Bank Islam Brunei Darussalam Berhad (BIBD)
2. BIBD At-Tamwil Berhad
3. Better Sdn Bhd
4. Brunei Energy Services & Trading Sdn Bhd
5. Brunei Energy Holdings Sdn Bhd
6. Brunei Energy Production Sdn Bhd
7. Brunei Energy Exploration Sdn Bhd
8. Syarikat Takaful Brunei Darussalam
9. Darussalam Enterprise

10. Fajr Capital Limited

11. Brunei Energy Investment Overseas Cooperation

12. Brunei Energy Montny Holdings Limited

13. Brunei Methanol Tanker

14. PB Canada

PRINCIPLE 5

The Board should define appropriate governance structures and practices for its own work and put in place the means for such practices to be followed and periodically reviewed for ongoing effectiveness. There should be a formal annual assessment of the effectiveness of the Board as a whole and its Board Committees and the contribution by each director to the effectiveness of the Board.

BIBD Board of Directors' ("**Board**") primary role is to determine BIBD's strategy and objectives and policies to deliver sustainable value to its shareholders. The Board provides the Management with the guidance and leadership necessary for the Group. As explained in Principle 1, the Board and Management Committees assist the Board in providing effective oversight over the Bank's operations. The Board would review the structure periodically and advise on the current structure if deemed necessary. Further, the BIBD Board is guided by its Board Charter which outlines the Board's duties, responsibilities, and roles in line with all Applicable Laws.

The effectiveness of the Board and Board Committees is further strengthened by the majority composition of the Independent Directors on the BIBD Board as well as the chairmanship of the Board Committees which all held by Independent Directors as set out below:

- **ExCom** – YB Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah
- **AFRC** – YM Dr. Jan Hendrik Van Greuning

Following the appointment of YM Junaidi bin Hj Masri as the Managing Director & Chief Executive Officer on 28 July 2022, the HRNC comprise of only one (1) member i.e. YM Haji Sofian bin Mohammad Jani. As an interim arrangement until additional Director(s) are appointed to fulfill the constituent of the HRNC as per its TOR, the Board had, on 26 September 2022 approved for all HRNC matters to be deliberated or approved by the Board.

In addition to the above, Effendy bin Othman, who was the General Counsel for the Bank and a certified member of the Malaysian Association of Company Secretaries, is also the appointed Company Secretary for BIBD. He and his team provide legal, secretarial and governance support to the Board. The following are some of the key responsibilities of the Company Secretary:

- administer all Board and Board Committee meetings including the scheduling, taking of minutes, preparation of Board meeting materials and information supplied to the Board.
- ensure information supplied to the Board such as meeting minutes are accurate, timely and adequate for the Board to carry out its function.

- ensure proper record keepings off all deliberations and decisions of the Board and Board Committees
- accord the Board with regular updates and advice on changes to statutory and regulatory requirements including those related to governance matters.
- facilitate a two-way communication between Senior Management and the Board to ensure Board's decision are communicated in a timely basis.

Minutes of Board and Board Committee meetings are recorded and documented appropriately by the Company Secretary. Such records are made available to BDCB upon request.

PRINCIPLE 6

In a group structure, the Board of the parent Bank has the overall responsibility for the group and for ensuring the establishment and operation of a clear governance framework appropriate to the structure, business and risks of the group and its entities. The Board and Senior Management should know and understand the Bank group's organizational structure and the risks that it poses.

The wholly owned subsidiaries of the Bank are as follows:

- BIBD Securities Sdn Bhd
- BIBD At-Tamwil Berhad
- BIBD (Middle East) Limited
- BIBD Management & Services Sdn Bhd

To ensure that the BIBD Group adheres to consistent governance framework to manage its business and operational risks, BIBD as the parent company has established a group structure which includes the Bank having Board representation across the subsidiaries to cascade down the Bank's corporate governance values, principles, approach for its subsidiaries to adopt to the extent they do not conflict with the interests of the subsidiaries and their own legal or regulatory requirements.

All major decision which may impact the interest of the Bank, or the Group will be assessed by the Board and the Bank as the shareholder may make decisions for the benefit of the subsidiaries and in line with the BIBD Group Corporate Governance Framework.

The Board recognises the responsibilities of the directors of the BIBD subsidiaries to exercise judgement and to make decisions in accordance with the best interest of the subsidiaries even where those interest may conflict with the best interests of the Bank. This is further displayed as the subsidiary board and senior management structure have clearly defined roles and responsibilities.

The Bank's Internal Audit, Risk, Compliance, Finance, Legal and Shariah divisions also have an oversight of the subsidiaries in these areas whereby consultation between these Bank's divisions and the subsidiaries are held from time to time to address any arising matters in those areas. To that end, the BIBD Senior Management is responsible for developing policies, procedures and processes which benefits the BIBD Group. They are responsible for establishing group corporate strategy and direction ("**Group strategy**").

Once the Group Strategy is approved by the Board of the Bank and its subsidiaries the management of the respective subsidiaries shall be directed to implement the same and report on the progress of such implementation to their respective boards. Additionally, the operations of

the subsidiaries are reviewed periodically by the Bank's Internal Audit and Risk divisions.

The Control Functions Reporting and Alignment Guidelines ("**CFRA Guidelines**") for the BIBD Group is to enhance the group alignment and to fulfil the Board's obligation under Principle 6 Corporate Governance for Islamic Bank ("**CGIB**") as the parent bank, with specific emphasis on strengthening internal group reporting processes.

The CFRA Guidelines are aimed at formalising:

- The group governance responsibilities of the control functions of BIBD as the parent bank.
- The reporting and consultation obligations of the BIBD subsidiaries to the control functions.
- Centralising the list of policies, framework, guidelines, terms of reference and other governance related documents of BIBD's control functions which are to be adopted by the respective subsidiaries.

The CFRA Guidelines form part of the BIBD Group Corporate Governance Framework as required under Principle 6 CBIG.

PRINCIPLE 7

The Board should meet regularly and be duly furnished with complete and timely information.

The Board meets on a regular basis, with a minimum of 4 scheduled meetings in a financial year or more frequently as circumstances dictate. The dates of these scheduled meetings are determined well in advance to enable the Directors to plan ahead.

In 2023, the Board members attended all the quarterly Board and Board Committee meetings as detailed below:

Name	Role	Board Committees for 2023											
		BOD		HRNC		ExCom		AFSC		RSC		AGM	
		H	A	H	A	H	A	H	A	H	A	H	A
YB Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah	Chairman	4	4	N/A	N/A	7	7	4	0	N/A	N/A	1	1
Dr Jan Hendrik van Greuning	Director	4	4	N/A	N/A	N/A	N/A	4	4	6	6	1	1
Haji Sofian bin Hj Mohd Jani	Director	4	4	0	0	7	7	4	4	6	6	1	1
YM Errol Melville Kruger	Director	2*	1	N/A	N/A	N/A	N/A	1*	1	1*	1	N/A	N/A
YM Awang Junaiddi bin Haji Masri	MD & CEO	4	4	0	0	7	7	4	3	6	5	1	1

Key/ Abbreviations:

- H** = Held
- A** = Attended
- N/A** = Not applicable as the director is not a member of the Committee
- BOD** = Board of Directors Meeting
- HRNC** = Human Resources, Remuneration and Nomination Committee
- EXCOM** = Executive Committee
- AFSC** = Audit and Finance Sub-Committee
- RSC** = Risk Sub-Committee
- AGM** = Annual General Meeting
- [x]*** = Only [x] meetings were held after his appointment as a member of the Board effective 1 October 2023

For the Board meetings, the Company Secretary ensures that the agenda of the meeting and the presentation deck must be issued at least seven (7) days prior to each Board meeting to allow sufficient time for all directors to consider the relevant information. The agenda of meeting includes amongst others matters specifically reserved for the Board's decision. The discussions and conclusions

of the Board meetings are reflected in the minutes of meeting, in a clear, accurate, consistent, complete and timely manner. The minutes amongst others record the decisions of the Board, including key deliberations for each decision made. The draft minutes will then be tabled at the following meeting for approval and signing. In line with proper governance on records, the minutes

are entered into the Minutes Register kept by the Company Secretary which may be accessed by the Board at any time. To ensure accuracy and consistency in form and contents, reproduction of any part of the minutes can only be made by way of request to the Company Secretary who will certify the said minutes.

PRINCIPLE 8

There should be a formal and transparent procedure for fixing the remuneration packages of Board members, Chief Executive Officers and Senior Management and the remuneration policies and practices should be in line with the Bank's ethical values, objectives and culture.

The remuneration policies for Senior Management and all other employees of the Bank are under the supervision and oversight of the Human Resources, Remuneration and Nomination Committee ("HRNC") whereby the implementation of these policies is carried out by Human Resource and Human Capital Division ("HRHCD"). The members of the HRNC are comprised of 3 Independent Directors and 1 Executive Director. The functions of the HRNC in terms of remuneration policy are amongst others-

- ensure that the remuneration policy supports the Bank's objectives, culture and strategy;
- remuneration and employment conditions of the industry;
- the Bank's relative performance for the relevant financial year;
- the performance -related elements of remuneration should form a significant proportion of the total remuneration package of executive directors. However, salary scales should be within the scope of the general business policy and not be solely based on short-term performance to avoid incentives for excessive risk-taking;

- to cover all aspects of remuneration including director's fees, salaries, allowances, bonuses, options and benefits-in-kind and termination benefits; and
- other key responsibilities are set out in HRNC TOR

The philosophy for the Bank's remuneration is to be competitive in the market with the aim to attract the right talents for the organization. In terms of the local practices and statutory requirements, we ensure that we are aligned, meet the minimum requirement or better than what has been prescribed by both. The business objective is one of the main influences in driving our compensation policy.

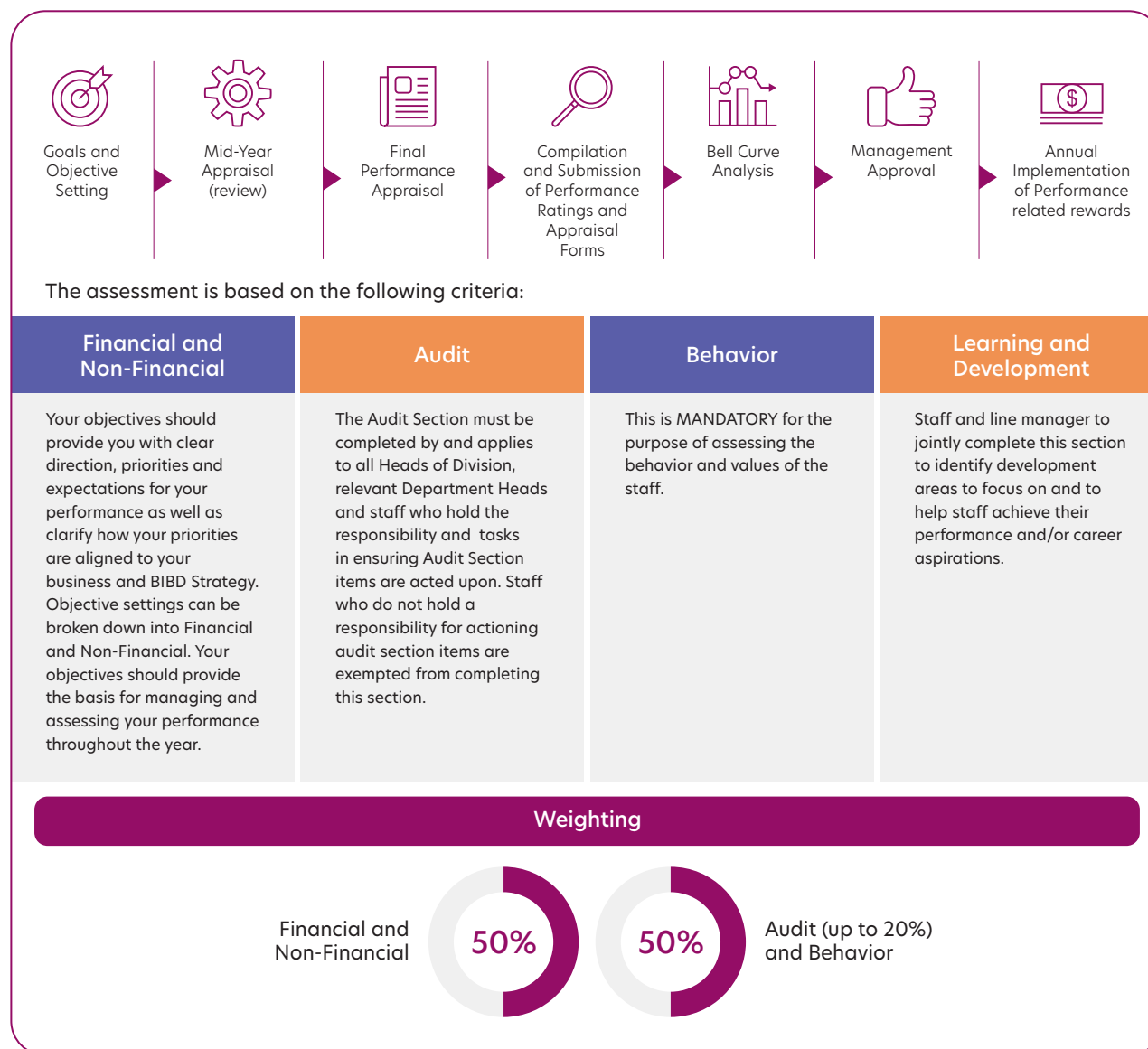
The Bank's values are based on the history and culture, which are derived from the internal culture, the external environment, and the market that we are operating in

The Bank's remuneration policy is primarily in compliance with international best practices and there is on-going exercise to enhance alignment of its remuneration policy including Board/Committee mandates, treatment of Material Risk Takers and its Performance Management System with these international best practices. To this end,

the Bank will participate in the yearly compensation and benefits benchmarking survey against the practices of our competitors. From this benchmarking exercise, the Bank will be able to assess where the organization is against its competitors through its benchmark positioning.

This exercise also provides competitive reference on the compensation market rates which can help the organization to formulate the overall compensation strategies, make decisions on current compensation policies, assist us to provide the right remuneration package for new jobs and diagnose compensation problems.

In terms of compensation assessment process, the senior management and all employees, their compensation is based on the current market practices, and they are assessed yearly for their performance weighted against financial, non- financial as well as behavioral considerations. These considerations are assessed based on performance targets which are generally set at the outset of the financial year. This is further illustrated by the following diagram:



HRHCD will compile the completed performance appraisal from all divisions and business unit of the Bank and will undertake a moderation exercise to ensure a balanced overall appraisal which will then be tabled at the HRNC meeting for its approval.

PRINCIPLE 9

The Board should present a balanced and understandable assessment of the Bank's performance, risk position and prospects.

Overall, the Board has clear understanding, skills and experience to assess BIBD's performance risk position and prospects. The Board too has established a strong internal control governance and risk management framework to facilitate its risk and control oversight responsibilities over the BIBD Group.

To ensure alignment in the appreciation and seamless implementation of the business strategy, risk appetite and other policies approved by the Board in BIBD's business activities and operations by its Senior Management, the Board has established a 2-level Committee within BIBD, namely:

1) Board Level Committees (as detailed in Principle 1):

- a) Board
- b) AFRC
- c) ExCom
- d) HRNC

2) Management Level Committees

Types of Management Level Committees	Description
Enterprise Risk Management Committee ("ERMC")	Primary purpose is to perform a centralized risk oversight, policy-setting, information gathering, and communication to the Board of Directors, regarding important risks and risk management activities related, monitoring open Audit and Risk Issues. In addition, the Committee will assist the Board in fulfilling its oversight responsibilities related to the company's risk assessment and management processes. ERMC also addresses Capital Adequacy (ICAAP) and Recovery Plan issues. ERMC meetings are held quarterly.
Credit Risk Committee ("CRC")	The Credit and Risk Committee has a duty to approve credit based on recommendation from the respective recommending authorities. Approvals are made after consideration of various risk perspectives. Risk approvals must be made within the boundaries of BIBD's risk appetite as guided by ExCom and the Board. CRC meetings are held weekly.
Asset Liability Committee ("ALCO")	The Committee is responsible to review BIBD Group's liquidity, funding and gapping policies and positions, profitability and efficiency including the assessment and management the Balance Sheet and Capital Management. ALCO meetings are held monthly.
Capital Committee ("CC")	The Committee is responsible to develop and implement the Group Recovery Plan and ICAAP.

These Management Level Committees comprise of members of the Senior Management and the Managing Director, and they provide input and approvals, and where needed, escalate recommendation to the relevant Board Committees and if necessary, the Board.

PRINCIPLE 10

The Board is responsible for the governance of risk. The Board should ensure that Senior Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Bank's assets and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Group has in place a Risk Management Strategy Document which is a holistic set of Risk Appetite Statements (RAS) to ensure that BIBD remains within acceptable Risk thresholds.

BIBD also has in place the Enterprise Risk Management Framework ("**ERMF**") which functions as a standardized approach to manage its risks. A strong governance structure is equally important to ensure that the ERMF can be implemented effectively.

The Group Risk Management model is based on "**Three Lines of Defense**" approach, to contain any risk, by keeping an ongoing monitoring process and a proper implementation of respective controls.

The Board is ultimately responsible for BIBD's risk management activities, and it is supported by AFRC and ExCom which convene a minimum of 4 quarterly meetings, as well as the SAB which holds meetings as and when needed.

At Management level, management of the 19 risks for the BIBD Group is undertaken by the following committees whose functions and frequency of meetings have been detailed in **Principle 9** above:

- **ERMC**
- **ALCO**
- **CRC**
- **CC**

PRINCIPLE 11

Banks should have an effective independent risk management function, under the direction of a chief risk officer (CRO), with sufficient stature, independence, resources and access to the board.

BIBD has a Group CRO with over 33 years of work experience in the Banking sector, across six different countries (Mexico, United States of America, Saudi Arabia, Qatar, United Arab Emirates and Brunei). His experience accounts for 23 years in global leading banks, such as Bank of America, Chase Manhattan Bank and Citibank. The Group has in place the Risk Management Strategy

Document, which is a holistic set of Risk Appetite Statements (RAS) to ensure BIBD is within acceptable Risk thresholds. Also, the Group has specific RAS and Key Risk Indicators (KRI) across each unit within the Group, which are reviewed monthly, as part of the Operational Risk Management process.

BIBD has in place the Enterprise Risk Management Framework ("**ERMF**") as a standardized scope or approach to manage all its risks (19 in total) which are reviewed on a quarterly basis by the Enterprise Risk Management Committee ("**ERMC**"). For 2022, the BIBD Group continued its Risk Awareness/Culture program, which consists of fortnightly risk trainings to the BIBD Group employees, to

SECTION 02

create Risk Awareness/Culture among all members of the BIBD Group community.

The Credit Risk control architecture is premised on constant monitoring undertaken by several processes across the BIBD Group daily, weekly and monthly. Any breach must be recognised by the respective approving level, and all such issues are to be discussed by the respective committees.

The Risk Group has 28 personnel which may see growth if such a need arises. External and internal trainings, as well as on the job continuous mentoring are in place to ensure continuous upgrading of skillsets and experience amongst the personnel.

PRINCIPLE 12

Risks should be identified, monitored and controlled on an ongoing bank-wide and individual entity basis. The sophistication of the Bank's risk management and internal control infrastructure should keep pace with changes to the Bank's risk profile, to the external risk landscape and in industry practice.

The Group has in place the Risk Management Strategy Document which is a holistic set of Risk Appetite Statements (RAS) to ensure BIBD is within acceptable Risk thresholds. As explained in Principle 11, BIBD has in place the ERMF which effective implementation can only be realised through a strong governance structure. The Board through its Committee, the AFRC, is ultimately responsible for BIBD's ERM outcome. The AFRC will review the ERMF on a quarterly basis.

As part of its governance structure, BIBD has different set of policies/guidelines across the Group. Risk related policies/guidelines apply across the Group to cover areas such as Credit, Market Risk, Middle Office, Operational Risk, IT & Cyber and Capital Management, among others

are closely monitored and approved by the respective Board committees and related regulators.

- Credit related limits are analyzed per risk type, such as funded, unfunded and Pre settlement. Analysis contemplates a qualitative and quantitative approach, coupled with external factors that may affect.
- Liquidity Risk is monitored daily.
- Capital Management is monitored monthly, whereby the Capital Adequacy Ratio is calculated and stressed assuming full credit pipeline available at the time.

Additionally, BIBD has adopted several stress exercises such as ICAAP and Recovery Plan, which are duly submitted to BDCB as required. Different modelling techniques, offered by Standard & Poor's (S&P), Moody's, Bloomberg, and others, are adopted by BIBD to carry out a more extensive risk assessment.

PRINCIPLE 13

The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties. The Chairman must be an Independent Director and must not be the Chairman of the Board or of any other committee.

On 19 January 2011, the Board established an Audit Committee known as the Audit, Finance & Risk Committee (“AFRC”). The terms of reference and the constitution of the AFRC are as provided in **Principle 1**. The AFRC oversees the Bank’s risk management framework and policy. This is further elaborated in **Principles 10, 11 and 12** of BIBD’s Corporate Governance report.

The AFRC consists of non-executive directors, all of whom are deemed independent. The Committee Chairman

(“Chairman”) who is an Independent Director is appointed by the Board of Directors of BIBD.

The membership of the two sub-committees of the AFRC has been detailed in **Principle 1**. The Bank also ensures that at least 1 member of the AFRC is a Chartered Accountant and a member of an accounting body (that is a member of IFAC), and at least 2 members have extensive professional experience in the field of financial reporting, risk management or auditing.

The requirements stated in **Principle 13.3** have been incorporated into the TOR of the AFRC.

AFRC meetings are held no fewer than 4 times a year and are held prior to Board meetings. Hence, should there be any deliberations in AFRC meetings requiring approval; or guidance of the full Board, the Chairman of AFRC will escalate such matters at the Board meeting for its approval or guidance.

PRINCIPLE 14

The Bank should establish an effective internal audit function that is adequately resourced and independent of the activities it audits. The internal audit function should provide independent assurance to the board and should support board and senior management in promoting an effective governance process and the long-term soundness of the Bank.

The BIBD Internal Audit function is governed by an Internal Audit Charter. Internal Audit reports directly to the Audit, Finance and Risk Committee (“AFRC”), and provides independent and objective assurance to the AFRC and ultimately the Board of Directors that the internal controls within BIBD and its subsidiaries are designed and operating effectively.

Internal Audit adopts a risk-based approach to audits focusing on high-risk areas across the Bank and its subsidiaries and the frequency of audits vary from one entity to another. Audits conducted are inclusive of considerations to compliance to BDCB guidelines, applicable legislative requirements as well as Shariah principles and applicable SAB and SFSB resolutions.

Internal Audit executed its 2023 Audit Plan and carried out risk-based audits on the Bank and its subsidiaries. Internal Audit will continue to further strengthen the internal audit function based on International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors and its Code of Ethics, and compliance with regulatory guidelines on Internal Audit Function and Corporate Governance for Banks (**Principle 14**).

PRINCIPLE 15

The Bank's board of directors is responsible for overseeing the management of the Bank's compliance risk. The board should establish a compliance function and approve the Bank's policies and processes for identifying, assessing, monitoring and reporting and advising on compliance risk.

BIBD's Compliance Division acts as a trusted advisor on matters related to regulations, anti-money laundering, sanctions and terrorism financing and supports BIBD by protecting its value and image through the monitoring of transactions and ensures compliance with relevant laws and regulations.

The division is made up of four sections:

- 1) Regulatory Compliance ("**RC**"), which is the centralized point for all regulatory matters, through effective engagement between regulators and Divisions within the BIBD organisation;
- 2) Financial Crime Compliance Policy, Advisory and Training ("**FCC PAT**") which oversees compliance risk management through ensuring effective policies are in place, articulating the Group's compliance risk and coordinating training for the wider organisation to ensure effective Compliance culture is in place;
- 3) Financial Crime Compliance Operations ("**FCC Ops**") ensures effective oversight of compliance risk in relation to transactions; and

- 4) Compliance Assurance which conducts monitoring and testing to ensure ongoing compliance with regulations.

The Compliance Division reports directly to the Audit Finance and Risk Committee of the Board and provides advisory and guidance to ensure adherence to regulatory notices. The Division plays a pivotal role in identifying and reporting Compliance Risks to the Board through the annual conduct and review of the Compliance Groupwide Risk Assessment process. Groupwide training is conducted to ensure awareness of and adherence to the Compliance programme.

The Division also represents BIBD at the Public-Private Partnership platform, working collectively with other banks and agencies on topical compliance concerns. BIBD continues to invest in Compliance with a drive towards training and certification of the compliance personnel. Engagement with international experts in the field of financial crime compliance continue to take place, with the aim of aligning BIBD's compliance framework with global standards.

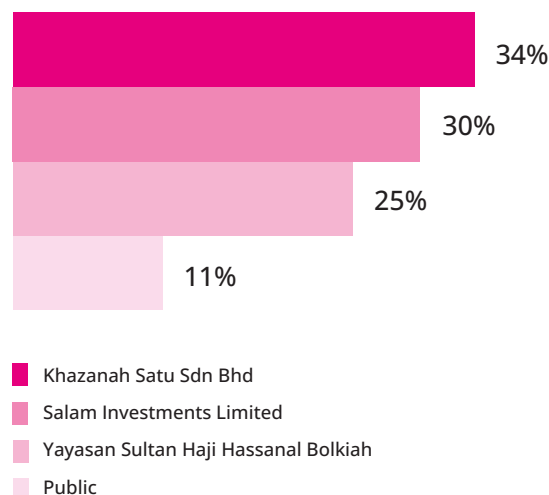
PRINCIPLE 16

Banks should treat all shareholders 1) fairly and equitably, and 2) should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

In compliance with R18(1) – (3) of the Securities Market Regulations 2015, BIBD ensures that all relevant and material information or changes in the Bank's financial information, operations or businesses are clearly stated in its Annual Report.

In relation to the status of the BIBD's share ownership, the list of its major shareholders as of 31 December 2023 is set out in the following Table:

Percentage of Shares Held



Furthermore, in ensuring that there is transparency and full disclosure of material information including the Bank's financial information and information relating to the operations and businesses of the Bank, the shareholders may access this information through BIBD's website which is updated regularly to factor in material changes as they occur.

Additionally, the BIBD Board had also approved the Price Sensitive Information Policy which sets out the guidelines in determining Price Sensitive Information and to ensure the proper and orderly public disclosure of the Price Sensitive Information in accordance with the applicable Securities Markets laws and regulations.

As part of BIBD's efforts to ensure that there is a meaningful and informed engagement between the shareholders and BIBD's Board at the Annual General Meeting ("AGM"), the Annual Review that includes the Annual Reports are made available on the BIBD's website to the shareholders twenty-one (21) days prior to the convening of the AGM. The shareholders are thus given sufficient opportunity to review the Annual Review and the Financial Statement and raise any concerns or issues on any aspects relating to the Bank's operations or management at the AGM.

Additionally, BIBD has put in place proper and systematic procedures to ensure that:

- 1) All procedural aspects of the AGM are carried out in accordance with the law.
- 2) Shareholders who are not able to attend the AGM in person are entitled to appoint proxies to attend the AGM.
- 3) Prior to the commencement of any physical AGM, shareholders are properly briefed of the voting procedures and as explained above are subsequently given the opportunity to raise any issues or concerns to be addressed by the Chairman of the AGM or if required, by members of the SAB or senior management. Where the AGM is not able to be convened physically, detailed instructions relating to the voting process and appointment of proxies are set out in the AGM Notice.

PRINCIPLE 17

Banks should actively engage their shareholders, depositors and other relevant stakeholders and put in place an investor relations policy to promote regular, effective and fair communication with stakeholders.

As part of the BIBD's efforts to ensure effective, transparent and fair communication with its stakeholders, all information relating material changes or developments in the Bank's financial information, its operations and/or businesses, is disseminated through various communication channels including its website.

BIBD's website is maintained by its Chief Marketing Office ("CMO") and is regularly updated to ensure that its stakeholders are kept abreast with any development relating to BIBD's financial information, operations and businesses. Further, BIBD is also acute to the critical role which social media platforms have assumed in recent years in the area of information communication. To that end, as and when considered appropriate, news, and notices relating to its operation, business and products are relayed to its customers through its official social media platforms such as Instagram and Facebook.

BIBD's Annual Review which includes the Annual Reports which is published annually coinciding with its AGM provides material information relating to the constitution of the Board and its Committees, their roles, functions and responsibilities, relevant information on its financial performance for the preceding accounting period, as well as updates on its corporate governance initiatives and actions.

With regard to BIBD's compensation policy, this has been addressed under Principle 8 of this Report whilst its risk exposure and risk management strategies have been explained in detail under Principles 9 to 12 of this Report.

With regard to its dividend policy, this has been disclosed under the note **"Capital Adequacy - Capital Management"** in the Audited Financial Statements for the financial year ended 31 December 2023 which states as follows:

"The Group and Bank has a dividend policy to distribute dividend which takes into consideration capital requirements, available distributable retained profits, liquidity and other factors while ensuring compliance with the prevailing laws and regulations".

PRINCIPLE 18

Banks should encourage greater shareholder participation at general meetings of shareholders and allow shareholders the opportunity to communicate their views on various matters affecting the Bank.

As explained in **Principles 16 and 17**, BIBD has put in place the necessary legal and procedure-based governance features to encourage a meaningful and informed shareholders participation and engagement at its AGMs.

For AGMs which are convened physically, the Share Registrar will provide a demonstration on the use of the voting devices prior to the commencement of the AGM. Results of voting on each resolution, showing the number of votes cast will be announced and displayed during the AGM and uploaded on BIBD's website on the next day.

The Chairman and members of the Board including the representatives of the SAB are generally present at the AGMs and are readily available to address any issues or concerns raised by the shareholders. BIBD's external auditors are also present at the AGMs to address any queries pertaining to the conduct of audit and any matters relating thereto.

All the agenda items for the AGM are raised and dealt with separately. There are separate resolutions passed for each agenda item which requires the shareholders' approval. The proceedings of the AGM including the comments or queries raised by the shareholders are properly recorded. The Company Secretary is tasked with the preparation of the minutes of the AGM. Shareholders are entitled to request for a copy of the minutes of the AGM and shall be duly provided with the same.

PRINCIPLE 19

Persons empowered with decision-making authority (including directors) should exercise care to avoid situations that may give rise to a conflict of interest situation.

Management of Conflict of Interest and Related Party Transaction Policy

BIBD through its Board put in place the revision of the Conflict of Interest and Related Party Transaction Policy (“**Policy**”). This Policy aims to guide the Bank in effectively identifying, documenting, escalating, and addressing conflicts of interest and related party transactions, in line with the Islamic Banking Order 2008, the Companies Act (Chap 39), Principle 19 of the BDCB Corporate Governance Guidelines, and established best practices.

Addressing Conflicts of Interest and managing Related Party Transactions are of paramount importance for BIBD. Section B of the Policy focuses on the systematic identification and management of Conflicts of Interest, while Section C covers Related Party Transactions and the management of its operational intricacies. This unified-Policy approach streamlines oversight, recognising the intertwining nature of conflicts of interest and related party transactions. It ensures proper management of potential biases, undue influence, or unfair advantages that might arise from personal ties or financial dealings.

Board members occupy pivotal roles within the Bank, taking the helm in steering crucial decisions that underpin the Bank’s long-term growth and commitment to shareholder value. Given their influential positions, it is paramount for them to consistently exhibit integrity, transparency, and professionalism, to ensure their actions and decisions remain free from any perceived or actual conflicts of interest.

Effective management of conflicts of interest is essential to uphold the integrity of any organisation. It ensures transparency, builds trust among stakeholders, and promotes ethical decision-making. The Bank’s approach to managing conflicts of interest is through three key steps: Avoidance, Disclosure, and Action.

When an approving body deliberates Related Party Transactions, it is essential to address a series of pivotal aspects to ensure the transaction aligns with the Bank’s best interests. These considerations are grounded in the necessity to maintain transparency, fairness, and strategic alignment.

Shariah Advisory Bodies

Membership

The members of the BIBD SAB are as follows:

- Associate Professor Dr Abdul Nasir bin Haji Abdul Rani (Chairperson)
- Hajah Noraini binti Haji Buntar (Deputy Chairperson)
- Dr Haji Mohd Aidil Yusrie bin Haji Shari (Member)
- Dr Amnisuhailah binti Abarahan (Member)
- Awang Haji Muhammad Ahmad Roza bin Haji Md Daud (Member)

Most of the SAB members of BIBD were reappointed for another 3 years term starting from 27th October 2023 until 26th October 2026, except for the Chairperson whose appointment is for 1 year starting from 27th October 2023 until 26th October 2024. Whereas Awang Haji Muhammad Ahmad Roza is a newly appointed member starting from 27th November 2023 to 26th October 2026.

The members of the BIBD At-Tamwil Berhad ("BIBD ATW") SAB are as follows:

- Associate Professor Dr Abdul Nasir bin Haji Abdul Rani (Chairman)

- Pengiran Dr Md Hasnol Alwee bin Pengiran Haji Md Salleh (Member)
- Haji Md Syahiran bin Haji Md Sofian (Member)

The SAB members of BIBD ATW were appointed for a 3-year term from 1st September 2020 until 31st August 2023.

The SAB members of BIBD ATW were reappointed for another term of 3 years starting from 27th October 2023 until 26th October 2026.

The members of the BIBD Securities Sdn Bhd ("BIBDS") SAB are as follows:

- Dr Haji Mohd Aidil Yusrie bin Haji Shari (Chairman)
- Dr Amnisuhailah binti Abarahan (Member)
- Dr Ahmad Lutfi bin Abdul Razak* (Member)
- Pengiran Hajah Saerah binti Pengiran Haji Petra (New Member)

**Appointment from 1st September 2020 until 31st August 2023*

2 of the SAB members of BIBDS namely the Chairman and Dr Amnisuhailah were reappointed for another term of 3 years term from 27th October 2023 until 26th October 2026. Whereas Pengiran Hajah Saerah is a new member being appointed into BIBDS SAB membership.

All the SAB members' appointments were approved by the Syariah Financial Supervisory Board ("SFSB") of Ministry of Finance and Economy (MOFE).

Duties and Responsibilities

The primary duties and responsibilities of the BIBD SAB are to:

1. Oversee Shariah matters related to the Bank's operations and business activities.
2. Attending any training as required by the Bank from time to time.
3. Advise the Board and Management on Shariah related matters in order for the Bank to comply with Shariah rules and principles at all times. The SAB members are responsible and accountable for all Shariah decisions, opinions and views provided by them.
4. Approve Shariah related policies and guidelines.
5. Advise related parties such as the Bank, clients, legal counsel, auditors or consultants on Shariah matters upon request.
6. Provide written Shariah resolutions and/or opinions in circumstances where the Bank refers to the SAB for further deliberation or where the Bank submits application to BDCB for new product approval.
7. Approve the Zakat calculation methodology and distribution of Zakat of the Bank.
8. Approve the channeling of Shariah Non-Compliant income to charity.
9. Approve products and services to ensure compliance with Shariah rules and principles which includes:
 - (a) Validating the terms and conditions contained in the forms, contracts, agreements or legal documents used in executing the transactions; and
 - (b) Validating the products manual, marketing advertisements, sales illustrations and brochures used to describe the products and services.
10. Assess the works carried out pursuant to Shariah review and Shariah audit which form part of the SAB duties in providing the assessment report on of Shariah compliance and assurance in the Annual Report of the Bank and its Group upon consultation with the Bank's subsidiaries' SAB.
11. To review findings and reports carried out by the Shariah review and Shariah audit functions in order to ensure compliance with Shariah financial matters.
12. To advise the bank on matters to be referred to the SFSB. The SAB may advise the Bank to consult the SFSB on Shariah financial matters which cannot be resolved.
13. To provide an annual assurance that the operations of the Bank are in compliance with Shariah rules and principles to the Board.

The primary duties and responsibilities of the BIBD ATW SAB are to:

1. Oversee Shariah matters related to BIBD ATW operations and financing business activities.

2. Attending any training as required by the BIBD ATW from time to time.
3. Advise the Board and Management on Shariah related matters in order for BIBD ATW to comply with Shariah rules and principles at all times. The SAB members are responsible and accountable for all Shariah decisions, opinions and views provided by them.
4. Approve policies and procedures in respect of its Islamic financing business.
5. Advise related parties such as BIBD ATW's clients, legal counsel, auditors or consultants on Shariah matters for advice upon request.
6. Provide written Shariah resolutions and/or opinions in circumstances where BIBD ATW make reference to the SAB for further deliberation or where the BIBD ATW submits application to AMBD for new product approval.
7. Approve the Zakat calculation methodology.
8. Inform the Bank's SAB of the channeling of SNC income to the Bank's Maslahat Fund for charity.
9. Approve financing business products and services to ensure compliance with Shariah rules and principles which include:
 - (a) Validating the terms and conditions contained in the forms, contracts, agreements or legal documents used in executing the transactions; and

(b) Validating the product manual, marketing advertisements, sales illustrations and brochures used to describe the financing business activities.

10. Assess the work carried out pursuant to Shariah review and Shariah audit which form part of the SAB duties in providing assessment of Shariah compliance and assurance information in the annual report of BIBD ATW.

11. To review findings and reports carried out by the Shariah review and Shariah audit functions in order to ensure compliance with Shariah financial matters.

12. To advise on matters to be referred to the SFSB. The SAB may advise BIBD ATW to consult the SFSB on Shariah financial matters which cannot be resolved.

The primary duties and responsibilities of the BIBDS SAB are to:

1. Oversee Shariah matters related to BIBDS operations and investment business activities.
2. Attending any training as required by the BIBDS from time to time.
3. Advise the Board and Management on Shariah related matters in order for BIBDS to comply with Shariah rules and principles at all times. The SAB members are responsible and accountable for all Shariah decisions, opinions and views provided by them.

4. Approve policies and procedures in respect of its Islamic investment business.

5. Advise related parties such as BIBDS's clients, legal counsel, auditors or consultants on Shariah matters for advice upon request.

6. Provide written Shariah resolutions and/or opinions in circumstances where BIBDS make reference to the SAB for further deliberation or where BIBDS submits application to BDCB for new product approval.

7. Approve the Zakat calculation methodology.

8. Inform the BIBD SAB of the channeling of Shariah Non-Compliant income to the BIBD's Maslahat Fund for charity.

9. Approve investment business activities to ensure compliance with Shariah rules and principles which include:

(a) Validating the terms and conditions contained in the forms, contracts, agreements or legal documents used in executing the transactions; and

(b) Validating the product manual, marketing advertisements, sales illustrations and brochures used to describe the investment business activities.

10. Assess the work carried out pursuant to Shariah review and Shariah audit which form part of the SAB duties in providing assessment of Shariah compliance and assurance information in the annual report of BIBDS.

11. To review findings and reports carried out by the Shariah review and Shariah audit functions in order to ensure compliance with Shariah financial matters.

12. To advise on matters to be referred to the SFSB. The SAB may advise BIBDS to consult the SFSB on Shariah financial matters which cannot be resolved.

Frequency and Attendance of Meetings

The SABs meets on a regular basis with minimum attendance of at least 75% of the meetings held in 2023.

The following is **BIBD SAB** meetings held in 2023 since the reappointment of its members in October 2023:

No.	Name	Positions (Terms)	SAB Meetings	
			Held	Attendance
1	Associate Professor Dr Abdul Nasir bin Haji Abdul Rani	Chairman (27 October 2023 to 26 October 2024)	3	3
2	Hajah Noraini binti Haji Buntar	Deputy Chairman (27 October 2023-26 October 2026)	3	3
3	Dr Haji Aidil Yusri bin Haji Shari	Member (27 October 2023-26 October 2026)	3	3
4	Dr Amnisuhailah binti Abarahan	Member (27 October 2023-26 October 2026)	3	3
5	Awang Haji Muhammad Ahmad Roza bin Haji Md Daud	Member (28 November 2023 to 26 October 2026)	3	0*

***Note:** Approval of appointment was on 15th January 2024 with retrospective effect on 28th November 2023.

BIBD ATW SAB meetings held in 2023 were as follows:

No.	Name	Positions (Terms)	SAB Meetings	
			Held	Attendance
1	Associate Professor Dr Abdul Nasir bin Haji Abdul Rani	Chairman	5	5
2	Pengiran Dr Md Hasnol Alwee bin Pengiran Haji Md Salleh	Member	5	4*
3	Haji Md Syahiran bin Haji Md Sofian	Member	5	5

***Note:** Absent with apology.

BIBDS SAB meetings held in 2023 were as follows:

No.	Name	Positions (Terms)	SAB Meetings	
			Held	Attendance
1	Dr Haji Aidil Yusri bin Haji Shari	Chairman (1 September 2020-31 August 2023) and (27 October 2023-26 October 2026)	4	4
2	Dr Amnisuhailah binti Abarahan	Member (1 September 2020-31 August 2023) and (27 October 2023-26 October 2026)	4	4
3	Dr Ahmad Lutfi bin Abdul Razak	Member (1 September 2020-31 August 2023)	4	4
4	Pengiran Hajah Saerah binti Pengiran Haji Petra	Member (27 October 2023-26 October 2026)	0*	0*

***Note:** No meeting held since the date of her appointment (October to December 2023)

Summary of Meetings in 2023

The respective **SABs** has reviewed, advised, and approved all the proposals including legal documentation for products and services submitted by the respective BIBD and subsidiaries' businesses.

Total of **48** business proposals were mooted and deliberated by the respective **SABs** meetings between January to December 2023 as shown in below table:

Proposal by Business and Subsidiaries		No. of Proposal
BIBD:		17
Retail Banking Group (RBG)	1	
Corporate Banking Group (CBG)	-	
Risk Management Division (RMD)	2	
Shariah Division (SD)	6	
Treasury and Global Markets (TGM)	1	
Internal Audit Division (IA)	1	
Finance and Strategy Group (FSG)	2	
Chief Marketing Office (CMO)	-	
Government Relation and Special Project Division (GRSP)	4	
Chief Operating Officer Office (COO)	-	
BIBD At-Tamwil Berhad		14
BIBD Securities Sdn Bhd		17
TOTAL		48

SAB Members Training Summary

The SAB members attended various forums and trainings to enhance their knowledge and understanding as well as keeping them abreast of the latest development in Islamic Finance industry.

No.	Training Details	SAB Members								
		Assoc. Prof Dr Abdul Nasir	Hjh Noraini	Dr Hj Muhd Aidil	Ust. Muhd Ahmad Roza	Dr Amni Suhailah	Pg Dr Hj Muhd Hasnol	Hj Md Syahiran	Pg Hj Saerah	Dr Ahmad Lutfi
1	Muzakarah Cendekiawan Syariah Nusantara ke 17	✓					✓	✓		
2	ISRA Fintech Masterclass	✓					✓	✓		
3	OLIVE Digital Innovation Convention	✓	✓			✓	✓	✓	✓	

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Celebrating Our People

2023 in Numbers

Retail Banking

359K

No. of Retail Banking Customer

>75%

Digital Penetration

60%

Growth of Digital Banking Transactions (over the past 5 years)

90%

Growth of Digital Transaction (B\$) (over the past 5 years)

400K

No. of Inbound Calls

B\$1 Billion

Card Transactions

Digital Drive

Overall digital transactions saw an increase of 22% in transaction volume from 2022 to 2023

21%

increase in Merchants onboarded

22%

increase in QuickPay vendors onboarded

Merchants:

% increase in Merchants onboarded:

21% growth y-o-y

% increase in QuickPay onboarded:

22% growth y-o-y

BIBD Card Swipes on BIBD's Merchant Terminals:

14% growth in transaction volume (B\$) y-o-y

23% growth in transactions counts (#) y-o-y

Non BIBD Card Swipes on BIBD's Merchant Terminals:

31% growth in transaction volume (B\$) y-o-y

47% growth in transaction counts (#) y-o-y

BIBD NEXGEN:

9% growth in transaction volume (B\$) y-o-y

6% growth in transaction counts (#) y-o-y

Corporate Banking

No. of Corporate Customers

>13K

Corporate Customers who are SMEs: **89%**

Total No. of Billers:

163 (as of December 2023)



BizNet Penetration Rate:

Approx. **81%**

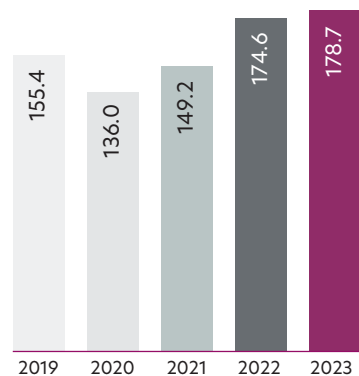
No. of Transactions:

Approx. **56%** increase y-o-y

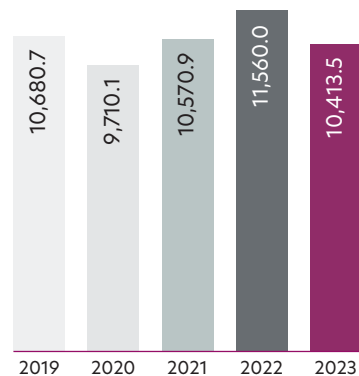
Fund Transfers (within BIBD):

18% growth

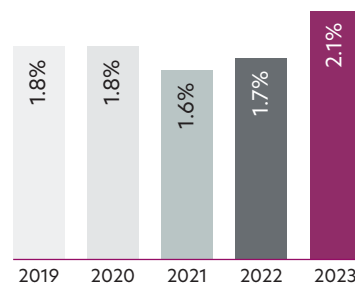
Financial Highlights



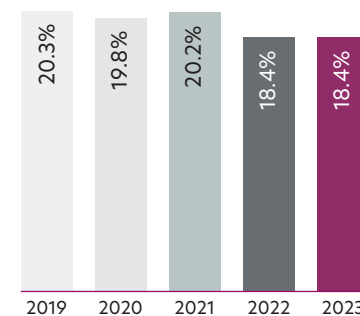
**Net Profit
After Zakat and Tax (B\$ Million)**



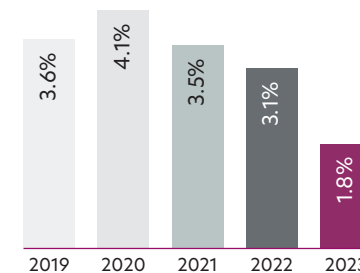
Total Assets (B\$ Million)



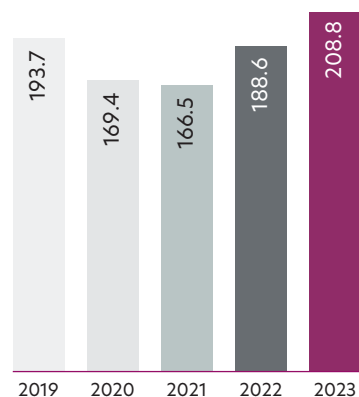
**Return on Assets
- Before Taxation (%)**



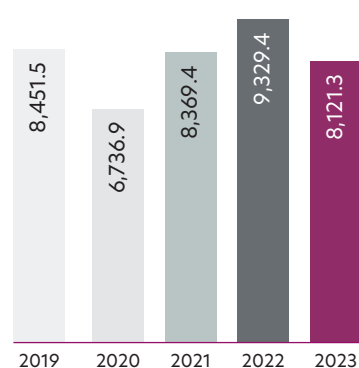
**Capital Adequacy
Ratios Tier 1 (Core Capital) (%)**



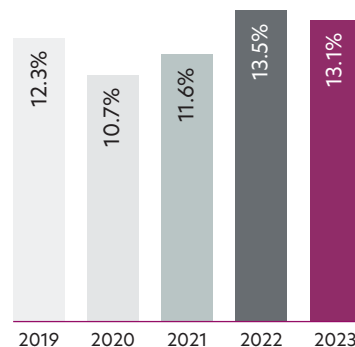
**Impaired Financing to Total
Financing and advances (%)**



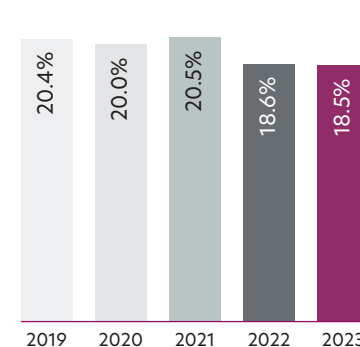
Operating Profit (B\$ Million)



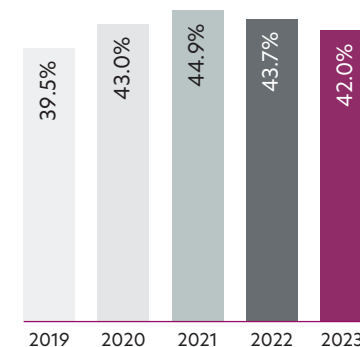
**Deposits from Customers
(B\$ Million)**



**Return on Equity
- After Tax (%)**



**Total Capital
Adequacy Ratio (%)**



Cost to Income Ratio (%)

Awards and Accolades

BIBD actively participates in industry-wide banking awards to solidify its position as the preeminent financial institution in Brunei and beyond. By engaging in and securing accolades across diverse categories like Best Retail Bank and Best Islamic Financial Institution, BIBD effectively demonstrates its unwavering dedication to excellence and innovation. This affords us the opportunity to highlight our strengths and accomplishments to our valued customers, stakeholders, and strategic partners.

Moreover, these awards serve as a valuable performance yardstick, allowing BIBD to assess its standing against other banks and pinpoint areas for improvement. In essence, industry-wide banking awards play a pivotal role in elevating BIBD's brand image and fostering trust and credibility within the communities we serve.

A-

S&P Global
Ratings

BIBD received an **A- Stable rating** once again from S&P Global, a prominent international credit ratings agency. This reaffirmation coincides with BIBD's 30th anniversary in 2023 and reflects the bank's three decades of providing Islamic financial services to its customers and its commitment to serving the community and the nation. BIBD has maintained this A- Stable rating since 2015, underscoring its dedication to strong capitalisation and a healthy funding profile, factors that are expected to support the bank's growth and resilience in the future.

S&P Global's report also acknowledges BIBD's significant systemic importance within the Bruneian financial sector and highlights the bank's stable deposit base and robust liquidity position, reinforcing its reputation as a dependable financial institution in the country. Moreover, S&P Global recognised BIBD's commitment to environmental, social, and governance (ESG) credit factors, emphasising the bank's Sustainability Framework and adherence to Maqasid Shariah principles, which demonstrate BIBD's dedication to sustainable banking practices and responsible financing for the betterment of the community and the nation.



BIBD was recognised as the **Safest Bank in Brunei Darussalam for 2023** by Global Finance, a highly respected financial magazine. Global Finance's annual rankings of the World's Safest Banks have been the industry standard for assessing financial counterparty safety for over three decades. The selection of winners was based on the evaluation of long-term foreign currency ratings from Moody's, Standard & Poor's, and Fitch, focusing on the world's 1000 largest banks.

Additionally, Global Finance awarded BIBD the title of Best Islamic Financial Institution in Brunei. According to the publication, this year's award recipients have continued to invest in technology and service delivery, introducing new products and services while maintaining strong financial performance. Moreover, these award winners understand the significance of corporate and social responsibility as well as environmental factors.



BIBD was named Brunei's **Bank of The Year 2023** by The Banker, an esteemed financial publication. This prestigious recognition, particularly in BIBD's 30th anniversary year, serves as an acknowledgment of the unwavering support and trust it has received from its customers and the community. The Banker's annual Bank of the Year Awards honour banks from around the world for their exceptional performance, innovation, and customer commitment.

Furthermore, BIBD's commitment to sustainability played a pivotal role in securing this accolade. The bank introduced innovative financing with green building certification requirements and implemented social financial mechanisms to support marginalised groups. The Banker emphasised the significance of sustainability for the future success of banks, praising BIBD and other award recipients for their resilience and innovation amid challenging economic conditions. This recognition underscores BIBD's dedication to not only delivering exceptional Islamic banking services but also contributing to Brunei's economic development and social well-being while embracing sustainability as a core value.



BIBD was also recognised as the **Strongest Bank in Brunei for 2023** by The Asian Banker, reaffirming its position as a leading financial institution in the country. The accolade is based on BIBD's robust performance across essential financial metrics. BIBD's notable achievements include improvements in profitability, asset quality, and liquidity, as well as impressive growth in deposits, reflecting its strategic focus on business expansion. The bank also demonstrated a substantial increase in net profit, underscoring its strong financial performance. The Asian Banker highlighted key performance indicators such as the gross non-performing financing ratio, total capital adequacy ratio, and the ratio of assets to total deposits and borrowings, all of which surpassed industry averages.

This recognition solidifies BIBD's position as a financial leader in Brunei and reflects its commitment to excellence.



BIBD successfully renewed its **ISO 9001:2015 certification for Quality Management System**, reinforcing its commitment to delivering the highest standards of service to its customers and stakeholders. This certification empowers BIBD to establish a robust infrastructure that ensures the consistent and systematic delivery of key processes. It plays a vital role in risk management by promoting vigilance in identifying and controlling risks associated with changes, contributing to effective control measures. Additionally, the ISO 9001:2015 certification aligns with BIBD's dedication to continuous improvement, championing the Plan-Do-Check-Act cycle as a valuable tool to surpass limitations and consistently provide exceptional services.

BIBD remains unwavering in its mission to offer innovative solutions and deliver unparalleled customer experiences. The recent renewal of the ISO 9001:2015 certification underscores BIBD's commitment to excellence, emphasising the bank's determination to provide the very best for its customers. This achievement reflects BIBD's dedication to maintaining high-quality service standards and ensuring that its customers and stakeholders continue to receive outstanding service and support in all aspects of their financial needs.

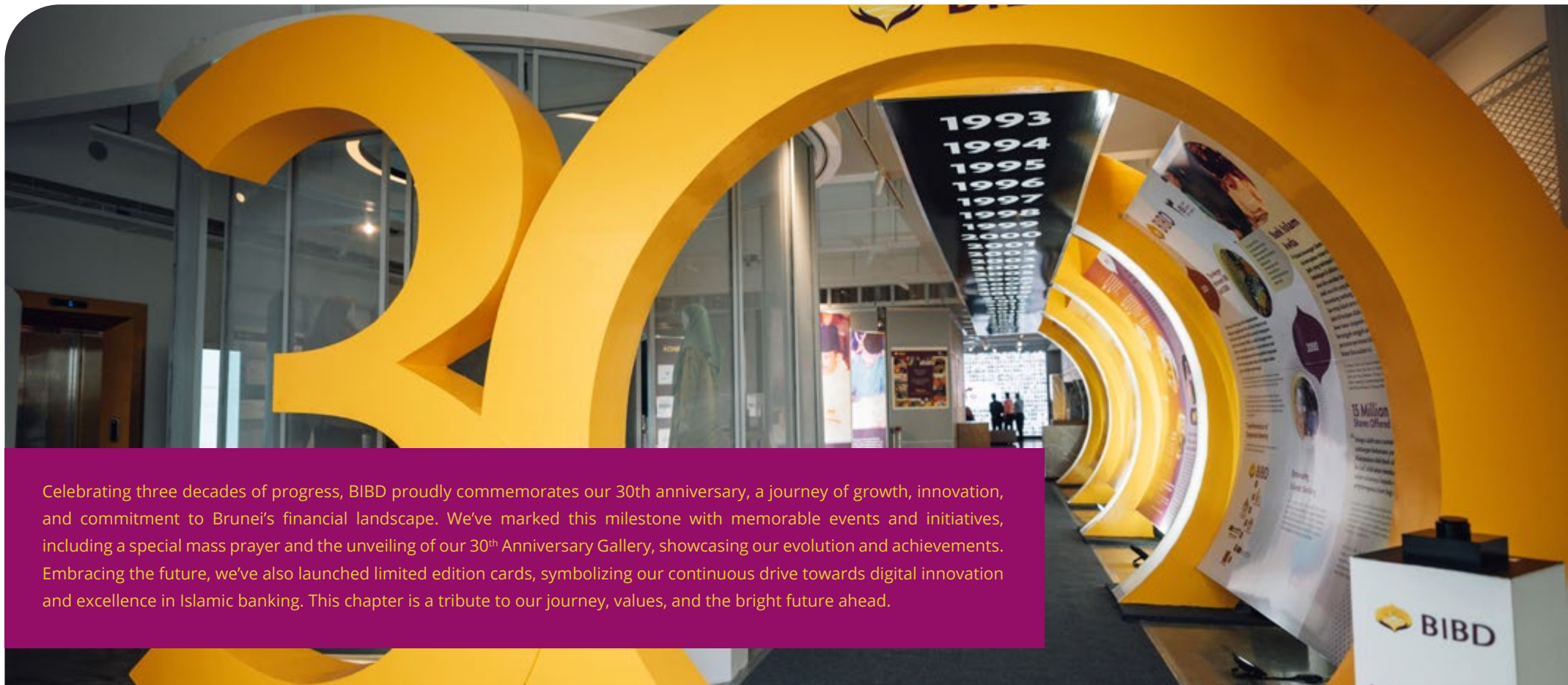


BIBD Asset Management (BIBD AM) received the prestigious '**Asset Manager of the Year**' award for Brunei from The Asset, a renowned global awards publisher. The Asset's annual Triple A Awards are highly regarded in the banking, finance, treasury, and capital markets industries, known for their rigorous evaluation process. The awards are determined by The Asset's experienced editorial board and supplemented by data analytics from Asset Benchmark Research, a leading research organisation in the financial services industry.

BIBD AM's recognition as Islamic Asset Manager of the year for Brunei is attributed to its commitment to Environmental, Social, and Governance (ESG) principles, exemplified by the launch of its Global ESG Sukuk Strategy. The Asset highlighted the significance of integrating ESG into investment decisions and noted that BIBD AM is a signatory to the UN Principles for Responsible Investment, making it the first in Brunei to do so. Additionally, BIBD

AM's educational initiatives, including online education programs and financial literacy workshops, were recognised. The Asset also commended the company's efforts to expand its business footprint outside Brunei and its adoption of digitalisation to broaden its offerings to both retail and institutional investors. This award reflects BIBD AM's commitment to responsible investing and its contributions to financial education.

Three Decades of Progress - Commemorating BIBD's 30th Anniversary



Celebrating three decades of progress, BIBD proudly commemorates our 30th anniversary, a journey of growth, innovation, and commitment to Brunei's financial landscape. We've marked this milestone with memorable events and initiatives, including a special mass prayer and the unveiling of our 30th Anniversary Gallery, showcasing our evolution and achievements. Embracing the future, we've also launched limited edition cards, symbolizing our continuous drive towards digital innovation and excellence in Islamic banking. This chapter is a tribute to our journey, values, and the bright future ahead.

Marking 30th Anniversary with Thanksgiving Prayers



In marking its 30th anniversary, BIBD held a mass prayer and thanksgiving ceremony at Jame' Asr' Hassanil Bolkiah Mosque, celebrating three decades of contribution to Islamic Banking in Brunei Darussalam.



The ceremony was attended by Yang Berhormat Dato Seri Setia Dr Haji Awang Mohd Amin Liew bin Abdullah, Minister of Finance and Economy II and Minister at the Prime Minister's Office, in his capacity as Chairman of BIBD. Also present was Yang Mulia Dato Seri Setia Dr Haji Mazanan bin Haji Yusof, Assistant State Mufti (Buhuth) at the State Mufti's Office and Chairman of BIBD's Shariah Advisory Body.

The event drew members from various sectors of the bank, including BIBD's Board, Shariah Advisory Body, senior management, staff, and retired employees from the BIBD Group.

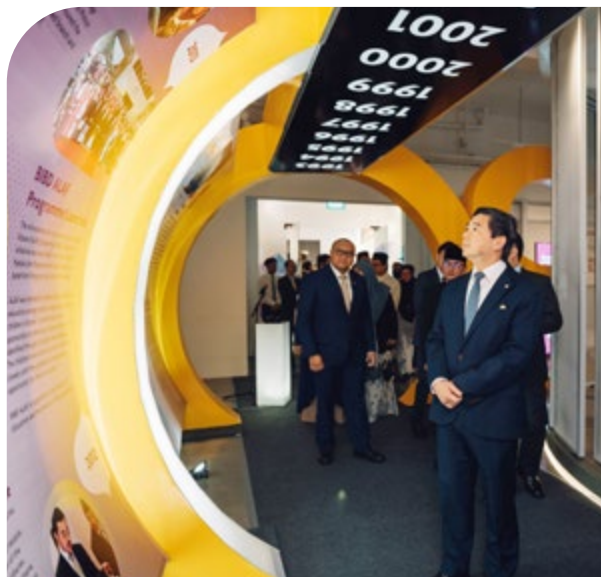


This anniversary event commemorated the historical significance of the date 13 January 1993, when His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam, announced the conversion of the International Bank of Brunei into the Islamic Bank of Brunei (IBB). This transformation was a key milestone in the establishment of Islamic banking in the nation. Further, in 2005, with His Majesty's consent, IBB merged with the Islamic Development Bank of Brunei (IDBB) to form BIBD.

The attendees performed mass Sunat Hajat and Fardhu Asar prayers, followed by the recital of Selawat Tafrijiyyah by BIBD ALAF students. The event concluded with a doa selamat, marking the 30-year milestone of BIBD's establishment and its ongoing contribution to the nation's banking industry.

A Walk through History: BIBD's 30th Anniversary Gallery

BIBD's 30th anniversary celebrations continued with the unveiling of the BIBD 30th Anniversary Commemorative Gallery at Brunei Energy Hub Dermaga Diraja, a significant addition to the capital's cultural landscape. The event was officiated by Yang Berhormat Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, in his role as Chairman of BIBD.



The gallery serves as a vivid chronicle of BIBD's journey, tracing its roots back to the inception of the Islamic Bank of Brunei Berhad (IBB) by His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah ibni Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien, Sultan and Yang Di-Pertuan of Brunei Darussalam on January 13, 1993. It further encapsulates the historic merger of IBB with Islamic Development Bank of Brunei (IDBB) in 2005, forming BIBD, and highlights the bank's evolution up to the present day.



The event was a convergence of past and present, with BIBD's Shariah Advisory Body, Board of Directors, management, staff, and notably, almost 60 employees with over 30 years of service in attendance, embodying the enduring legacy and the collaborative spirit that has driven the bank's success.



Designed to be both interactive and educational, the gallery was a trove of knowledge for the public. It featured an extensive exhibition of memorabilia, past publications, and uniforms spanning the bank's three decades. This exhibition not only chronicled the bank's rich history but also spotlights key milestones and achievements since its establishment.



Launching a Legacy: Limited Edition Cards for BIBD's 30th Anniversary



BIBD continued its Mega 30 anniversary celebrations with the launch of a special collection of limited edition debit and credit cards. The event, held at BIBD's Project Olive innovation lab, revealed seven unique card designs, each symbolising the bank's evolution since 1993. The collection comprises 300 pieces of each credit card design and 3,000 pieces of debit cards, targeted primarily at new-to-bank as well as existing customers.

SECTION 03

The cards featured designs that represent growth, innovation, and youthfulness, aligning with BIBD's vision of becoming a leading digital-first Islamic bank in Brunei's evolving digital economy. They also celebrated BIBD's longstanding influence on Bruneian lifestyle and its significant contributions to the Islamic finance sector over the past 30 years.



Deputy Managing Director II and Head of Retail Banking, Irwan Lamit, highlighted the bank's status as Brunei's largest card issuer and its role in shaping the nation's financial landscape. He emphasised BIBD's commitment to digital innovation and Islamic financial solutions, particularly through the bank's ongoing digital transformation under Project Olive, set to complete by 2025. He reiterated that BIBD's focus remains on customer convenience and security as it continues to offer advanced and secure Islamic digital banking services to its customers in Brunei.

Bruneian at Heart - Serving the Nation



In 2023, BIBD celebrated its unwavering dedication to Brunei with initiatives fostering youth leadership in sustainability, bridging the digital divide for seniors, enhancing digital security, and empowering the community. Our efforts, from nurturing future leaders to ensuring inclusive digital literacy and promoting online safety, illustrate our commitment to national development and the well-being of Bruneians. By championing sustainable practices and supporting local enterprises, BIBD continues to embody the spirit of being truly **'Bruneian at Heart'**.

Celebrating Young Visionaries



At the National Youth Day Celebrations, BIBD proudly showcased the winners of the inaugural BIBD Sustainability Youth Leadership Award. This prestigious occasion allowed the awardees to present their innovative projects to His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam.

The award, announced in May 2023, aimed to inspire the younger generation to address key environmental, social, and economic challenges, aligning with Brunei Vision 2035 and the United Nations Sustainable Development Goals (SDGs). The winning projects, spanning education, environment, health, and jobs, illustrate the diverse ways in which youth can contribute to sustainable development.

Collaborating with the SDG Unit of the Wawasan Brunei Secretariat Office, the Brunei Climate Change Secretariat, the Ministry of Culture Youth and Sports, and Green Brunei, the award is part of BIBD's Sustainability Framework and Roadmap. It adopts a holistic approach, encouraging public and private sector collaboration to highlight the vital role of youth in national development.

BIBD's Managing Director and CEO, Junaidi bin Haji Masri, commended the winners for their commitment to national betterment. He emphasised that their projects embody the spirit of being "Bruneian at Heart," inspiring sustainable practices and contributing to the realisation of Brunei Vision 2035.

The BIBD Sustainability Youth Leadership Award not only recognises the potential of young leaders but also reflects the nation's commitment to addressing global challenges. Through this initiative, BIBD reaffirms its adherence to Maqasid Shariah principles and its dedication to promoting environmental protection, responsible entrepreneurship, and social inclusivity. As Brunei celebrates the achievements of its youth, BIBD stands proud of these young leaders' contributions towards a sustainable and prosperous future.

Fostering Future Sustainability Leaders



In 2023, BIBD held the first BIBD Sustainability Youth Leadership Award ceremony at the International Convention Centre. The event, graced by the Minister of Culture Youth and Sports, Yang Berhormat Dato Seri Setia Awang Haji Nazmi bin Mohammad, recognised four exceptional winners from the Education, Health, Environment, and Jobs clusters. Each winner, representing projects like Project Hayaa, Iklim Chapters, Project Pink Box, and Upskilling Tutong, was awarded B\$3,000 for their innovative contributions towards sustainability.



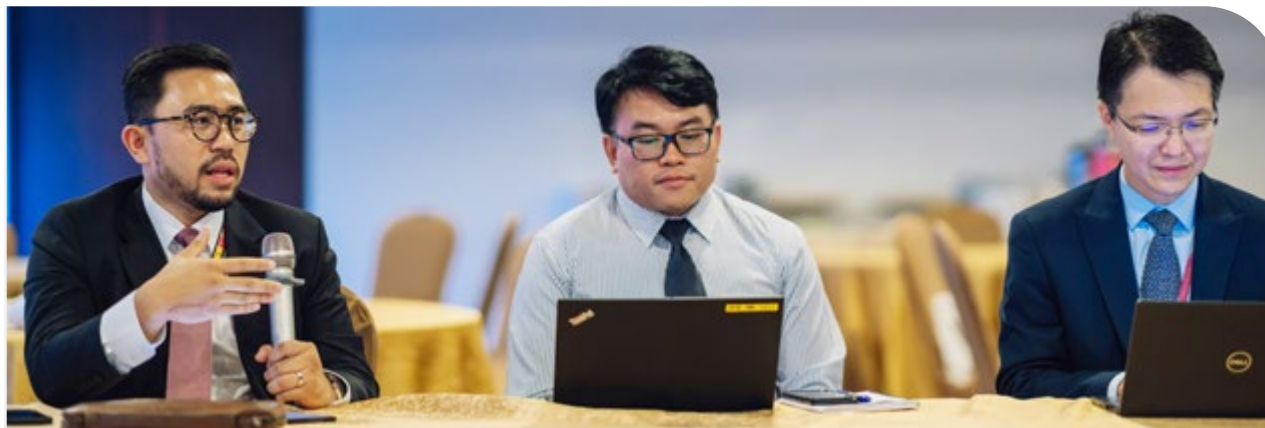
The award, a collaborative effort between BIBD, Wawasan Brunei Secretariat Office, the Ministry of Culture Youth and Sports, and Green Brunei, aims to empower youth in line with Brunei Vision 2035 and the United Nations Sustainable Development Goals (SDGs). This initiative echoes His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam's call for a younger generation enriched with new ideas to lead the nation forward. BIBD's Managing Director and CEO, Junaidi bin Haji Masri, emphasised the award's role in fostering a sustainable future for Brunei, inspired by the young leaders' dedication and passion.



This award, the first of its kind in Brunei, celebrates young individuals committed to creating a sustainable and inclusive society. Over recent months, these youths presented their project ideas across various categories, evaluated by a panel from BIBD, the SDG Unit of the Wawasan Brunei Secretariat Office, the Brunei Climate Change Secretariat, the Ministry of Culture Youth and Sports, and Green Brunei. The process culminated in four groups being shortlisted and was given the opportunity to present their projects to His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam during the 18th National Youth Day celebrations.



Post-ceremony, these winning groups commenced a six-month project implementation phase, aligning with Brunei's Vision 2035 objectives. Following this, BIBD plans to recognise the Most Inspiring Male and Female Leaders with a B\$1,000 BIBD Aspirasi Account and award the Best Overall Sustainability Project with B\$3,000 for its impactful execution and potential for lasting change.



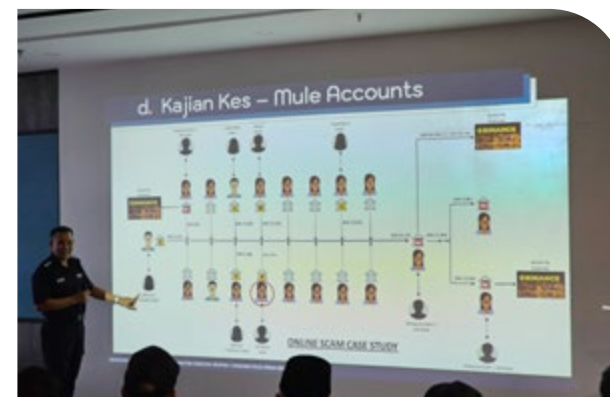
The BIBD Sustainability Youth Leadership Award ceremony underscores Brunei's commitment to nurturing future leaders and building a dynamic, sustainable nation. BIBD, under its Sustainability Framework, continues to recognise youths as vital to national progress and change, adhering to Maqasid Shariah principles and the values of the Malay Islamic Monarchy. This initiative represents a significant step towards a sustainable future, inspiring the nation's youth and the broader community to contribute actively to Brunei's vision.



Bridging the Digital Divide: BIBD's Initiative for Senior Citizens

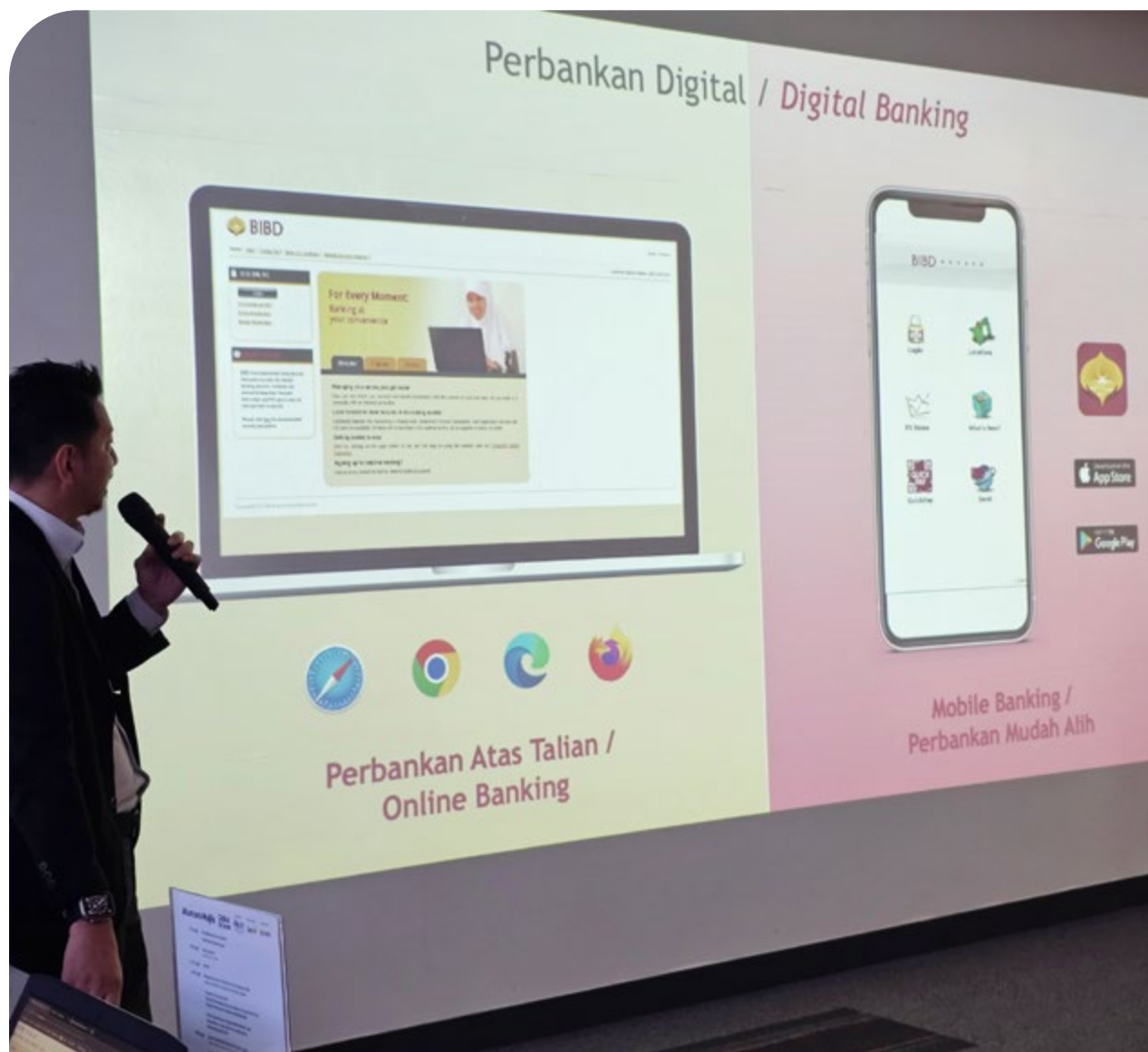


BIBD participated in “Digital WARGAMAS,” a quarterly outreach program aimed at improving digital literacy among Brunei’s senior citizens. The program, organised by the Authority for Info-communications Technology Industry (AITI) of Brunei Darussalam, focused on equipping the Warga Emas community with vital digital skills for safe online navigation.



Awang Haji Rajid Bin Haji Mohd Salleh, Acting Deputy Permanent Secretary at the Ministry of Religious Affairs, officially launched Digital WARGAMAS. The event included informative sessions covering online safety, scam awareness, and digital banking, with contributions from experts across various sectors, including banking.





A key feature of the program was a comprehensive guide on using mobile applications for online transactions and payments, led by Zainol Amin Hj Mohd Jaafar, Manager of BIBD NEXGEN Channel. Hjh Nurul Akmar binti Hj Mohd Jaafar, BIBD's Chief Marketing Officer, emphasised the initiative's alignment with BIBD's Sustainability Framework. She highlighted the importance of including all society segments in the digital era, particularly the Warga Emas, reinforcing BIBD's commitment to financial literacy and digital resilience.

Hjh Nurul Akmar also addressed the rise in online scams targeting vulnerable society members, underscoring the program's relevance in empowering the elderly with the necessary knowledge and skills to navigate technological risks and benefits.

Digital WARGAMAS represents a collaborative effort to close the digital gap, ensuring that Brunei's senior citizens are not only participants but also confident navigators in the digital age. BIBD continues its mission to create a digitally inclusive future, where all individuals, regardless of age, can engage with the digital world securely and confidently.

Enhancing Digital Security

BIBD partnered with Cybersecurity Brunei (CSB), the national cyber security agency of Brunei Darussalam, to launch a comprehensive year-long social media campaign throughout 2023. This initiative aimed to promote online safety and equip customers with essential knowledge to combat evolving cyber threats, especially in the context of increasing digital banking and payment activities.

Recognising the critical need for heightened vigilance against cyber scams and social engineering frauds, BIBD and CSB's collaboration focuses on educating customers with practical tips and common scenarios to help customers stay alert during online transactions. Key topics include online banking safety, mobile device security, recognising and avoiding online scams like phishing, and safeguarding against identity theft.



Building upon the success of the previous year's campaign, this year's effort aims to extend its reach, utilising social media's vast influence to instill a culture of cyber vigilance within the Bruneian community. Yusof Fadli bin Haji Sidek, Deputy Chief Information Officer at BIBD, reaffirmed the bank's commitment to online security and customer education, underscoring the collaboration's role in enhancing customers' online banking experiences and promoting safe digital practices.

Throughout the year, BIBD and CSB continuously updated the campaign content, ensuring it remained relevant in the fast-evolving cyber threat landscape. The campaign was designed to provide actionable insights, assisting customers in recognising potential risks and effectively responding to cyber challenges.

This joint initiative between BIBD and Cybersecurity Brunei represents a concerted effort to foster a safer digital environment in Brunei. By enhancing awareness and understanding of cyber threats, the collaboration aims to empower customers with the necessary tools and confidence to navigate the digital world securely.

Community Empowerment and Collaboration



At the Hari Raya event organised by Yayasan Sultan Haji Hassanal Bolkiah, BIBD showcased its robust collaborations with the Brunei government in supporting the country's micro and small enterprises (MSMEs). The event, graced by His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam and Her Majesty Duli Raja Isteri Pengiran Anak Hajah Saleha, highlighted BIBD's commitment to empowering the community as part of achieving Brunei Vision 2035. The theme of the event, 'Memperkasakan Penglibatan Masyarakat Dalam Mencapai Wawasan Brunei 2035', resonated with BIBD's initiatives, particularly in supporting the Goals No.2 (Quality of Life) and No.3 (Dynamic and Sustainable Economy) of the national vision.



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In line with its dedication to financial inclusivity, BIBD, in collaboration with the Ministry of Home Affairs, has established Projek Tunas, a physical marketplace that aggregates support for entrepreneurial programs under various ministries. This initiative provides crucial support to segments needing assistance and upskilling through entrepreneurship programs, exemplifying BIBD's commitment to social enterprise outreach. Projek Tunas serves as a platform for 235 entrepreneurs from diverse programs like the One Village One Product (1K1P), Muallafpreneurs Consortium, BIBDSEED, and Usahawan Bakarih Yayasan, offering them opportunities for growth, market access, and successful entrepreneurship.



At the Hari Raya event, BIBD also showcased its 'Bruneian At Heart' hampers, a collection of locally produced items emphasising quality, sustainability, and craftsmanship. This initiative, which includes products from various local small businesses and a set of green packets designed by a student of BIBD ALAF, reflects the bank's focus on social inclusion and support for local MSMEs. The hampers embody BIBD's efforts to integrate social and financial inclusion into the community.

BIBD's role in these initiatives demonstrates its commitment as a corporate citizen to supporting Brunei's growth and enhancing the lives of its people. By promoting MSMEs and aligning with the UN Sustainable Development Goals, BIBD continues to contribute to the nation's economic development and reaffirms its dedication to being a partner in progress, fostering a dynamic and inclusive economy in Brunei.

Advancing the Financial Sector - Serving the Industry

In 2023, BIBD embarked on a transformative journey with the launch of Olive, setting a new standard in digital banking in Brunei. Our inaugural Olive Digital Innovation Conference, DigiCon 2023, and active participation in the Brunei Islamic Finance Summit showcased our commitment to innovation, sustainability, and the advancement of the Islamic finance industry. As we champion the integration of technology and Islamic financial principles, BIBD continues to lead the way towards a resilient and sustainable future, in alignment with global standards and Brunei's Vision 2035.

Embracing Bank 4.0 BIBD Group Launches Olive

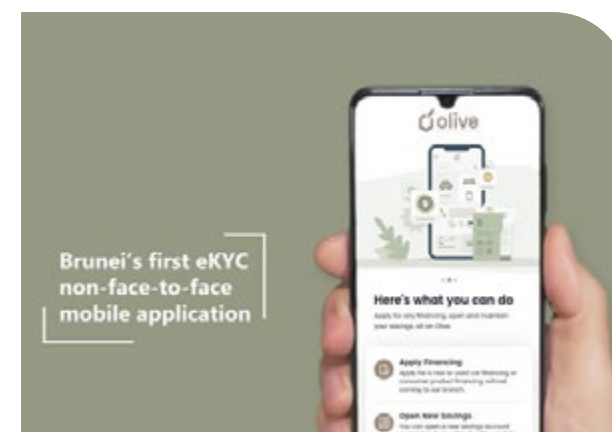
The BIBD Group, led by BIBD At-Tamwil Berhad, set a benchmark in Brunei's financial sector with the launch of its cutting-edge digital banking platform, "Olive." The app was officially launched on 3 July 2023 by Yang Berhormat Dato Seri Setia Dr Awang Haji Mohd Amin Liew Bin Abdullah, the Minister at the Prime Minister's office, Minister of Finance and Economy II, and Chairman of BIBD Group.

Olive's introduction made BIBD At-Tamwil Berhad the first in Brunei to implement eKYC non-face-to-face customer onboarding technology. This innovation allows customers to open accounts, apply for financing, and conduct transactions digitally, without the need for physical presence at bank counters. Olive integrates the latest in digital technology, offering features like digital signatures and contracts.

This mobile app is a significant step in BIBD Group's digital transformation journey, reflecting their leadership in the Bank 4.0 era and alignment with BDCB's financial sector blueprint 2016-2025 and Digital Economy Masterplan.

Olive sets a new benchmark in Brunei for digital banking experiences, utilizing eKYC technology for seamless customer engagement and instant fulfilments. Through Olive, customers can effortlessly open savings accounts, term deposits, and apply for financing digitally.

The launch of Olive is a testament to the BIBD Group's commitment to leading digital innovation in banking, promoting financial inclusivity, and contributing significantly to the growth of Brunei's digital economy.





In October, the BIBD Group hosted its Digital Innovation Roadshow at The Mall in Gadong, marking a significant step towards digital advancement. The primary objective of this event was to introduce the olive app to the general public, demonstrating its diverse functionalities and how it can simplify various financial transactions. Attendees had the unique opportunity to experience the Olive app firsthand, exploring its features in real-time. Moreover, the roadshow facilitated immediate access for individuals interested in applying for financing directly through the app, making financial services more accessible and user-friendly.



Shaping the Future of Banking: BIBD DigiCon 2023



The BIBD Group launched its inaugural Olive Digital Innovation Conference (DigiCon 2023) as a key component of its digital transformation journey. Coinciding with BIBD's 30th anniversary, DigiCon 2023 was a testament to the bank's commitment to innovation and inclusivity. The event, held at the International Convention Centre's Plenary Hall, attracted over 900 delegates, focusing on the impact of the 4th Industrial Revolution (IR4.0) and Bank 4.0 on the banking sector, particularly in cybersecurity and data protection.



A highlight of DigiCon 2023 was the unveiling of the Project Olive Journal, co-authored by Associate Professor Dr. Abdul Nasir bin Haji Abdul Rani and Irwan Lamit, Deputy Managing Director, Head of Retail Banking and Chief Information Officer of BIBD. The journal explores digital banking's compatibility with Islamic finance principles. The conference also featured a keynote speech by Yang Berhormat Dato Seri Setia Dr Hj Mohd Amin Liew bin Abdullah, who emphasised the importance of mastering new technologies and aligning with the vision of a Smart Nation, as outlined in the Brunei Digital Economy Masterplan.





Mr. Emmanuel Danial, Chairman of the Asian Banker, delivered a keynote on 'The Great Transition,' focusing on the evolution of the banking industry towards personalisation. The conference comprised four main forums, each addressing a key aspect of digital transformation: redefining traditional banking in IR4.0, cybersecurity challenges and fraud prevention, personal data protection, and advancing local and cross-border payments.

DigiCon 2023 also showcased 15 exhibitors, each demonstrating their advancements in IR4.0 with innovative digital products. This event underlined BIBD Group's role in leading the banking sector into a digital future, fostering greater awareness and understanding of the opportunities and challenges of Bank 4.0. The conference was a confluence of thought leaders, industry experts, and the public, setting a course for a more inclusive, secure, and prosperous future in digital banking.



Supporting the Growth of the Islamic Finance Industry

BIBD demonstrated its commitment to the Islamic finance industry's growth by participating in the Brunei Islamic Finance (B.I.F) Summit 2023. The summit, themed "Securing a Resilient & Sustainable Future Through Innovative Islamic Finance," was a key part of the Brunei Mid-Year Conference and Exhibition (MYCE) 2023. Organised by the Brunei Institute of Leadership and Islamic Finance (BILIF) with the Islamic Development Bank (IsDB) and World Bank Group, the summit served as a crucial forum for sharing insights and discussing the future of Islamic finance.

BIBD's role as a main sponsor and participant, including in panel discussions like 'Islamic Social Finance – A Feasible Antidote?' and "Islamic Fintech and Resilient & Sustainable

Future: Bringing Them All Together," highlighted the bank's efforts in aligning with Maqasid Shariah principles and fostering social and economic growth. Speakers from BIBD, including Hj Mohammad Yusri bin Hj Wahsalfelah and Adi Shamsul bin Haji Sabli, emphasised the importance of collaboration and innovation in Islamic finance. They shared insights on integrating technology with Islamic financial principles and BIBD's various initiatives, such as BIBD ALAF, BIBD SEED, and Projek Tunas, to advance social welfare and economic empowerment.

BIBD's active participation in the summit underscored its dedication to supporting the United Nations Sustainable Development Goals and contributing to Brunei Vision

2035. By promoting knowledge exchange, technological innovation, and sustainable practices within Islamic finance, BIBD continues to reinforce its role as a leader in the industry, driving towards a resilient and sustainable future.



Growing Together - Supporting Local Businesses



In 2023, BIBD championed local business growth and entrepreneurship, uplifting communities through Projek Tunas and supporting MSMEs at the Brunei MSME Festival. Our initiatives transformed home-based businesses into sustainable ventures, expanded market access, and fostered economic development. By providing essential business knowledge, financial services, and platforms for exposure, BIBD is dedicated to nurturing a vibrant entrepreneurial ecosystem and driving inclusive growth in Brunei.

Uplifting Through Entrepreneurship

Projek Tunas, initiated by BIBD in collaboration with the Ministry of Home Affairs, private sector, and local NGOs, is a transformative entrepreneurship program aimed at uplifting underprivileged groups in Brunei. This innovative program has successfully turned home-based businesses and micro-enterprises run by underprivileged segments, including single mothers, home-based cottage industries, and Muslim reverts, into sustainable ventures. Through the support of BIBD's SME360 team, participants are not only equipped with essential business knowledge and skills but also become BIBD SME business customers, enhancing their access to financial services and resources.



Currently, Projek Tunas collaborates with 235 companies, a number that is set to grow. The program extends beyond entrepreneurial empowerment to include education and upskilling initiatives. A key feature is the establishment of satellite marketplaces in high-traffic areas across all four districts of Brunei. These strategic locations, including government ministries like the Ministry of Home Affairs, Ministry of Education, Ministry of Foreign Affairs and Trade, hospitals, and government departments, provide entrepreneurs with increased exposure and access to new customer bases.



In 2023, Projek Tunas marked a significant milestone by participating in various expos and showcases, such as the MSME Festival, BIBD's Gema Syawal, Yayasan's Hari Raya Celebrations and Hari Bakarih as well as the Consumer Fair among others. This exposure was crucial in acquainting them with real-world market conditions, allowing them to gain practical experience in selling products, interacting with customers, and beginning to build their customer bases. These events served as vital platforms for participants to showcase their products and services, contributing to their entrepreneurial journey and business growth.

Projek Tunas stands as a testament to BIBD's commitment to community empowerment and sustainable development. By providing underprivileged entrepreneurs with the tools and platforms they need to succeed, BIBD is not only fostering individual business growth but also contributing to the broader economic development of Brunei. This initiative aligns with the bank's vision of supporting inclusive growth and reflects its dedication to creating opportunities for all segments of society.

Championing MSME Growth



BIBD reaffirmed its commitment to supporting Micro, Small, and Medium Enterprises (MSMEs) by participating as a main sponsor at the Brunei MSME Festival. Organised by Darussalam Enterprise (DARE), the festival served as a vibrant platform for promoting Bruneian products and services, and celebrating entrepreneurship.

The event included themed conferences and interactive sharing sessions, aimed at raising awareness and fostering an entrepreneurial culture. BIBD's participation, especially through its SME360 team, highlighted its dedication to engaging with small business owners, offering essential advice and support to aid their growth.

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BIBD's SME360 initiative is designed to provide comprehensive solutions that enhance banking efficiency for SME clients. This support extends to creating sustainable change through education, community engagement, and the development of local entrepreneurs. Koh Swam Sing, BIBD's Head of Corporate Banking Group, emphasised the bank's role in economic growth. He pointed out that supporting MSMEs aligns with the bank's commitment to the UN Sustainability Development Goal of fostering entrepreneurship and job creation.

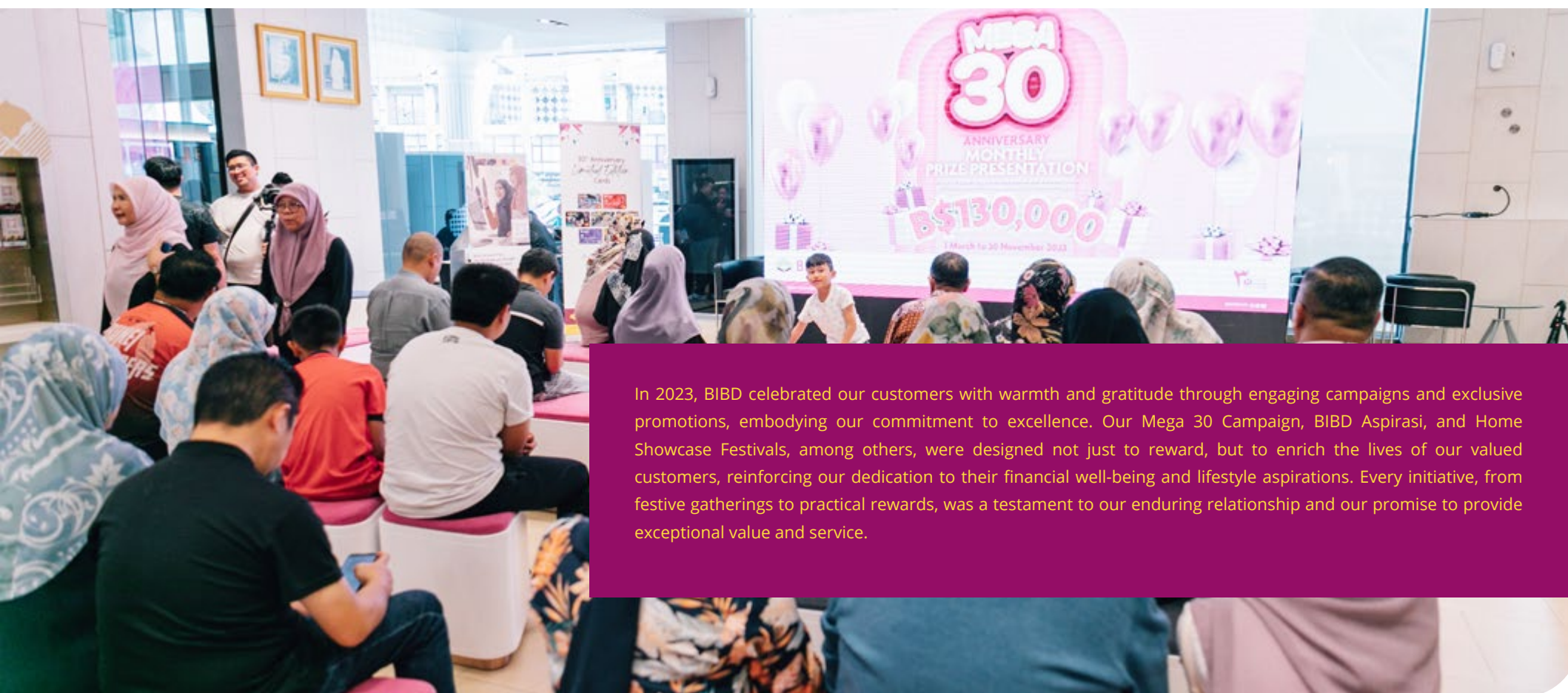


The festival also featured participants from Projek Tunas, including vendors from BIBD SEED Programme, Yayasan entrepreneurship Assistance programme, Muallafpreneuers Consortium, and the One Village One Product (1K1P) programme.

The festival's launch was officiated by Yang Berhormat Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II.

BIBD's role at the festival underscores its commitment to supporting local businesses, contributing to the wider economy, and nurturing a sustainable entrepreneurial ecosystem in Brunei.

A Commitment to Excellence - Rewarding our Customers



In 2023, BIBD celebrated our customers with warmth and gratitude through engaging campaigns and exclusive promotions, embodying our commitment to excellence. Our Mega 30 Campaign, BIBD Aspirasi, and Home Showcase Festivals, among others, were designed not just to reward, but to enrich the lives of our valued customers, reinforcing our dedication to their financial well-being and lifestyle aspirations. Every initiative, from festive gatherings to practical rewards, was a testament to our enduring relationship and our promise to provide exceptional value and service.

Celebrating 30 Years of Customer Support with Mega 30 Campaign



BIBD launched the 'BIBD Mega 30' campaign, a nine-month celebration marking its 30th anniversary in Islamic banking. Running from 1st March to 30th November 2023, this campaign is set to distribute prizes totaling B\$130,000 to 300 customers, as a gesture of gratitude for their unwavering support over the years. The initiative reflects BIBD's journey since its establishment in 1993 and acknowledges the pivotal role of its customers in this successful voyage.

Throughout the campaign, 30 winners were selected monthly, along with three quarterly winners and three grand winners. Monthly winners received cash vouchers, while quarterly winners were awarded BIBD Aspirasi savings certificates and mutual fund investments. The grand prize winners will each receive term deposit/mutual fund investments worth B\$10,000.

The campaign is inclusive, open to both new and existing BIBD customers who maintain accounts with the bank. It encompasses a broad range of BIBD's products and services, offering rewards entries for various activities such as new financing and credit card applications, account openings, BIBD Perdana sign-ups, investments with BIBD Securities, registration of BIBD NEXGEN services, and more. This diversity in eligible products and services aims to provide ample opportunities for customers to participate and benefit from the campaign.





Among the prizes offered throughout the Mega 30 campaign are BIBD Aspirasi Certificates of Deposit worth B\$3000, B\$300 credited directly to their Virtual Mastercard or vCard as well as Mutual Fund investments worth B\$950 each, among others. These rewards not only demonstrate BIBD's gratitude towards its customers but also align with the bank's mission to support Bruneians in their financial journey. The Mega 30 campaign, with its extensive range of eligible activities, is a testament to BIBD's dedication to assisting customers in achieving their savings, investment, and overall financial goals.

As BIBD commemorates three decades of Islamic banking, the Mega 30 campaign stands as a significant initiative, celebrating the bank's enduring relationship with its customers and reinforcing its commitment to their financial well-being and success.



BIBD Aspirasi: Rewarding Financial Discipline and Fostering a Savings Culture

BIBD has made significant strides in promoting financial literacy and savings discipline through its BIBD Aspirasi campaign, a comprehensive rewards program that has continued to evolve and expand since its inception in 2018. The campaign, aligning with the objectives of the BDCB, encourages the habit of savings among Bruneians, contributing to the national goal of enhancing financial literacy. Over the years, BIBD Aspirasi has rewarded a substantial number of winners, reflecting the bank's commitment to fostering a financially literate community.



In 2023, BIBD Aspirasi 4 culminated with a grand prize presentation of B\$250,000, alongside other significant prizes. This latest grand prize added to the various cash rewards distributed to over 1,700 winners, totaling more than B\$3.7 million since the program began.



Continuing this tradition, BIBD Aspirasi 5 throughout 2023 rewarded an estimated 400 winners with a total of B\$870,000. Quarterly prize presentations were held, maintaining the momentum of the program and emphasising BIBD's role in supporting the financial aspirations of Bruneians. The program has significantly influenced the perspective of Bruneians on long-term savings, highlighting the importance of prudent financial planning for family well-being.

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The launch of BIBD Aspirasi 6 marked a new chapter in this journey. With a total of B\$4.23 million in cash prizes paid out so far, the campaign has been BIBD's most successful to date. The new phase offers more rewards and better chances of winning, including two grand prizes of B\$200,000 each. The Aspirasi 6 campaign features 288 monthly winners, 16 quarterly winners, and 2 grand prize winners, broadening the spectrum of potential winners. A key change, based on customer feedback, is the increase in the number of grand prize winners, ensuring a more inclusive distribution of rewards.



Accessible via BIBD NEXGEN with a minimal entry contribution of just B\$50 and no maximum limit, BIBD Aspirasi 6 invites all savers to participate without restrictions. This approach reinforces BIBD's commitment to inclusivity, making the campaign a rewarding experience for everyone. The Aspirasi campaign embodies BIBD's ethos of being 'Bruneian at Heart' and its steadfast support for the national agenda of creating a financially literate community, empowering individuals to invest in their futures.

Envisioning Sustainable and Affordable Living

BIBD successfully organised two editions of its 'Home Showcase Festival' this year, focusing on sustainable and affordable living. The first festival, marking the 16th edition after a two-year hiatus due to COVID-19, was themed "Towards a Sustainable Home Lifestyle." This event, aligned with BIBD's Sustainability Framework and the United Nations Sustainable Development Goals, particularly Goal 11 (Sustainable Cities and Communities), showcased the latest in sustainable exterior and interior home designs. The festival, launched at BIBD Kiulap Branch by Dr. Nor Imtihan binti Hj Abdul Razak, Permanent Secretary at the Ministry of Development, included participants like the Department of Energy showcasing solar panels and electric vehicles, emphasising a shift towards eco-friendly living. The event was also a cashless event, promoting BIBD QuickPay for transactions.



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The second festival, titled 'BIBD Home Showcase: Mega 30 Edition' and themed 'Future Homes', was part of BIBD's 30th-anniversary celebrations. Held at BIBD's Kiulap Branch, it aimed to be a comprehensive destination for prospective homeowners. This edition particularly emphasised the Bank's commitment to supporting government initiatives in housing accessibility and affordability. It offered a range of home financing options, selections from ready-

made homes, and access to experienced contractors and interior designers, showcasing the latest sustainable home trends.

Both festivals significantly supported local MSMEs, with over 50 businesses participating in the Mega 30 Edition. This initiative provided a vital platform for these businesses to exhibit their products and services, reinforcing BIBD's role in bolstering Brunei's economic growth and its vision

for robust MSME development. Additionally, 'Bicara Santai' sessions hosted expert panels, including representatives from various government departments, architects, realtors, interior design companies, and BIBD's Home Financing Specialists. These sessions offered insights into the latest trends and best practices in sustainable and affordable home development.



Through these festivals, BIBD has not only showcased its commitment to sustainable and affordable housing but also its dedication to fostering a culture of home ownership and supporting community development. By integrating elements of sustainability, innovation, and community support, these festivals represent BIBD's ongoing efforts to contribute to Brunei Darussalam's vision for a sustainable and prosperous future.

Celebrating Partnerships



BIBD hosted two Hari Raya Aidilfitri gatherings in The Empire Brunei and V Plaza Hotel, Kuala Belait, to celebrate and show appreciation to its stakeholders for their contributions to the bank's growth and success. These events, part of BIBD's Gema Syawal initiative, were attended by ministers, deputy ministers, senior government officials, foreign dignitaries, and prominent business and public figures. The gatherings were led by BIBD's Managing Director and CEO, Junaidi bin Haji Masri, accompanied by the bank's senior management team and staff.



The Grand Samudra Hall of The Empire Brunei and The Grand Ballroom of V Plaza Hotel were venues of festivity, adorned with bright lights, decorative trees, flowers, and Hari Raya music, creating a joyous and welcoming atmosphere. Over 2,000 guests attended the event at The Empire Brunei, and dozens more at the V Plaza Hotel, all dressed in their finest Hari Raya attire, were warmly received by the BIBD representatives. These events were not just celebrations but also an opportunity for personal engagements between BIBD senior management, key personnel, and their esteemed guests.



These gatherings aimed to strengthen the bank's relationships with key contributors to BIBD's and Brunei Darussalam's economic growth. One of BIBD's significant collaborations, Projek Tunas, was showcased at these events, highlighting the bank's dynamic partnership with the government in supporting the nation's development and economic goals.



Through these Hari Raya gatherings, BIBD demonstrated its commitment to fostering community spirit and values of generosity. These events reflect BIBD's acknowledgment and appreciation of its stakeholders' roles in its success, reinforcing the bank's dedication to building and maintaining strong, collaborative relationships. As a leading financial institution in Brunei, BIBD continues to strengthen its ties with all stakeholders, contributing positively to the nation's economy and community.



Rewarding Our Customers



Throughout 2023, BIBD dedicated itself to acknowledging and rewarding the loyalty of its customers through a variety of engaging campaigns and promotions. These initiatives were diverse, ranging from exclusive credit card discounts and benefits to compelling prize draws, designed to cater to the varied interests and needs of our customers. The campaigns were not just promotional tools but a testament to BIBD's commitment to adding value to its customer relationships.



The rewards that BIBD offered this year were particularly enticing, including B\$5,000 shopping vouchers that provided customers with the freedom to indulge in their shopping desires. The bank also kept pace with technological trends by giving away the latest electronics and gadgets, ensuring that customers enjoyed cutting-edge technology. For those with a love for travel and leisure, BIBD also gave away holiday packages, offering memorable experiences to various destinations. Additionally, practical rewards like home appliances were also part of the giveaway, enhancing the daily lives of our customers. These rewards were carefully chosen to not only express gratitude but also to enrich the lifestyles of our customers in meaningful ways. Through these campaigns and promotions, BIBD reinforced its position as a customer-centric bank, focused on delivering exceptional value and service.

Sustainability in Action - Our Commitment to the Future



In 2023, BIBD took meaningful strides in environmental sustainability, bringing our community together through the BIBD Eco Alam Festival, educational workshops, and tree planting initiatives. These efforts not only highlighted our commitment to a sustainable future but also empowered individuals and businesses to adopt eco-friendly practices. By integrating sustainability into our actions, we reinforce our dedication to the well-being of Brunei, aligning with our vision for a greener, more prosperous nation.

BIBD Eco Alam Festival: Championing Sustainability and Zero-Waste Practices



BIBD hosted the BIBD Eco-Alam Festival, a three-day event focused on sustainability, supporting local businesses, and reinforcing the Bank's dedication to environmental preservation. The festival, held at the PGGMB Building in Bandar Seri Begawan, was officiated by BIBD's Managing Director and CEO, Junaidi bin Haji Masri. This event marked a significant step in BIBD's journey towards a more sustainable future, aligning with Brunei Vision 2035 and the United Nations Sustainable Development Goals.



The festival, conceptualised as a blend of a marketplace, workshop, and learning hub, featured fireside chats and panel discussions. BIBD's Chief Marketing Officer and Chair of the Sustainability Transformation Group, Hjh Nurul Akmar binti Hj Mohd Jaafar, highlighted the event's focus on crucial topics such as food security, food science, the food ecosystem, and food waste management. The emphasis on food waste was particularly poignant, given that in Brunei Darussalam, food waste constitutes a major portion of landfill waste. The Eco-Alam Festival aimed to promote environmentally conscious practices and spotlight methods for reducing waste, supporting the Ministry of Culture Youth and Sports' Youth Agenda and the 'Semarak Hari Kebangsaan' initiative.

BIBD's commitment to environmental stewardship was evident throughout the festival. Efforts to minimise environmental impact included the implementation of cashless payments, use of eco-friendly packaging, encouragement of reusable items, and elimination of food waste. Collaborating with local companies like Biofield Brunei, Tebalik Plastik, and Shaliz Waste Recycling, BIBD showcased practical solutions to food waste challenges.





In addition to featuring local food vendors, the festival hosted a series of panel discussions with speakers from government sectors, educational institutions, local NGOs, businesses, and youth advocates. These discussions provided a holistic perspective on food security and waste management, engaging the public in meaningful dialogue. The Eco-Alam Festival, organised in collaboration with Big BWN Project and endorsed by the Prime Minister's



Office, the Ministry of Culture Youth and Sports, and the Ministry of Development, truly exemplified a community-driven approach to sustainability, with partners like Crop Culture, Tebalik Plastik, Shaliz Waste Recycling Sdn Bhd, Biofield Solutions, EnEvo, and Aloha Nature House Brunei playing key roles.

Waste Not, Save More Workshop Series for Sustainable Education



BIBD, in collaboration with Shell Exploration and Production Brunei (SEPB), the Science Technology Environment Partnership (STEP) Centre, and Big BWN Project, launched an impactful workshop series titled 'Waste Not, Save More: Financial Literacy and Zero Waste Education Workshop'. This initiative forms part of a broader nationwide effort to instill sustainability and financial literacy among the young generation. The series commenced at Sayyidina Ali Secondary School in Kuala Belait, engaging about 90 Year 8 students in its inaugural event. The programme was attended by key figures including SEPB's Managing Director Marten Adema, STEP Centre's Head Puan Hajah Suriani binti Haji Noor Hashim, BIBD's Chief Marketing Officer Hajah Nurul Akmar binti Hj Mohd Jaafar, and Noor Hafizah Rashid, founder of Big BWN Project.



The programme, targeting primary and secondary schools, has also been conducted at Tutong Sixth Form Centre, Pg Anak Puteri Hjh Rashidah Secondary School, and Sungai Liang Secondary School. It is set to cover 15 schools nationwide, featuring interactive sessions and activities focused on zero waste education and financial literacy. An interschool competition is planned towards the end of the project next year, aiming to encourage and reward active participation and innovative ideas.

This year-long initiative aligns with the strategic pillar of Inclusive Social Impact of the BIBD Sustainability Framework, supporting Wawasan Brunei 2035's Goal No.3 of nurturing an educated, highly-skilled, and accomplished populace. Additionally, it adheres to the Maqasid Shariah principles of preserving Intellect, Faith, Life, and Wealth. The program also supports various United Nations Sustainable Development Goals, including No Poverty, Zero Hunger, Good Health and Well-Being, Quality Education, Gender Equality, Reduced Inequalities, and Peace, Justice, and Strong Institutions.





Through the 'Waste Not, Save More' workshop series, BIBD reaffirms its commitment to fostering a generation of environmentally-conscious and financially-savvy individuals from an early age. Recognising the critical role of education in promoting sustainability, BIBD aims to inspire and mobilise young minds towards embracing and contributing to a sustainable and prosperous future for Brunei Darussalam.

Spearheading Environmental Stewardship Through Tree Planting Initiatives

BIBD has been at the forefront of environmental conservation efforts, as evidenced by its participation in several tree planting activities throughout 2023. These initiatives underscore BIBD's commitment to environmental stewardship, aligning with the Brunei Darussalam National Council on Climate Change's goal of Net Zero by 2050 and the United Nations Sustainable Development Goals.



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The bank's involvement in tree planting began with its support for the 'Environment Week' of the Brunei Mid-Year Conference and Exhibition (MYCE) 2023, where 50 trees were planted at Muara Beach. This activity was part of a larger campaign marking the 50th anniversary of World Environment Day, themed 'Road Towards a Sustainable Environment'. BIBD's Managing Director and CEO, Junaidi bin Haji Masri, alongside the bank's management and staff, participated in this event, reflecting the bank's dedication to sustainability and the preservation of Brunei's natural landscapes.



In a separate event, BIBD collaborated with the Brunei Girl Guides Association on its 70th anniversary, planting 70 trees at the Hassanal Bolkiah National Stadium. This activity not only contributed to the beautification of public spaces but also enhanced Brunei's environmental landscape.

Additionally, BIBD participated in the Mission Green Possible initiative, organised by the Ministry of Health. Over 50 BIBD staff members joined in this tree planting ceremony, reinforcing the bank's environmental commitment. BIBD sponsored 64 trees for this initiative, further demonstrating its dedication to fostering a sustainable future.

These activities are in line with BIBD's Sustainability Framework, focusing on environmental protection. The bank has actively supported various initiatives that contribute to a greener, healthier environment, aligning with the Green Protocol under the Brunei Darussalam National Climate Change Policy.

Through these concerted efforts, BIBD has established itself at the forefront of environmental sustainability within Brunei. The bank remains committed to sustainable practices and will continue to spearhead and support initiatives that align with its core values of preserving the environment. This commitment is not only a reflection of BIBD's role as a responsible corporate citizen but also embodies the aspirations of Brunei Vision 2035, focusing on a high quality of life and a sustainable future for all.

Enriching Lives, Empowering Communities - Giving Back



In 2023, BIBD amplified its commitment to nurturing and giving back to the community, empowering Brunei's youth through education with the ALAF program, supporting female entrepreneurs via the SEED initiative, and extending aid through the Sirah Amal initiative. Our efforts in compassionate outreach, partnering with the Brunei Red Crescent, and engaging in humanitarian relief underscore our dedication to enriching lives and fostering a supportive, inclusive society, in line with our core values and national vision.

BIBD ALAF: Empowering Brunei's Youth through Education

Throughout the year in review, BIBD's Advocating Life-long Learning for an Aspiring Future (ALAF) program embarked on a series of impactful initiatives, reinforcing its dedication to empowering the youth of Brunei through education and community involvement. These initiatives, ranging from educational milestones to community celebrations, underscore BIBD's commitment to nurturing a well-rounded, educated, and socially responsible generation, in line with Brunei's Vision 2035 and global sustainable development goals.

A Decade of BIBD ALAF: Celebrating 10 Years of Impact



In 2023, BIBD marked the 10th anniversary of BIBD ALAF. This event commemorated the program's success in supporting 272 students over the past decade. BIBD ALAF's achievements, including graduates from prestigious institutions like Al Azhar University and the University of Nottingham, embody the program's commitment to creating a competent and sustainable generation of Bruneian youth. The program's holistic approach encompasses academic support, extracurricular activities, and mental and physical wellbeing, aligning with Brunei Vision 2035 and the Maqasid Shariah principles.

Nurturing Faith and Knowledge: BIBD ALAF's Khatam Al-Quran Ceremony



The year also saw the BIBD ALAF students hold a Khatam Al-Quran Ceremony. Held at the Raja Isteri Pengiran Anak Hajah Saleha Girls Arabic Secondary School, the ceremony was graced by Yang Mulia Dato Seri Setia Dr. Haji Mazanan bin Haji Yusof. The event celebrated the successful Al-Quran completion by BIBD ALAF students, who received tokens of appreciation, highlighting the program's emphasis on integrating academic excellence with strong Melayu Islam Beraja values.



Celebrating Academic Milestones

BIBD's commitment to education continued with the awarding of BIBD ALAF scholarships by Yang Berhormat Pehin Udana Khatib Dato Paduka Seri Setia Ustaz Haji Awang Badaruddin bin Pengarah Dato Paduka Haji Awang Othman, Minister of Religious Affairs. A total of 29 students received scholarships as part of the 9th intake of BIBD ALAF which commenced in the 2022 academic year, while 19 students are receiving scholarships for the 10th intake which commenced in the 2023 academic year. The event was also held to mark the occasion of BIBD ALAF's first university graduate; Dayang Hajah Nurhafikah binti Haji Awang Bakri has been under the BIBD ALAF programme since 2017 and recently graduated with a Degree in Syariah Islamiah from the Al-Azhar University in Egypt. This step furthered BIBD's contribution to Wawasan 2035 and the UN Sustainable Development Goals.



Fostering Community Spirit: BIBD ALAF Hari Raya Celebration

The annual BIBD ALAF Hari Raya celebration brought together ALAF students, families, and stakeholders, reinforcing community bonds and the spirit of togetherness. The event, held at the PGGMB Building in Bandar Seri Begawan, was attended by Yang Mulia Pengiran Dato Seri Paduka Haji Mohammad Tashim bin Pengiran Haji Hassan, Acting Minister of Religious Affairs, and underscored BIBD's commitment to community well-being and educational empowerment.



Broadening Horizons: Educational Tour to IIUM

In December 2023, twelve exceptional BIBD ALAF students participated in an Educational Tour Program to the International Islamic University Malaysia (IIUM). This program, designed to inspire and expose students to diverse educational paths, saw them exploring various faculties at IIUM and educational centres in Kuala Lumpur. The tour aimed to broaden their perspectives and inspire a commitment to community service and national development.



Continuing the Journey of Empowerment

BIBD ALAF, in collaboration with strategic partners, has remained dedicated to providing essential support to underprivileged children in Brunei Darussalam. The program's comprehensive support includes financial assistance, skill-building activities, and a focus on holistic development. By empowering students through education, BIBD ALAF plays a crucial role in nurturing future leaders who will drive progress and prosperity in Brunei Darussalam.

Throughout 2023, BIBD ALAF's various initiatives and events have reinforced the bank's ethos of giving back to the community and actively contributing to nation-building. The program's success not only reflects the individual capabilities of its students but also the collective impact of BIBD ALAF's support and capacity-building efforts, demonstrating BIBD's unwavering commitment to education and community development in alignment with Brunei's national vision.

Empowering Female Entrepreneurs through BIBD SEED



In 2023, BIBD celebrated the graduation of twelve female entrepreneurs from its BIBD Special Entrepreneurial Empowerment & Development Scheme (BIBD SEED). This ceremony, commemorating the successful completion of the 2022/2023 cohort's training and bootcamp, was attended by Yang Berhormat Pehin Udana Khatib Dato Paduka Seri Setia Ustaz Haji Awang Badaruddin bin Pengarah Dato Paduka Hj Awang Othman alongside senior government officials, stakeholders, and BIBD management. BIBD's Managing Director and CEO, Junaidi bin Haji Masri emphasised the program's pivotal role in empowering underprivileged women through entrepreneurship.



The BIBD SEED program is an integral part of BIBD's initiatives towards sustainable development and women's empowerment, aligning with the United Nations Sustainable Development Goals, particularly focusing on gender equality. The program has been instrumental in transforming the lives of its participants, evolving them from zakat recipients to independent entrepreneurs capable of supporting their families. This transformative journey is a cornerstone of the program's success, reflecting its alignment with BIBD's Sustainability Framework, Maqasid Shariah principles, and the broader goals of Brunei Vision 2035 and Agenda 2030 for Sustainable Development. By focusing on capacity building and fostering market competitiveness, BIBD SEED has made a significant impact on the socio-economic landscape of Brunei.



The graduates from targeted segments in society are now equipped with skills in different sectors, including the food and beverage industry and service sector. Their training encompassed a range of vital entrepreneurial skills, from product development to branding and marketing, complemented by practical experiences in customer interaction through participation in pop-ups and marketplaces. In line with BIBD's dedication to sustainability, these entrepreneurs were also encouraged to adopt eco-friendly practices, such as using sustainable packaging for their products.

As BIBD SEED moves forward, it continues to uphold its commitment to responsible entrepreneurship and inclusive social impact, in accordance with the United Nations Sustainable Development Goals. This program not only empowers its participants but also contributes significantly to the national agenda of creating a pro-business environment and nurturing entrepreneurs who are integral to Brunei's economic progress. Through initiatives like BIBD SEED, BIBD affirms its role as a catalyst for positive change, fostering an ecosystem where women entrepreneurs can thrive and contribute to a sustainable and prosperous future.

13 Years of Giving with Sirah Amal Initiative



BIBD continued its 13th year of the Sirah Amal initiative, a testament to its sustained commitment to social responsibility and community welfare. This annual event, held in anticipation of the holy month of Ramadhan, saw the bank's employees come together to distribute essential relief items to 100 households across Brunei. In line with the principles of Maqasid Shariah, which

advocate for the well-being of others, and supporting the United Nations Sustainable Development Goals aimed at eradicating hunger and poverty, the BIBD team diligently worked to ensure that the households were well-prepared for Ramadhan and the upcoming Syawal festivities.



The beneficiaries of this year's Sirah Amal included 55 families from the BIBD ALAF program and 45 underprivileged *Muallafs*, identified and selected in close collaboration with the Islamic Da'wah Centre and the Ministry of Religious Affairs. The aid provided consisted of shopping vouchers along with food and Hari Raya items, gathered through voluntary contributions from various divisions within BIBD. This initiative reflects the collective spirit of giving that is deeply ingrained in the bank's culture.

BIBD's Chief Marketing Officer, Hajah Nurul Akmar binti Haji Md Jaafar, emphasised the significance of the Sirah Amal activities, highlighting them as a reflection of BIBD's adherence to the principles of Maqasid Shariah. She stressed the importance of sharing blessings and promoting social justice and equity, which are central to the bank's ethos.





The 13th Sirah Amal commenced on 18 March in the Brunei-Muara District, led by Junaidi bin Haji Masri, BIBD's Managing Director and CEO. The initiative then extended to all four districts nationwide, reinforcing BIBD's national reach and its dedication to community engagement. This initiative not only represents BIBD's commitment to alleviating hardships for those in need but also exemplifies the bank's role in fostering a compassionate and supportive community in Brunei Darussalam.

Compassionate Outreach: Supporting Orphans and Encouraging Academic Excellence

BIBD recently made a contribution to nearly 4,000 orphans registered under the Community Development Department, Ministry of Culture Youth and Sports. The event, which also celebrated the Excellent Students Incentive Award Scheme for Orphans was marked by the presence of the Minister of Culture, Youth and Sports, Yang Berhormat Dato Seri Setia Awang Haji Nazmi bin Haji Mohamad, alongside BIBD's Managing Director and CEO, Awang Junaidi bin Haji Masri, and Deputy Managing Director I, Hajah Noraini binti Haji Sulaiman. The donations, part of an annual Ramadhan event, aim to alleviate financial burdens for families during the festive season. Additionally, 14 orphans were honoured for their academic achievements in 2022, with BIBD contributing a total of B\$7,600 towards their awards, underscoring the bank's dedication to educational excellence.





As a key strategic partner for the Ministry of Culture, Youth and Sports, BIBD's involvement in this initiative demonstrates its commitment to fulfilling the Maqasid Shariah principles, focusing on the preservation and promotion of faith, life, intellect, lineage, and wealth. These efforts, reflective of BIBD's identity as a 'Bruneian at Heart' bank, complement the Government's strategies for achieving the United Nations Sustainable Development Goals (SDG) and realising Brunei Vision 2035. BIBD's consistent support in various community-based initiatives, especially in collaboration with government agencies, highlights its role in contributing to societal well-being and reducing inequalities, directly aligning with the SDG's goals of eradicating poverty and fostering a more equitable society.



Supporting the Community with the Brunei Red Crescent



BIBD partnered with the Brunei Red Crescent to donate packed meals to 200 recipients during the holy month of Ramadhan, demonstrating its commitment to community welfare and support. This initiative aligns with BIBD's ethos of giving back to the community and aiding those in need, particularly ahead of the festive season. Recognising the heightened significance of acts of charity during Ramadhan, BIBD has taken a proactive role as a corporate citizen to share blessings and give back to the community.

Through collaboration with humanitarian organisations like the Brunei Red Crescent, BIBD aims to make a meaningful impact on those most in need, fostering a sense of shared responsibility and collective purpose. This dedication to community service also supports BIBD's aim to uphold the principles of Maqasid Shariah, including preserving the well-being of others, and aligns with the United Nations Sustainable Development Goals of eradicating hunger and poverty.





Each of the 200 recipients received two meal packs during the event, handed over by distinguished guests, including the Minister of Religious Affairs Yang Berhormat Pehin Udana Khatib Dato Paduka Seri Setia Ustaz Haji Awang Badaruddin bin Pengarah Dato Paduka Haji Awang Othman and Minister of Culture, Youth and Sports Dato Seri Setia Awang Haji Nazmi bin Haji Mohamad.



Celebrating Aidil Adha



In the spirit of Hari Raya Aidil Adha, BIBD hosted an *Ibadah Korban* event at the Pehin Khatib Abdullah Mosque in Kulapis, symbolising unity and gratitude within the community. Embracing the essence of Aidil Adha, BIBD carried out the sacrifice of four cows, the meat from which was distributed to 20 deserving families, including underprivileged community members and relatives of BIBD ALAF recipients. This gesture ensured that the joy and blessings of Aidil Adha reached those most in need. The event was graced by Yang Mulia Dato Seri Setia Dr Awang Haji Mazanan bin Haji Yusof, Assistant Mufti (Buhuth) at the State Mufti Office, alongside BIBD's Managing Director and CEO, Awang Junaiddi bin Haji Masri, highlighting the bank's commitment to community engagement and charitable deeds.

Furthering its contributions, BIBD also donated 100 pieces of Yassin books to the Pehin Khatib Abdullah Mosque, enriching the mosque's resources and benefiting the wider worshipping community. The event concluded with a thanksgiving doa which reflected on the blessings received and sought continued prosperity and unity for the community.

This event not only marked BIBD's 30 years of steadfast commitment to community initiatives but also reinforces its dedication as a 'Bruneian at Heart' institution, actively engaging in acts that uplift and unite the society. Through such initiatives, BIBD continues to embody the true spirit of Aidil Adha, sharing blessings and fostering a sense of solidarity and compassion within the Bruneian community.



Humanitarian Relief for Palestine

In a heartfelt expression of solidarity, BIBD donated B\$100,000 to the Humanitarian Fund for Palestinians in Gaza 2023, reaffirming its commitment to humanitarian causes and the principles of Maqasid Shariah. This contribution, aligned with the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam's initiatives, was officially handed over by BIBD's Managing Director and CEO, Awang Junaidi bin Haji Masri, to the Minister of Culture Youth and Sports, Yang Berhormat Dato Seri Setia Awang Haji Nazmi bin Haji Mohamad, and the Minister of Religious Affairs, Yang Berhormat Pehin Udana Khatib Dato Paduka Seri Setia Ustaz Haji Awang Badaruddin bin Pengarah Dato Paduka Haji Awang Othman. Tuan Junaidi emphasized BIBD's dedication to extending support beyond its financial services, mirroring the core Islamic principles and the Bruneian identity.

BIBD's donation to the Humanitarian Fund for Palestinians in Gaza 2023 is an act of kindness and support for the Palestinian community, affected by the ongoing crisis in Gaza. The Government of Brunei Darussalam, through the Ministry of Foreign Affairs, has strongly condemned the violence in Gaza, highlighting the critical need for humanitarian assistance. The handover ceremony, representing Brunei Darussalam's empathy and dedication to aiding those in need, signifies the collective efforts of individuals and institutions working together to provide relief and support to the resilient people of Palestine.



Advocating for Health and Wellness



BIBD demonstrated its commitment to health and wellness by actively participating in the World Cancer Day Weekend celebrations organised by the Brunei Cancer Centre (TBCC) through the Pantai Jerudong Specialist Centre (PJSC). The event aimed to unify people in the global fight against cancer, raising awareness about the disease's signs, symptoms, and risk factors in Brunei Darussalam.

At the event, BIBD showcased its Wellness Programme through an exhibition booth where BIBD Wellness Ambassadors conducted free basic health checkups for the public. This initiative was part of BIBD's efforts to support the Ministry of Health and JPSC in educating the community about maintaining a healthy lifestyle to improve overall quality of life. The BIBD Wellness Ambassadors are part of the bank's 'Corporate Platoon', established as a support group to the Brunei Darussalam Red Crescent Society (BRC). This group, comprising 30 certified members and first aiders from the bank's staff, has completed intensive training recognised by the Safety, Health and Environment National Authority (SHENA) and a unique Wellness Training Programme certified by the Ministry of Health.

BIBD's involvement in this event underscores its dedication to serving the country in various capacities, including initiatives focused on health and wellness. This aligns with BIBD's foundational values of Maqasid Shariah and directly supports the United Nations Sustainable Development Goals, particularly in ensuring healthy lives and promoting well-being as outlined in SDG 3 (Good Health & Well-Being). The event also featured briefings on BIBD's Psychological First Aid (PFA) initiative, highlighting the importance of mental

health and psychological well-being in the workplace. Distinguished guests, including Yang Berhormat Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, Chairman of the BIBD Group, and Yang Berhormat Dato Seri Setia Dr Haji Md Isham bin Hj Jaafar, visited BIBD's booth, reinforcing the importance of such community-driven health initiatives.



Engaging with Future Generations

BIBD has been actively engaging with students from various educational institutions, showcasing its commitment to community involvement and the nurturing of future generations. This year, BIBD welcomed groups from the International School Brunei Religious School, Duli Pengiran Muda Al-Muhtadee Billah College, UNISSA's Faculty of Economics and Islamic Finance, Penapar Primary School in Tutong, Rimba Secondary School, and Raja Isteri Pengiran Anak Saleha Girls Arabic Secondary School. These visits provided students with an immersive experience into the world of Islamic banking and finance.

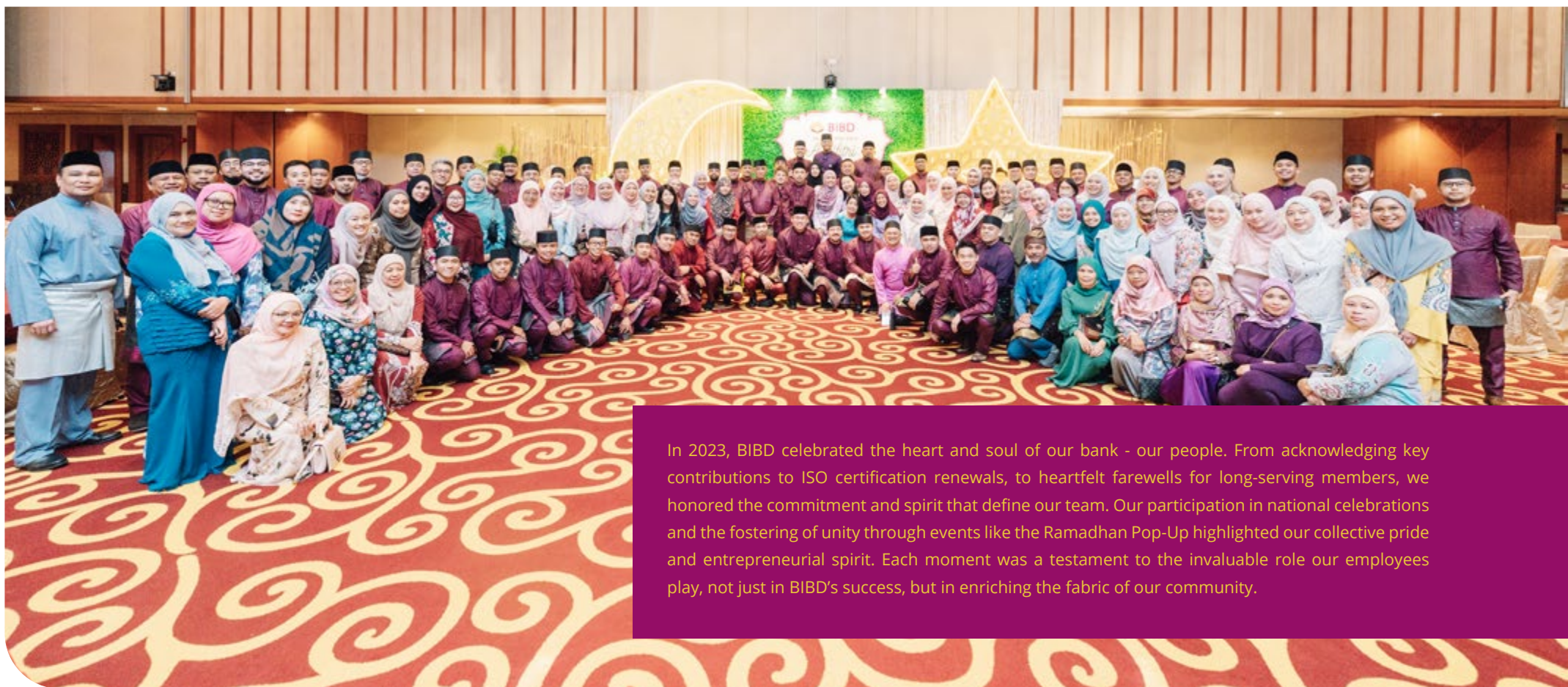
During these visits, students had the opportunity to tour the BIBD headquarters and branch facilities, where they witnessed firsthand the operations of an Islamic financial institution. They were introduced to various aspects of banking, including the advanced capabilities of BIBD's automated assistant, Arif, and exposed to innovative technologies like drones, 3D modeling, and virtual reality developed by BIBD ALAF students.



These educational visits align with Brunei Vision 2035, aiming to cultivate a highly educated and skilled nation. By introducing students to BIBD's strategic projects and initiatives, the bank plays a crucial role in inspiring the younger generation and fostering a deep understanding of the country's development under the Whole of Nation approach. Showcasing BIBD's flagship CSR programs like BIBD ALAF and BIBD SEED, the visits also highlighted the bank's dedication to social responsibility and community building. BIBD's active involvement in these educational initiatives reaffirms its role as a 'Bruneian at Heart' institution, committed to empowering the community and contributing to the nation's progress.



Celebrating Our People - Our Greatest Asset



In 2023, BIBD celebrated the heart and soul of our bank - our people. From acknowledging key contributions to ISO certification renewals, to heartfelt farewells for long-serving members, we honored the commitment and spirit that define our team. Our participation in national celebrations and the fostering of unity through events like the Ramadhan Pop-Up highlighted our collective pride and entrepreneurial spirit. Each moment was a testament to the invaluable role our employees play, not just in BIBD's success, but in enriching the fabric of our community.

Acknowledging Employees Contribution to ISO9001:2015 Renewal

The Bank celebrated a significant milestone, the renewal of its ISO 9001:2015 certification for Quality Management System, with a ceremony dedicated to recognising the vital role of its employees in this achievement. The event was not just a celebration of maintaining high standards but also an acknowledgment of the staff's dedication and hard work. BIBD's Managing Director and CEO, Awang Junaidi bin Haji Masri, presented certificates and tokens of appreciation to 49 recipients, representing the collective efforts of employees from 15 branches.



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This certification is a testament to BIBD's commitment to excellence, underpinned by the hard work and dedication of its employees across all levels. The ISO 9001:2015 certification is pivotal in ensuring systematic delivery of processes and consistent service quality, reflecting the bank's focus on meeting and exceeding customer needs. During the ceremony, BIBD's Chief Operating Officer, Haji Minorhadi bin Haji Mirhassan, highlighted the importance of this certification in fostering a culture of continuous improvement and vigilance in risk management. He emphasised the Plan-Do-Check-Act cycle as a tool for continuous advancement, enabling BIBD to consistently deliver exceptional services.

Awang Junaidi bin Haji Masri expressed his gratitude towards the staff for their role in securing the renewal of the ISO certification. He acknowledged that the achievement was a result of the collective effort and commitment towards reinforcing corporate governance and continuously improving service quality.

The ceremony also recognised the individuals who showed outstanding commitment and dedication throughout the ISO certification process. These team members were instrumental in implementing improvements, adhering to quality management processes, and upholding BIBD's values of integrity, customer-focus, and unity of purpose.

The ISO certification process demands a rigorous evaluation of an organisation's quality management system. BIBD's success in this renewal demonstrates its capability to consistently deliver superior customer experiences and foster trust. This achievement aligns with BIBD's mission to offer innovative solutions and unparalleled customer experiences.



Honouring Long-Serving Employees with Heartfelt Farewells

BIBD held farewell events for two of its long-serving and cherished employees, Hj Mat Don and Nakmah, celebrating their remarkable journeys and contributions to the bank. These events were not only moments of goodbye but also celebrations of their enduring impact and the relationships they built during their tenure.

Hj Mat Don concluded his 35-year-long journey with BIBD. The farewell event was a testament to the significant impact he had on those around him, and his departure leaves a palpable absence in the daily life of the bank.

Nakmah's farewell marked the end of an impressive career spanning over 38 years. Starting as a Clerk at the Main Branch in 1984, Nakmah's journey with BIBD was a

story of growth and dedication, culminating in her final role as Operations Support Senior Manager at Branch Banking Operations and Services, COO.

These farewells underscore BIBD's recognition of its employees' dedication and service. BIBD remains committed to honouring the legacy of its employees, understanding that their journeys are integral to the bank's story and its position in the community.



Menjayakan Wawasan Negara



During the 39th National Day celebrations, BIBD proudly participated with a contingent of 25 staff members, embodying the spirit of national pride and patriotism. The BIBD team actively joined in the march, showcasing their **"Bruneian at Heart"** ethos, a reflection of their deep-rooted dedication to the nation and its cultural values. This involvement was more than a demonstration of national pride; it was a testament to BIBD's commitment to being an integral part of Brunei's national narrative and its aspirations.



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BIBD's participation was further bolstered by the support of its First Aiders and Wellness Ambassadors, who were present to ensure the wellbeing of staff participants during the event.

This year's National Day theme, "Menjayakan Wawasan Negara," resonated strongly with BIBD's values, aligning with its vision to contribute actively to the nation's progress. The parade, a grand spectacle of unity and national spirit, comprised around 3900 participants, representing various sectors of Bruneian society. BIBD's involvement in this significant national event was not only a display of unity and patriotism but also a reinforcement of its commitment to Brunei's vision and the welfare of its people.



Glorifying the Month of Ramadhan

BIBD once again held its annual Khatam Al-Quran ceremony, a spiritual event to embrace the essence of Ramadhan and encourage staff to intensify their good deeds during the holy month.





In a meaningful gesture, BIBD continued the ceremony by donating the Mushaf Universiti Islam Sultan Sharif Ali (UNISSA) to the Sultan Omar Ali Saifuddien Mosque and Institut Tahfiz Al-Quran Sultan Haji Hassanal Bolkiah (ITQSHHB). This Mushaf, an initiative which began in 2011 by His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, was completed in 2020 and has been distributed to various religious institutions, schools, and Muslim converts since 2022. This initiative underscores the Quran's significance in our lives and supports the nationwide dissemination of Quranic teachings. BIBD's donation is aimed at inspiring increased sadaqah during Ramadhan, emphasising the virtues of charitable acts in Islam.



The ceremony was further highlighted by the presentation of a congratulatory token to Abdul Aziz bin Noor Nasran, Brunei's Qari, in recognition of his top-ten achievement at the 26th International Al-Quran Memorisation Contest in Dubai. This accolade not only brings pride to the nation but also showcases Brunei's potential on the global stage. BIBD supports this achievement as a means to inspire Brunei's youth to engage more deeply with the Quran, reinforcing their faith, spiritual development, and the cultivation of positive traits esteemed in Islam. The event, attended by Yang Mulia Dato Seri Setia Dr Haji Mazanan bin Haji Yussof, Assistant Mufti (Buhuth), State Mufti Office alongside BIBD's Managing Director and CEO, Junaidi bin Haji Masri, and other bank staff, reiterates BIBD's dedication to fostering Islamic values and community spirit within its workforce and the broader society.

Fostering Unity and Entrepreneurship with Staff Ramadhan Pop-Up

In 2023, BIBD held its second annual Staff Pop-Up event, a gathering designed to bolster staff engagement and camaraderie, especially during the auspicious month of Ramadhan. This initiative, stretching over three separate days, was not only an opportunity for togetherness but also a platform to showcase and nurture the entrepreneurial spirit among BIBD staff members.



SECTION 03

The Staff Pop-Up event served as a dynamic space for BIBD employees to exhibit and promote their entrepreneurial ventures. This initiative aligns with the bank's commitment to encouraging innovation and self-startership among its workforce. It provided a unique opportunity for employees to step into the role of entrepreneurs, showcasing their products and services, and receiving support and feedback from their colleagues. The event not only celebrated the entrepreneurial talents within the organisation but also fostered a sense of community, as staff members came together to support their fellow colleagues' business endeavours.

Held for the second consecutive year, the Staff Pop-Up event at BIBD has grown in popularity, becoming an anticipated feature in the bank's annual event calendar. The success of the event over its two-year run reflects the strong internal culture of BIBD, where staff engagement, togetherness, and the encouragement of entrepreneurial skills are highly valued. The event's popularity underscores the employees' enthusiasm for such initiatives and their eagerness to engage with and support their colleagues in various capacities.

The Staff Pop-Up is a testament to BIBD's dedication to creating an inclusive and supportive work environment. It not only provides a platform for staff to explore and develop their entrepreneurial skills but also strengthens the bonds within the BIBD family. Through such initiatives, BIBD continues to demonstrate its commitment to nurturing a well-rounded and engaged workforce, capable of contributing to both the organisation's success and the broader economic landscape of Brunei.



Section **4**

Our Core Businesses

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Retail Banking Group

Our vision of becoming Brunei's leading financial institution and a benchmark for Islamic finance remains true with strong financial figures and market share. BIBD continues to solidify its position as the leading provider of retail banking services in Brunei Darussalam by maintaining the largest banking network in Brunei with eighteen branches and more than 100 self-service terminals strategically located across Brunei Darussalam. BIBD is also the largest payment card issuer with the largest base of active Debit and Credit Cards.

Strategic Priorities in 2023

In 2023, the Retail Banking Group (RBG) concentrated on providing a range of Islamic financial products and services tailored for individual and mass market customers. A significant priority was to foster digital literacy and adoption among customers, focusing on educating them about the simplicity and benefits of using digital banking platforms. This initiative aimed to enhance customer experience and convenience by encouraging the transition to more efficient and accessible digital banking methods.



Supporting BIBD's Goals

In 2023, BIBD's Retail Banking Group focused on two primary areas:

Improving BIBD Retail Digital Platforms:

The Retail Banking Group undertook significant enhancements to BIBD's digital platforms. Key developments included the introduction of Brunei's first ATMs with 4G sim connectivity at eight pilot locations, improving transaction speed and reliability. To further modernise the ATM network, 20 new machines were deployed across strategic branches, replacing older units to ensure a high service level. An ATM was also strategically redeployed at the Yayasan Shopping Complex, augmenting convenience for shoppers. In digital advancements, eStatements were made accessible via the BIBD NEXGEN Wallet, allowing customers to obtain their statements without needing physical branch visits or online tokens. Moreover, the presence of Self-Service Kiosks was increased in select merchant locations, and there was a notable 9% rise in mobile transactions compared to the previous year.

Giving Back to Customers:

In a move to give back to our loyal customer base, we initiated various campaigns aligned with BIBD's 30th anniversary. These campaigns included offering discounts bank-wide, launching new limited edition Debit and Credit card designs to celebrate the milestone, and revising tariffs favourably, such as lowering ACH charges.

Additionally, the Aspirasi 6 savings program was enhanced with the introduction of two Grand Prizes of B\$200,000 each, significantly rewarding customers' savings efforts. These initiatives were part of BIBD's broader strategy to appreciate and retain its customers by providing them with additional value and benefits.

Sustainability in Action

In 2023, RBG contributed to BIBD's Sustainability Framework, focusing on three key pillars: Environmental Protection, Responsible Entrepreneurship, and Inclusive Social Impact.

Environmental Protection:

RBG actively promoted digital services to reduce reliance on physical branches, thus contributing to environmental protection. They integrated sustainability into their campaigns by offering eco-friendly corporate gifts and implementing e-statements via the BIBD NEXGEN mobile app to reduce paper waste. A key initiative was the inclusion of a solar panel showcase at the BIBD Home Showcase, aimed at raising awareness about sustainable home solutions. Furthermore, RBG is shifting towards using QR codes instead of paper for various internal processes. We also emphasised cashless payments, particularly during the BIBD Home Showcase, promoting BIBD QuickPay and cards. The Bank's commitment to eco-friendly practices was further reinforced by continuing with eco-friendly cards, which are as functional as conventional plastic cards.

Responsible Entrepreneurship:

Under this pillar, RBG continued deploying 'Self Service Kiosks' in collaboration with JUMM Group and Ideal, thereby facilitating efficient and modern banking experiences.

Inclusive Social Impact:

RBG's efforts in this area included creating financial literacy through awareness programs targeted at various sectors in public and private institutions. These initiatives are aimed at enhancing the understanding of financial planning among different communities.

These activities by RBG align with BIBD's broader commitment to sustainability and its strategic objectives.



Goals and Focus Areas for 2024

In 2024, RBG is set to focus on two main areas:

Continued Digitalization:

RBG aims to support Brunei's Smart Nation Development initiative by enhancing BIBD's digital platforms. This move is directed at improving customer experience by leveraging technological advancements. The goal is to offer seamless, efficient, and modern banking services that align with the evolving digital landscape and meet the expectations of a tech-savvy customer base.

Sustainable Banking:

Aligning with global trends and national priorities, RBG plans to continue integrating sustainable practices into its products, services, and offerings. This involves developing banking solutions that are not only economically viable but also environmentally friendly and socially responsible. The focus will be on creating offerings that support sustainable development and contribute positively to the community and the environment, reflecting BIBD's commitment to sustainable and ethical banking.



Corporate Banking Group

The Corporate Banking Group (CBG) at BIBD primarily focuses on serving corporate customers, including MSMEs, larger corporates, government agencies, and associations. Its core function is to offer a comprehensive range of Shariah-compliant products and services. Additionally, the group provides valuable advisory and networking assistance, ensuring that BIBD's corporate customers receive tailored financial solutions and support to meet their unique needs and objectives.

Strategic Priorities in 2023

Digitalisation

In 2023, CBG made significant strides in digitalisation, particularly with the mandatory onboarding of BIBD BizNet for all new account openings. By December 2023, the number of MSME Current Accounts using BIBD BizNet exceeded 7,000, a testament to the consistent efforts of relationship managers and front liners in encouraging clients to integrate BizNet into their daily business operations.

The Mega 30 campaign, in conjunction with BIBD's 30th Anniversary, offered new sign-ups or upgrades to the BizNet Premium Package a chance to participate in a lucky draw. The initiative aimed to enhance BizNet utilisation by promoting features like BIBD Top Up, Telegraphic Transfers, Payroll, and introducing ACH & RTGS Waivers.

The impact of these efforts was evident in the improved uptake of BIBD BizNet, which saw a year-on-year growth of over 11%. The percentage of BizNet activity in 2023 increased by more than 19% compared to the previous year, highlighting the successful adoption and integration of digital solutions in BIBD's corporate banking services.

SME Business Support & Mentoring Program



CBG's SME Business Support & Mentoring Program in 2023 maintained its strong momentum with continuous backing from SME360 Branches. The program emphasised frequent sessions aimed at raising product awareness among the public, new business owners, and young entrepreneurs.

CBG has also been instrumental in fostering economic diversification in line with Brunei Vision 2035, primarily through its extensive collaboration with various government ministries. Through Projek Tunas in collaboration with the Ministry of Home Affairs, CBG mentors have nurtured cottage industries and micro-business owners, transforming them into sustainable business entities.

Moreover, CBG's engagement with the Ministry of Culture, Youth and Sports and the Ministry of Religious Affairs has been pivotal in mentoring female business owners under BIBD's CSR program, BIBD SEED. This program is designed to empower underprivileged women, helping them become self-sufficient and break the cycle of poverty.

Additionally, CBG's collaboration with the Ministry of Finance and Economy has significantly contributed to national economic objectives. These partnerships are a testament to BIBD's dedication to empowering through entrepreneurship, aligning with Brunei's goal of nurturing a diverse and robust economy. Through these initiatives, CBG not only supports BIBD's business objectives but also plays a crucial role in the nation's journey towards economic sustainability and inclusivity, as envisioned in Brunei Vision 2035.

Supporting the Sustainable Development Goals

In 2023, CBG aligned its activities with the SDGs through various impactful initiatives. A significant step was the transition from physical statements of account to e-statements for all corporate banking services, reducing paper usage and supporting environmental sustainability. This move aligns with the goal of responsible consumption and production.

CBG actively identified and supported green companies, promoting sustainable business activities and furthering environmental consciousness in the corporate sector. Participation in national Go Green initiatives, such as tree planting, reinforced BIBD's commitment to environmental stewardship and community engagement.

CBG's involvement in the Marine Conservation Training in Australia, representing Brunei, illustrated the division's dedication to ocean sustainability. This training, conducted in collaboration with the Ministry of Primary Resources and Tourism, directly contributed to SDG 12, focusing on sustainable consumption and production patterns.

Furthermore, CBG has fostered a culture of sustainability internally by having two certified Green & Sustainable Finance Professionals within the division. This ensured a continuous emphasis on integrating sustainable practices into the core banking operations and financial strategies, aligning with BIBD's broader sustainability objectives and Brunei Vision 2035.

Supporting Governmental and Non-Governmental Initiatives

In 2023, CBG actively engaged in supporting various governmental and non-governmental initiatives, enhancing its role in community development and economic growth. This included the onboarding and enhancement of digital payment platforms for embassies, reflecting the division's commitment to digitalisation and

streamlined financial transactions. CBG also supported initiatives led by BIMP EAGA and the Brunei Malay Chamber of Commerce and Industry (BMCCI), showcasing its versatility in engaging with diverse business entities.

Moreover, CBG extended its support to YASKA, a non-governmental organisation dedicated to assisting children diagnosed with cancer and their families. This involvement demonstrated CBG's commitment to social responsibility and community care. In collaboration with the Community Development Department, CBG introduced its corporate banking products and services, offering business advisories to business-oriented entities. This multifaceted engagement underlines CBG's dedication to contributing positively to various sectors of society, aligning with BIBD's broader mission of community upliftment and national development.

Key Achievements and Initiatives

Campaigns and Promotions:

The BIBD Mega 30 campaign, as well as the Top Up Tah Lagi! campaign, exemplify CBG's efforts in offering attractive financial products and services in line with the bank's 30th anniversary. These campaigns aim to engage customers and offer them value-added benefits.

Strategic Collaborations and Partnerships:



Collaborations with DARE for the MSME Festival, the Ministry of Primary Resources and Tourism for various weeks at MYCE, the role as a Gold Sponsor for BETCON, and the engagement with Brunei Shell Marketing for the Brunei Smart Mobility Expo. These partnerships demonstrate CBG's commitment to supporting key sectors and events that align with national development goals.



Financial Services and Support:

The refinancing of BGC's vessels Arkat and Amali, showcasing BIBD's capability to handle significant financial projects and support major national enterprises. This reflects the bank's strength and confidence in contributing to the country's economic development.

Entrepreneurial and Business Development:

The Hari Bakarih YSHHB 2023 Entrepreneurship Clinic Event and participation as an external assessor in various entrepreneurship programs highlight CBG's role in nurturing business skills and entrepreneurial spirit within the community.

Digitalisation and Technological Advancements:

The onboarding of various entities to online payment platforms and showcasing BizNet at the Olive Digital Conference 2023 emphasise CBG's focus on digital transformation and technological integration in banking services.

These themes collectively demonstrate CBG's comprehensive approach towards supporting BIBD's business goals, enhancing customer engagement, fostering strategic partnerships, and contributing to the nation's economic diversification efforts toward achieving Brunei Vision 2035.

Sustainability in Action

Over the past year, CBG significantly contributed to BIBD's Sustainability Framework by engaging in initiatives aligned with the United Nations Sustainable Development Goals (SDGs). A CBG representative participated in Marine Conservation Training in Australia, representing Brunei and aligning with SDG Goals 12 and 14, in collaboration with the Ministry of Primary Resources and Tourism (MPRT). This involvement emphasised the importance of marine biodiversity and conservation, ocean law and policy, and marine resource management. CBG also focused on SDG Goal 4, promoting long-term, quality sustainable education, including teaching at educational institutions on marine life rebuilding. Additionally, CBG continued its support for the Ministry of Culture Youth and Sports' Community Development Department Welfare Home Complex, providing donations for children's stationery needs and meal packs during Ramadhan 2023. This multi-faceted approach underlines CBG's commitment to environmental stewardship and social responsibility, integral to BIBD's broader sustainability goals.



To support BIBD's sustainability framework through digitalisation, CBG has implemented key transformation efforts. The group has made BizNet a mandatory application for all new corporate account openings, enhancing digital banking capabilities for corporate clients. Additionally, CBG closely collaborates with the Merchant Strategy Team to promote BIBD's Merchant Services, including QuickPay, POS, and MPGS. The Corporate Digital Team is also dedicated to providing comprehensive BizNet training to corporate clients, covering features like fund transfers, payroll, telegraphic transfers, and more, thereby facilitating efficient and sustainable banking practices.



Goals and Focus Areas for 2024

For the upcoming year, CBG are focusing on several key areas. We aim to boost digitalisation through the enhanced promotion of our digital services and by implementing over-the-counter charges. Additionally, we plan to initiate a corporate collaboration program with local universities, designed to mentor youth entrepreneurs and assist in their development into successful businesses.

CBG also intends to make BIBD SME360 the go-to resource for start-ups and emerging local companies, offering comprehensive services such as up-to-date products, mentorship, and market access. Recognising high-performing corporate customers who utilise our digital services is another priority, as part of our loyalty and retention initiative.

Aligned with the Government of Brunei Darussalam's strategy, we aim to contribute to expanding business opportunities and fostering a sustainable economy. Enhancing the reach of SME360, fostering a positive business mindset among young entrepreneurs, and introducing essential corporate products and services will be our key focus areas. Additionally, we are committed to re-educating the youth on financial literacy in educational institutions, reinforcing our dedication to nurturing the nation's future business leaders.



Treasury and Global Markets

Treasury and Global Markets (TGM) is responsible for the management of the bank's funds, providing BIBD with ready access to liquidity and ensuring that the bank meets all its financial obligations as and when they fall due.

As the first line of defense, TGM plays a pivotal role in insulating the bank against financial market stresses through the robust management of capital and liquidity. In addition, TGM plays its part as a brand ambassador for the bank in the global financial markets by continuously seeking to foster closer ties with our international banking partners, both regionally and internationally.

Strategic Priorities in 2023

The start of 2023 was filled with uncertainties where global inflation remains stubbornly high and the path of the major central banks remain unclear. Adding to the jitters during the first quarter was the news of several banks collapsing and the risk of contagion. It was therefore important that TGM be abreast of market conditions and the likelihood of knock on effects it would have on TGM's portfolio. Keeping this in mind, the priority has always been preservation of the portfolio. *Alhamdulillah*, by maintaining a proactive approach of reallocating and restructuring as market conditions change, TGM was able to weather through 2023 and came out stronger. This was also done through the hard work of the team in ensuring that the portfolio remains well diversified not only in terms of products but also geographically.

Liquidity has always been the forefront for TGM in ensuring that all business lines have access to funds as and when needed and that all the Bank's liabilities are timely met. This entails prudent management of funds as well as ensuring that the liquidity ratios remain robust and healthy. In addition to this, fund diversification has always and will remain a priority to TGM.

TGM has always believed in innovation and digitalisation not only in the way TGM does its business process but also in its products. This is to ensure that TGM remains relevant, whilst always striving to ensure that it gives the best service to its clients.

Supporting BIBD's Goals

TGM puts utmost importance on the relationships that it builds both in Brunei and on an international scale. TGM through the Financial Institutions Unit as well as its international offices (BIBD Singapore Representative Office and BIBD (Middle East) Limited) act as a bridge in connecting BIBD with its overseas counterparts and is the focal point of contact for Institutions abroad looking to establish relationships with BIBD.

Alhamdulillah, TGM has established relationships with more than 150 financial institution counterparties worldwide which is hoped to be able to build on BIBD's vision to be the Best Islamic Bank in Asia Pacific. Through networking and building on these relationships, TGM had been able to leverage on knowledge transfer and sharing of ideas. Concurrently enabling TGM to propose to its clients a wide range of services and solutions to suit their current and potential needs.

Key Achievements and Initiatives

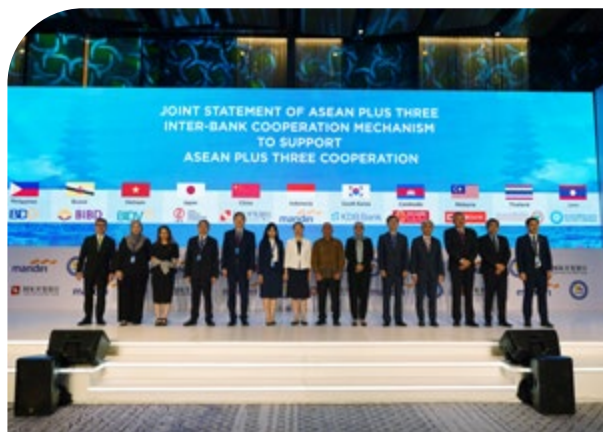
Alhamdulillah, 2023 had been a good year for TGM. Weathering through the uncertainties in the market and through tactile asset allocation as well as management of costs, TGM had been able to reach its target. Deep understanding of the dynamic of the Bank's assets and liabilities had also enabled TGM to achieve a wider Net Profit Margin ("**NPM**"). The achievement is also a manifest to the commitment and dedication shown by the team in the face of challenges.

Reducing asset valuation volatility in the face of varying market conditions has always been a priority for TGM. This entails diversification of the current product suite and ensuring the right correlation in order to achieve this. In 2023, for the first time, TGM had transacted in its first Islamic floating/fixed rate note transaction. This is a big achievement for TGM as well as the Bank in which various parties were working together in ensuring the structure and processes were in place. It is hoped that the momentum will continue as TGM looks to executing more transactions in the future. The never-ending thirst for product diversification will enable TGM build on more product capabilities and knowledge to offer both its clientele as well as in managing the Bank's funds for its stakeholders.

Relationship building has always been the core for TGM. This involves meetings and visiting the various markets that TGM deals in which also includes attending various conferences. In 2023, TGM was invited to speak alongside

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other ASEAN Member Banks for the 13th Executive Board Meeting of China-ASEAN Interbank Association (“CAIBA”) and ASEAN Plus Three Interbank Cooperation Mechanism (“APTIBCM”) Meeting which was co-hosted by PT Bank Mandiri (Persero) Tbk, Indonesia and China Development Bank. The meeting was held in Bali, Indonesia. During the meeting, the Member Banks also entered into a Joint Statement to support ASEAN-China Comprehensive Strategic Partnership as well as ASEAN Plus Three Cooperation.



Working together with the BIBD overseas offices forms part of TGM's due diligence process to identify and assess any risks that it will be exposed to. Hand in hand with the Bank's Risk Management Division, the due diligence process helps create the appropriate risk appetite for the Bank.

Human capital is always important in an organisation, and this is also the case with TGM. In 2023, the TGM team with the help of the Human Resource Division has undergone various training programs to ensure the TGM team is well equipped with the latest developments available in the market. In appreciation to the team and also to further strengthen the relationship and communication within the team members, TGM had also organised various team building activities and gatherings.



Sustainability in Action

Alhamdulillah in 2023, TGM continued its momentum towards contributing to BIBD's Sustainability Framework. Currently, TGM has a substantial proportion of sustainable investments in its books where almost 50% was added in 2023 alone. This cements TGM's commitment towards BIBD's vision of achieving B\$2 billion sustainable investments by 2030.

TGM is always actively looking for sustainable responsible investments and it shows in the continuous momentum year on year in the volume of sustainable investments that TGM has in its portfolio.

Not only that, TGM staff also participated in the Bank's sustainability efforts, such as tree planting, donation drives etc. Through its own initiative, TGM does not allow single plastic use in its meeting rooms as well as reducing power usage daily for an hour. It is hoped that these small steps will create awareness and result in more fruitful actions being taken towards a better sustainable work practice.



Goals and Focus Areas for 2024

2024 looks set to be challenging with talks about interest rate cuts by the major central banks as well as uncertainties from continued geopolitical tensions. Easing by major central banks would be especially tough on the NPM. Therefore, it is imperative to balance the asset deployment and cost of funding to ensure that the NPM would not be significantly compressed as well as to minimise volatility.

TGM's priority will always be ensuring adequate liquidity for the Bank, which includes having healthy and robust liquidity ratios. This will be done by prudent management of funds and to be closely monitored by the Risk Management Division in ensuring it is in line with the Bank's Liquidity Risk Framework.

The need for continuous process improvement is also critical to ensure more efficiency. In 2024, TGM has in its plans a system upgrade which will also include new modules to ensure a more dynamic and automated process solution. This together with BIBD's journey towards digitalisation will also help to further optimise and better manage the bank's liquidity.

In the ever evolving financial landscape, TGM will always seek new opportunities to invest in. This can either be in the form of new products or venturing into new markets. Not only will this help with yields but it will also benefit the ever changing needs of TGM's clients.

Upholding and maintaining relationships will remain a significant part for TGM. TGM aims to always ensure that it provides the best value service, quality and products to its current and potential clients in order to optimise their returns whilst at the same time maximising the returns to its stakeholders.

Human capital will always be critical for any organisation. Building on this, continuous improvement within TGM staff via identified upskilling, training and knowledge sharing will continue to ensure the organisation achieve its main objectives and goals.



BIBD Securities

BIBDS was established in 1993 and is the first securities company in Brunei. BIBDS provides investment solutions to both retail and institutional clients and is a wholly owned subsidiary of BIBD Berhad.

BIBDS provides brokerage services to clients wishing to trade BIBD shares and shariah compliant securities listed on the Singapore Stock Exchange and Bursa Malaysia, and distribution of shariah compliant mutual funds to retail clients.

BIBDS also provides services to institutional clients via our asset management arm, BIBD Asset Management (BIBD AM). BIBD AM was set up in late-2019 under the license of BIBDS and is the first Shariah-compliant asset manager in Brunei. The setting up of BIBD AM was a reflection of the nation's Wawasan 2035 and BDCB Financial Blueprint 2016-2025 initiatives to foster growth in Brunei's Islamic finance and asset management industry. BIBD AM provides discretionary fund management and investment advisory services on behalf of institutional clients across Sukuk, equities and multi-asset solutions.

Strategic Priorities in 2023

The strategic focus for BIBDS in 2023 was to ensure sustain our business growth momentum while continuing its active engagement with all levels of society to enhance financial literacy and awareness.

Despite the geopolitical challenges faced in 2023, the overall market saw a rebound from the downturn faced in 2022. This improvement in market sentiment was reflected in the growth of our retail business, where we experienced an 8% growth in assets under distribution and increased its client base by 15%. BIBD AM had also experienced growth in assets under management that was driven by our in-house sukuk strategy including our Environmental, Social and Governance ("ESG") strategy. While business growth is a key priority for BIBDS, we remain committed to enhancing financial literacy and investor education in Brunei Darussalam. Our ESG values of Alignment, Continuity and Education (ACE) aims to create value for our planet, society, family, investors and employees. Guided by the ACE values and the BIBDS Group Sustainability Framework, BIBDS continues to play a role in improving societal well-being through financial education.

Key Achievements and Initiatives

Throughout the year, we have organised and participated several initiatives to enhance financial education in Brunei. These initiatives include:

Financial Literacy Events

We organised a total of 15 financial literacy events and roadshows aimed at the following groups:

Working Individuals

We aim to highlight to those in the various stages of their career the importance of long-term investing and investing with a goal in mind. Throughout the year, BIBDS had conducted several roadshows and pocket events for public and private sector employees.

By taking a lifecycle approach with our clients, we categorised the clients into (1) New to Wealth Investors, (2) Experienced Investors, and (3) Late-Stage Investors. This is to ensure the content shared with our clients are tailored towards the clients appropriately.

Tertiary Education Students

We focused on expanding investment knowledge at the foundation levels to provide students with a background on Islamic investing and the importance of investments, financial planning, risk profiling, as well as sharing the day-to-day responsibilities of portfolio managers.

This includes organising:

- investor education talks with secondary students under the BIBD Group's educational financial support initiative, BIBD ALAF program
- a financial literacy session with students from the Universiti Brunei Darussalam ("UBD") School of Business and Economics, with a specific focus on Shariah-compliant investing and asset management
- Site visits from university students and lecturers from UBD and Universiti Teknologi Brunei ("UTB") for an introductory talk on financial literacy and first-hand portfolio simulation and Bloomberg experience;

Primary and Secondary students

With a focus on introductory financial planning, including the importance of savings, building an emergency fund and achieving financial goals. The expansion of our outreach for financial literacy to younger students is a new endeavour for BIBD Securities which highlights the our commitment in engaging financial awareness at the grassroots level.

BIBD Securities, alongside BIBD, signed a Memorandum of Understanding with Big BWN Project, a local non-governmental organisation with a mission to empower and support local youth and communities within Brunei, to deliver a series of workshops titled 'Waste Not, Save

More' to secondary and primary school students focused on financial literacy combined with zero waste education. As of December 2023, BIBDS and Big BWN Project have delivered workshops to 8 schools across the four districts in Brunei.

BIBDS had also participated in the BDCB Financial Literacy Roadshow at Mahad Islam Tutong, and provided a financial briefing session for MINDEF scholars.

Client Pocket Events

In 2023, we organised more than 40 client pocket events; these are smaller and more intimate sessions aimed at both existing and new clients where we showcase our financial planning services and ways to achieve financial goals through Shariah-compliant means.

BIBDS Investment Challenge

BIBDS hosted 30 students from five local tertiary level education institutions, namely UBD, UTB, Universiti Islam Sharif Ali (UNISSA), Kolej International Graduate Studies, and Laksamana College of Business, for our first ever Investment Challenge. The objective of the challenge is to improve the financial literacy of the youth in the area of investing through a hands-on approach in a team-based setting. The Investment Challenge ran for a duration of six months from June to December 2022 and was well received across participants, giving them a good introduction to portfolio and investment management.

To supplement the investment challenge, the BIBDS team developed an in-house virtual backtesting tool that utilises historical data allowing students to construct portfolios, as well as a live portfolio tracker for daily performance on their live portfolio, including daily, weekly and monthly return statistics. We had also provided the participants with investment knowledge sessions throughout the investment period to better engage with the students and provide greater guidance on how to tackle the challenge.



The winning team from UBD walking away with a cash prize of B\$ 1,000. They achieved a total return of 5.85% and a risk-adjusted return of 0.1212 over the investment period. Following the success of the Challenge, BIBDS will look to roll out more Investment Challenge series in the future.

Thought Pieces

In 2023, BIBDS had published five thought pieces catered for institutional investors, covering various investment topics and recent events including:

- Our in-house Capital Market Assumptions and a sentiment analysis using Natural Language Processing on investment outlooks by major Wall Street investment houses at the start of the year;
- The European energy crisis amidst the start of the Russia-Ukraine War and its impact to the region's inflation;
- The Silicon Valley Bank Fallout in March 2023 and an analysis of potential implications to the Global Banking industry;
- Our outlook on global interest rate movements, with a deep dive on US economy fundamentals and interest rate trajectory; and
- The geopolitical tensions in the Middle East, released in October 2023, including scenario analysis of potential escalations to various asset classes including oil and credit.

Contributing to Academic Excellence

For the second consecutive year, two BIBDS staff members were invited as visiting lecturers in UNISSA to deliver a 6-month course on Conventional Corporate Finance for 3rd year undergraduates majoring in Islamic Finance. Topics taught included the roles of financial management, time value of money, analysing public company annual reports, capital structure and cash flow analysis. Students were assessed through examination and a 2-month group coursework covering a public company and application of topics taught.

Professional Certifications and Internal Development

As part of our ACE values, BIBDS strives to maintain and pursue opportunities for professional development and life-long learning within its team.

In 2023, one BIBDS staff member completed the Financial Planning Practitioner's Programme (FPPP) by the Brunei Institute of Leadership & Islamic Finance (BILIF), while four BIBDS staff members have also enrolled as CFA Level 1 Candidates further enhance BIBDS talent development.

As proud signatories to the United Nations Principles for Responsible Investment (UNPRI), BIBDS is committed in adopting ESG principles into our investment processes and developing our internal capabilities in ESG Investing. BIBDS currently has four members of staff who have completed The CFA Institute Certificate in ESG Investing, a 100+ hour certification curriculum is designed for investment practitioners to develop skills in analysing and integrating material ESG factors into their day-to-day roles, offering practical and technical knowledge in the fast-growing field of ESG investing. The certificate and learning materials were developed by leading practitioners and recognised by the UNPRI, an independent body that seeks to encourage investors to use responsible investment to enhance returns and better manage business risks.

Organising and Participating in Public Forums

The BIBDS team participated in several panel discussions and investment forums throughout 2023, including:



- the Sukuk Investment Outlook event hosted by BIBD Securities and Franklin Templeton, aimed to provide insights into the current state of the Sukuk market and investment opportunities within this sector;



- Participation in a panel discussion at the Olive Digital Innovation Conference (DigiCon 2023) held in Brunei, centered around data protection and cybersecurity and the related regulatory landscape within Brunei Darussalam, as well as the impact of data protection laws for FinTech companies and;
- BIBDS took part as a panel member in the 4th International Conference on Business, Economics and Finance held in September 2023 hosted by the Universiti Brunei Darussalam. This conference served as a platform dedicated to exploring issues and challenges related to the development of a sustainable green economy. The panel discussion primarily revolved around the functions of regulators and financial institutions, as well as practical strategies for realising a sustainable green future.



International Achievements

For its efforts, BIBDS and BIBD AM were recognised for its efforts and evements by being awarded:

- The Best of the Best 2023 Awards for Best Institutional House (Brunei), Best Islamic Fund House (Brunei), and Best Investor Education (Brunei) by Asia Asset Management;
- 2023 Asset Manager of the Year (Brunei) by Triple A Islamic Finance; and
- 2022 Best Application of ESG Practices (Finance) – Brunei by Global Business Outlook.

Goals and Focus Areas for 2024

As we turn our attention to 2024, BIBDS is well-positioned following a year of steady progress and community engagement in 2023. Despite the challenges faced, our commitment to promoting financial literacy and delivering Shariah-compliant investment solutions remained unwavering. With a solid foundation established, BIBDS looks ahead to the upcoming year with a focus on continuing our efforts to support the nation's financial goals and objectives. By maintaining our dedication to education, sustainability, and client service, we aim to build upon our achievements and contribute positively to Brunei's financial sector and the communities we serve.

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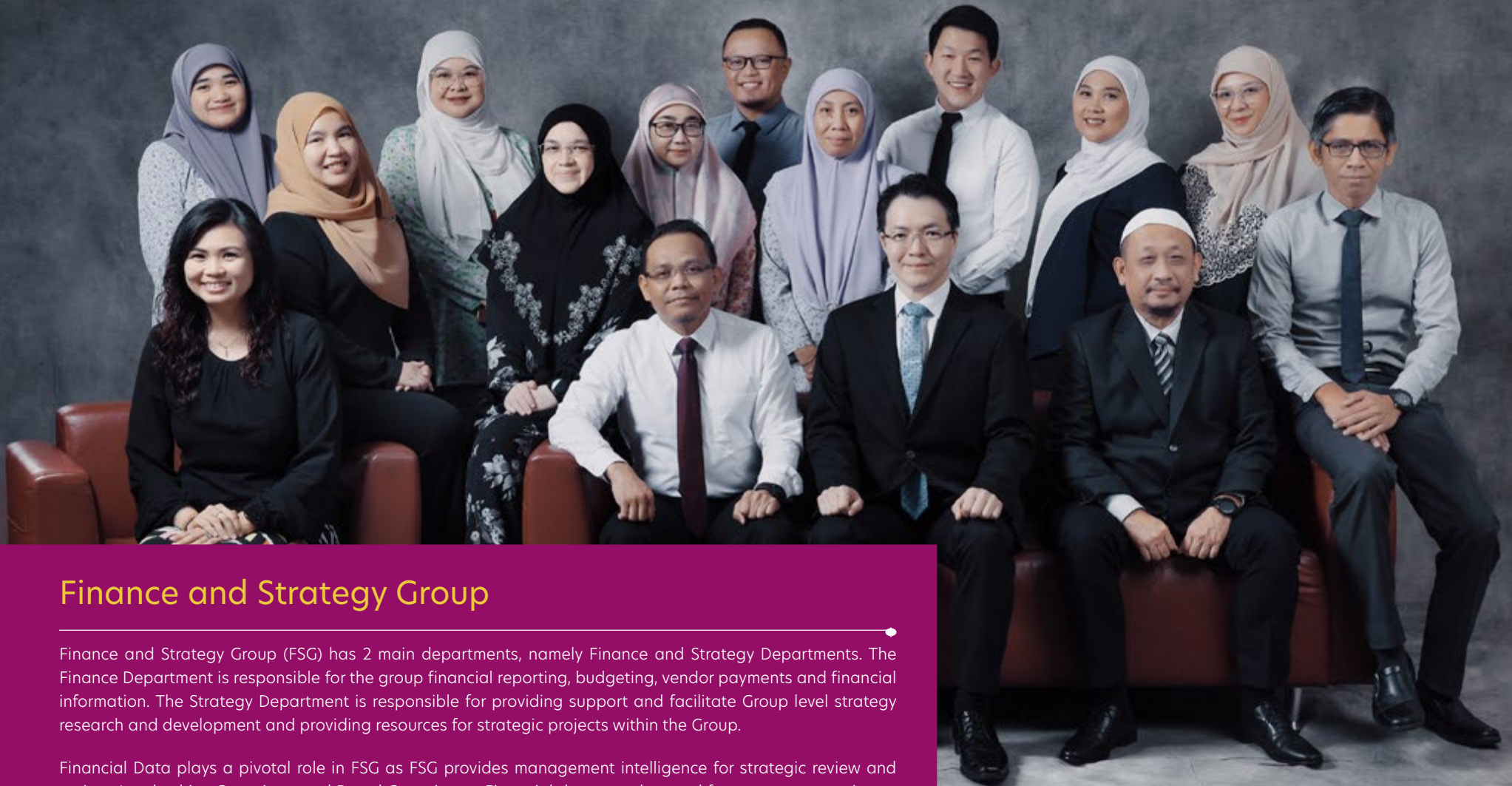
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Managing Director's Office

The Managing Director's Office is central to the strategic leadership and overall management of the bank, ensuring alignment with the institution's vision and goals. This office oversees key decision-making processes, coordinates across various divisions, and ensures effective communication with stakeholders. It plays a crucial role in setting the bank's strategic direction, driving organizational growth, and fostering a culture of excellence and innovation.



Finance and Strategy Group

Finance and Strategy Group (FSG) has 2 main departments, namely Finance and Strategy Departments. The Finance Department is responsible for the group financial reporting, budgeting, vendor payments and financial information. The Strategy Department is responsible for providing support and facilitate Group level strategy research and development and providing resources for strategic projects within the Group.

Financial Data plays a pivotal role in FSG as FSG provides management intelligence for strategic review and various Leaderships Committee and Board Committees. Financial data are also used for statutory reporting to external stakeholders such as shareholders and regulators. The usefulness of Financial Data is enhanced with the implementation of strong management controls and the continued investment in human resource capabilities within FSG to achieve the key goal of providing timely and accurate information and insights.

Strategic Priorities in 2023

The development of talented and committed Finance practitioner forms the core of FSG. BIBD aims to play a strong role in the development of Islamic banking and continuously demonstrating specialised talent in diversified areas. With this objective, FSG continues to fortify the team's development and competency in alignment to Bank's journey in innovation and digital. Further with the evolution of Islamic banking and finance, developing the team includes their exposure in understanding more complex Islamic finance transactions and digital services. As such, investment in team's capability via training with accredited accounting certifications has always been a continuous focus.

Data automation, enhancement of various accounting processes, financial reporting and data analysis will enable finance professionals to focus on higher value activities such as strategic planning and analysis.

The Strategy and Finance departments collaboratively work to support and provide strategic input derived from financial data analytics. Additionally, they stay updated with around-the-clock news, both locally and globally, to assess potential impacts on BIBD as well as the broader industry and economy of Brunei.

Key Achievements and Initiatives

The establishment of a supportive role, namely partnering with businesses and providing enhanced analytical insights and data management, has significantly contributed to bringing BIBD closer to achieving its mission, vision, and strategic plan. As the expertise of the Finance team grows, they continue to offer better insights and a deeper understanding of both existing and new business products. Additionally, FSG consistently assists other Support Divisions, further enhancing overall organisational effectiveness.

Sustainability in Action

Over the past year, our division has made significant contributions to BIBD's Sustainability Framework, reflecting the growing importance of sustainability in the finance sector. This concept, vital for accountants and finance professionals, involves activities that directly impact the social, environmental, and economic performance of an organisation. Our role in this domain is crucial for helping organisations adapt to sustainable practices, which are essential to prevent resource depletion, ensure long-term success, and foster a more sustainable future.

In line with this commitment, our division has focused on the upskilling of FSG team members in sustainability-related areas. This aligns with the plans of the International Sustainability Standards Board (ISSB) to issue final standards on the General requirements for disclosure of sustainability-related financial information and climate-related disclosures. Our efforts are geared towards aligning with these evolving, globally accepted standards.

In terms of practical sustainability initiatives, the FSG has implemented several key practices. Our processes are primarily conducted and approved electronically, significantly reducing paper usage. We've also optimised energy consumption by adjusting air conditioning temperatures to acceptable levels where appropriate and ensuring that air conditioners and lights are turned off when meeting rooms are not in use.

Looking ahead, we are leveraging the Olive system, which supports big data analytics. This shift towards digitalisation is a cornerstone of our strategy to bolster the overall sustainability framework. By focusing more on analytics, Finance can provide more effective input and strategies, offering real-time financial insights. This, in turn, aids Senior Management in making informed decisions.

Goals and Focus Areas for 2024

In the upcoming year, our division is primarily focused on the development of future leaders and enhancing the capabilities of the Finance and Strategy team. We are committed to fostering growth among our local accountants, ensuring that they are well-equipped and prepared for the challenges ahead.

To continue supporting BIBD's overall mission and strategic objectives, our division will focus on several key areas:

1. Embedding sustainability into all aspects of our operations to ensure that our practices are environmentally responsible and contribute positively to societal well-being.
2. Building analytics capabilities to better understand market trends, customer needs, and operational efficiencies. This will enable us to make data-driven decisions that align with our strategic goals.
3. Implementing team certification programs to ensure that all members are up-to-date with the latest industry standards, technologies, and best practices. This continuous learning approach is vital for maintaining a high level of expertise and professionalism.

4. Developing a Collective Knowledge Bank, which will act as a centralised repository of information and insights. This will facilitate knowledge sharing and collaboration across the team, enhancing our collective intelligence and problem-solving abilities.
5. Advancing our Digital Business Intelligence tools and methodologies. By leveraging cutting-edge technology, we aim to streamline processes, increase efficiency, and provide more accurate and timely insights for decision-making.

Together, these focus areas will drive our division's efforts to contribute meaningfully to BIBD's strategic objectives and long-term success.



Human Resources and Human Capital Division

The HR & Human Capital Division (HRHCD) plays a crucial role, primarily centred on attracting and retaining top talent, and cultivating a skilled workforce in alignment with BIBD's values. Our duties involve fostering the development of new skills, ensuring employees are prepared for the dynamic banking landscape. Additionally, we prioritize engaging and uniting employees, building a strong sense of community and shared purpose. Upholding fair and ethical practices is fundamental to all our activities, establishing HRHCD as a proponent of integrity within BIBD.

Strategic Priorities in 2023

HRHCD's key strategic priorities for 2023 include:

- Enhancing Functional and Service Efficiencies
- Supporting BIBD's Transformation Efforts
- Building Bench Strength for Leadership Continuity and Talent Stability
- Strengthening Corporate Governance

Supporting BIBD's Goals

HRHCD's alignment with BIBD's strategic goals in 2023 involved several focused efforts:

- Proactively understanding and aligning with the bank's evolving business needs, HRHCD closely collaborated with different divisions. This led to a thorough review and optimisation of the bank's organisational structure and succession planning, ensuring a robust, future-ready framework.
- Enhancing employee engagement was a key focus. HRHCD and management worked to become more visible and accessible, addressing employee welfare and responding directly to their feedback, leading to significant improvements in the workplace.
- By forging strategic partnerships with local and international training providers, HRHCD ensured employees had access to relevant learning

opportunities. This approach supported the goals of Brunei's Wawasan 2035, particularly in developing a highly skilled workforce, enhancing quality of life, and contributing to a dynamic and sustainable economy.

In essence, HRHCD's activities were purposefully designed as integral components of BIBD's journey towards its long-term vision.

Key Achievements and Initiatives

In 2023, BIBD employees showed unwavering dedication to learning and development, achieving a notable 5,278 learning days, which is 58.2% higher than year 2022.

Beyond the quantity, HRHCD through its Learning and Development team organized diverse programs tailored to meet the multifaceted professional needs of our employees. With an average of 5.7 learning days per employee, our commitment to individual growth remains commendable.

Enhancing HRHCD Functional and Service Efficiencies

In 2023, BIBD's HRHCD division successfully enhanced its functional and service efficiencies, focusing on several key areas:

1. **Work-Life Balance and Employee Wellbeing:** HRHCD revised working and banking hours to improve employees' work-life balance and mental

wellbeing. Additionally, the validity period for in-lieu public holidays was extended, offering greater flexibility to employees.

2. **Enhancing Employee Welfare:** The division conducted a comprehensive review and improvement of various types of leave, resulting in increased allowances for Unpaid Leave, Medical Leave, Compassionate Leave, and special leave for attending international and national events. The review and improvement of allowances and overtime compensation were also a focus.
3. **Career Opportunities for Employees:** HRHCD updated the Standard Operating Procedures (SOPs) for internal recruitment, opening more opportunities for junior applicants to apply for higher posts. This prioritization of internal recruitment is aimed at strengthening organizational culture, engaging employees, and reducing external hiring costs.
4. **V-leave Implementation:** A modernized and streamlined leave application process named V-leave was introduced to enhance efficiency and accuracy.
5. **Digital Performance Appraisal Process:** The division introduced a streamlined digital process for performance appraisal submissions, thereby enhancing transparency and efficiency in submission, review, and tracking, and improving HR practices overall.

6. **Employee Engagement:** HRHCD increased employee engagement through various bank-organized activities such as Majlis Korban, Maulud Nabi, National Day, and Majlis Khatam.
7. **Professional Development:** A significant accomplishment was the recent achievement of eight HR Managers in obtaining Chartered Institute of Personnel and Development (CIPD) titles. This inaugural group underwent the CIPD's Experience Assessment (EA) and showcased exceptional proficiency. This aligns with BIBD's strategy to establish itself as the employer of choice and enhance the qualifications of its employees.

Supporting BIBD's Transformation Efforts

The Digital Academy Phase 3 initiates the digitization of BIBD's Onboarding Program where 12 online modules were created to improve accessibility and flexibility. To be rollout in 2024, it promises a significant leap in onboarding efficiency.

Other transformation programs rolled out include:

- PowerApps training program, which enabled collaboration and solution-building between business and IT analysts through a hackathon.
- Cybersecurity Phase 2 introduced e-learning modules on Smishing, Phishing, and Ransomware to strengthen BIBD's defence against cyber threats.

- "Art of R.I.S.E. Experience" workshop maintained a service mindset, fostering positivity and empowering employees for excellent customer service.

Additionally, in response to the rapidly evolving landscape of imminent transformation, HRHCD has engaged in collaborative efforts with internal business partners to formulate a framework capable of addressing future business challenges. This encompasses the preparation of organizational structure, succession planning, and talent development, all aimed at ensuring the cultivation of the requisite competencies to enable them to thrive in the future.

Building BIBD Bench Strength & Ensuring Leadership Continuity and Talent Stability

In its commitment to bolster leadership, BIBD dedicated substantial resources to leadership growth as an integral part of BIBD's Leadership Development Framework.



The journey began with targeted programs focusing on strengths-based leadership, personal effectiveness, and crucial supervisory skills, emphasizing the organization's dedication to nurturing leaders. This was further highlighted by the significant engagement of 78 employees in diverse leadership and development programs.

Under a comprehensive leadership and personal development curriculum, programs like Business Communication, Conversational Skills, Leading Professional Image & Etiquette, and a Facilitator Masterclass were conducted, reflecting a widespread commitment to leadership development within the organization.

For the management team, the transformative High Impact Executive Programme (HIEL) saw three Key Leaders completing the program. Commencing in October 2022 and concluding with a celebratory Closing Ceremony in March 2023, this initiative equipped leaders with holistic executive leadership skills, including personalized 1-on-1 coaching and strategies for organizational leadership.



Communication skills were further honed as 14 employees successfully completed the Powerful & Professional Public Speaking (3PS) Programme, marking a notable milestone in a five-year journey, with a cumulative total of 60 employees graduating as Powerful & Professional Public Speakers.

On a broader industry stage, two HR team members represented BIBD as speakers at the 3rd Annual INITIATE! Human Capital Summit. The summit covered diverse sessions under three streams: Employee Experience and Well Being, Talent Transformation & Championing Learning and Development.



Beyond borders, 19 employees engaged in overseas learning opportunities, accumulating 59 learning days across eight different programs. These initiatives aimed to enrich knowledge and expertise in areas including Compliance, Fintech, Legal, IT Risk, and Islamic Finance.

Certifications played a pivotal role, with 24 employees obtaining certifications from prestigious organizations. Notable certifications include the Certified Professional Shariah Auditor (CPSA), Chartered Institute of Personnel and Development (CIPD) and the Certificate in Commercial Credit (CiCC), highlighting the commitment to continuous professional development.

Strengthening Corporate Governance

HRHCD has received a satisfactory audit rating, indicating the division's commitment to adhering to good practices. Furthermore, HRHCD continuously evaluates and enhances its policies and procedures to stay up-to-date with market best practices. This includes strengthening the Personal Improvement Plan Framework, improving the management process of the Employee Retirement Fund and Employee Disciplinary Process, and providing clarity and eligibility guidelines for various types of leave.

During the third phase of the Islamic Finance Competence Drive, 266 employees participated in tailored programs as part of our learning initiative. In addition, our leaders attended the Brunei Islamic Finance Summit, and selected staff members were able to join the 11th Asean Universities International Conference on Islamic Finance (AICIF) 2023.

To reinforce our commitment to corporate governance, we successfully conducted the Know Your Shariah Lingo (KYSL) Quiz Campaign, which received 421 responses with a notable 78% correct answers. We also organized a learning session for our Board of Directors and Shariah Advisory Board, covering topics such as ESG, Financial Services Innovation, Cyber Risk, and Operational Resilience.

To prepare for the imminent implementation of the Personal Data Protection Order (PDPO), over 80 employees participated in a briefing on this topic. In terms of corporate governance, we organized courses on Credit Risk, Compliance, and HSE. Notably, we conducted a three-day S&P Scorecard program and a two-day Advanced Cash Flow Analysis workshop to enhance our credit risk management capabilities.

Our training programs also focused on important areas such as AML, Sanctions, Market Misconduct, Conflicts of Interest, and Data Privacy. We emphasized the importance of employee welfare through HSE training, ensuring that our employees have a strong awareness of safety measures and comply with Workplace Safety and Health regulations.



Sustainability in Action

Supporting the Sustainability Framework

To support BIBD's Sustainability Framework, HRHCD has played a crucial role in upskilling employees in the field of sustainable finance. In 2023, six employees were recognized and awarded a prestigious Certificate in Green and Sustainable Finance from the Chartered Bankers Institute UK.

Moreover, the commitment to sustainability extended beyond formal training programs. Employees actively participated in conferences and summits that addressed important sustainability topics. Notable events include the 11th Asean Universities International Conference on Islamic Finance (AICIF), which focused on the theme "Islamic Finance and Sustainable Development Goals (SDGs): The Way Forward." Additionally, employees also attended the 18th Kuala Lumpur Islamic Finance Forum 2023. The cumulative effort of these engagements resulted in an additional investment of 197 learning days dedicated to sustainability.

Overall, the concerted efforts of BIBD and HRHCD have truly demonstrated their commitment to furthering sustainable finance practices within the organization.

Sustainability Initiatives and Practices in HRHCD

In addition to talent management, HRHCD also contributes to BIBD's broader sustainability goals through various initiatives, including:

- Participation in Sirah Amal in April 2023, MYCE Beach Cleaning and Tree Planting at Muara in June 2023, and Ministry of Health Tree Planting in November 2023.
- Implementation of digital processes to reduce paper usage, such as digitalizing V-Leave applications, online submission of performance appraisals, on-request printing of payslips, and providing e-statements for ERF. Additionally, efforts have been made to minimize printing of training handouts.
- Adoption of glass bottles to replace plastic water bottles during training sessions.
- Collaborating with GRSP to organise school visits for students from the International School of Brunei, College Universiti Perguruan Ugama Seri Begawan, Sekolah Ugama Arab Menengah Perempuan Raja Isteri Pengiran Anak Saleha, Sekolah Rendah Penapar Tutong, and Playskool.
- Participation in the "Pameran Kebaya" organized by the Ministry of Culture, Youth, and Sport in September 2023 to promote and preserve community culture.

Digital Transformation for Sustainable Progress

To support the overall sustainability framework, HRHCD has implemented the following initiatives:

1. **Continuing Digital Skills Development:** HRHCD is prioritizing the development of digital skills among employees to ensure they have the necessary expertise for a technology-driven work environment. This initiative promotes sustainability by equipping the workforce with the ability to efficiently utilize digital tools, reducing the reliance on paper-based processes and contributing to resource conservation.
2. **Implementation of Automated Processes and Efficiency Tools:** HRHCD has already begun implementing automated HR processes and efficiency tools, such as V-leave and online performance appraisal submission. The organization will continue to digitize routine tasks, striving to enhance operational efficiency, minimize resource usage, and promote sustainability through streamlined workflows and reduced environmental impact.
3. **Green Data Management:** With the impending implementation of HRIS in 2024, HRHCD is adopting eco-friendly data management practices. These practices ensure that sustainability considerations are integrated into data storage, analysis, and reporting. By aligning with environmental goals, HRHCD promotes responsible data practices that minimize energy consumption and support a sustainable digital transformation.

4. **Continuous SDG Awareness and Training:** HRHCD is dedicated to fostering awareness and understanding of the Sustainable Development Goals (SDGs) among its employees. Ongoing training programs educate the workforce on the significance of SDGs and emphasize how their individual roles contribute to broader sustainability objectives. By instilling a culture of social and environmental responsibility, HRHCD ensures that employees actively engage in sustainable practices, aligning their actions with the organization's commitment to global sustainability goals.

Goals and Focus Areas for 2024

HRHCD is dedicated to upholding BIBD's vision, mission, and overall objectives by prioritizing the following areas in 2024:

1. **Implementing HR Information System (HRIS) Developed by Olive:** To improve operational efficiency, HRHCD will collaborate with Olive's team to design and establish BIBD's HRIS. This initiative aims to automate manual HR processes, streamline workflows, improve data management, and enhance overall efficiency, aligning with current HR technology standards.
2. **Implementing Centralized Learning Management System (LMS):** As part of the Optimizing Workplace Learning (OWL) project, HRHCD will launch a centralized LMS to cater to BIBD's online learning needs. This milestone endeavor aims to redefine the learning experience for employees.

3. **Succession Planning & Leadership Development:** Continuing its drive to foster a strengths-based culture, HRHCD will offer leadership programs based on the CliftonStrengths framework. Additional programs will be introduced to ensure employees understand and embrace the strength-based approach.

4. **Strengthening HR Governance: Continuous Process & Policy Review:** HRHCD is committed to regularly reviewing and refining existing procedures and policies. This commitment is based on the pursuit of industry best practices and the Bank's strategic priorities. By continuously assessing and optimizing processes, HRHCD ensures compliance with regulations and meets the evolving needs of the Bank.

5. **Upskilling/Reskilling Employees for Roles Post Olive Implementation:** To support the seamless adoption of the Olive system, HRHCD will collaborate with internal partners and stakeholders to develop training programs tailored to employee needs. These initiatives will upskill or reskill the workforce, equipping them with the necessary knowledge and competencies to effectively leverage the Olive system. This collaborative approach reinforces HRHCD's dedication to cultivating a skilled and adaptable workforce during the implementation process.

In the coming year, HRHCD will focus on strategic talent acquisition and retention, workforce planning, and employee well-being to support BIBD's mission and objectives. Through targeted recruitment and development initiatives, HRHCD aims to align the workforce with organizational goals. Additionally, HRHCD will play a crucial role in change management, fostering adaptability and diversity in the workplace. Leveraging technology and analytics, HRHCD will provide data-driven insights to inform decision-making and contribute to BIBD's overall success.



Information Technology Division

The Information Technology Division (ITD) oversees BIBD technology-related strategies and initiatives. ITD provides insight into digital trends, innovation and business growth opportunities and strives to improve the consumer experience across the entire customer journey. Through ITD, BIBD is able to move forward with advances in technology and methods of processing and managing information. In addition, ITD also manages and maintains the delivery of digital products and services in supporting the Bank's day-to-day operations.

Strategic Priorities in 2023

In 2023, the IT Division of BIBD focused on several strategic priorities to align with the bank's overall strategic goals and missions. The primary objectives included enhancing the stability of IT services, reinforcing security measures, and implementing technology refresh initiatives. Additionally, the division concentrated on extracting value from data and fostering innovation for the future.

These efforts were instrumental in maintaining the availability and security of BIBD's IT services, crucial for the bank's digitalisation drive. By adhering to these focus areas, the IT Division played a vital role in supporting BIBD's business objectives and digital transformation strategy, thus contributing significantly to the bank's mission and strategic goals.

Key Achievements and Initiatives

In 2023, ITD made significant progress in several areas:

Harnessing Internal Capabilities: The focus was on developing internal resources and capabilities. Efforts were directed towards providing IT personnel with appropriate technical skills and best industrial practices. Recognising and rewarding employees for business improvement processes and zero-downtime activities was a key strategy. Emphasis was placed on building a competent, motivated workforce with a healthy work-life balance for sustainable performance.

Driving Value into the Organisation: ITD launched new business initiatives to enhance cost efficiency and productivity. Notable projects included the creation of e-statements for retail customers, aligning with ESG strategies, and developing an in-house leave application system for staff, streamlining processes.

Adherence to Regulatory and Technology Requirements: The Division's improvements were also aimed at meeting regulatory standards and adapting to evolving technology requirements.

Improving System Uptime and Stability: There was a significant reduction in system downtime, with the main banking system achieving an uptime of 99.99%.

Security Enhancement: The Division maintained its Information Security Management System ISO27001 Certification, initially achieved in 2022 and continued through 2023.

Other Key Improvements: Efforts were made to reduce customer complaints related to data inaccuracies through script and program enhancements, bringing complaints down significantly. The development of an automated leave application reduced manual labor for the HR team by 20-25 man-hours per month. Additionally, the Division introduced the bank's first use of API, facilitating faster-to-market services and products.

Sustainability in Action

In 2023, ITD's efforts to support BIBD's sustainability commitments through digital transformation focused on enhancing sustainability through technological advancements. Two key initiatives were the conversion of physical statements to e-statements and the transition from manual, physical leave applications to an electronic leave application system. The shift to e-statements is hoped to significantly reduced paper usage, aligning with environmental sustainability goals. The e-leave application is aimed at streamlining HR processes, reducing paper waste and improving operational efficiency. Both initiatives reflect BIBD's commitment to integrating sustainable practices into its operational framework, leveraging digital solutions to support its overall sustainability agenda.

Goals and Focus Areas for 2024

In the upcoming year, ITD will continue enhancing the bank's cybersecurity posture, focusing on fortifying defences against increasingly sophisticated technological adversaries. This effort is critical in supporting BIBD's movement towards Banking 4.0, part of its digital transformation journey. Additionally, the IT Division will prioritise building a unified customer experience, emphasising the continuity, resilience, and stability of BIBD's key systems, including the high availability of the NEXGEN Platform. This approach is aimed at aligning with and supporting BIBD's broader mission and strategic objective



Chief Operating Office

The Chief Operating Office (COO) Division is pivotal in aligning operational strategy and performance management with the overarching objectives and strategies of the bank. Our division plays a crucial role in supporting and executing these plans across all business units and divisions.

A significant focus has been on driving digital initiatives, particularly in enhancing the adoption of digital channels. This includes the successful promotion and increased usage of BIBD Nexgen and BIBD Biznet platforms among our retail and corporate customers. Additionally, the COO Division is responsible for comprehensive business contingency planning, ensuring readiness and efficient response to operational challenges.

As part of BIBD's ongoing digital transformation, we initiated an awareness program aimed at preparing our staff for changes in operational procedures and potential shifts in their roles.

Strategic Priorities in 2023

In 2023, the COO Division at BIBD prioritized six strategic areas to align with the bank's overall goals. These included promoting sustainability and wellness awareness, positioning the COO Division as a strategic partner within the organization, and enhancing service delivery to provide quality and meaningful experiences. A strong emphasis was placed on strengthening governance and organizational culture, fostering unity, trust, and transparency to support staff development, and leading digital transformation efforts within the division to streamline operations and improve efficiency. These efforts were meticulously designed to support BIBD's mission of delivering superior banking services and contributing to Brunei's economic development.

Key Achievements and Initiatives

Throughout the past year, the COO Division has successfully implemented several key initiatives to enhance operational resilience and digital engagement.

COO executed a preliminary Business Continuity Planning test was conducted, followed by a comprehensive drill, underscoring our dedication to preparedness.

We upgraded our self-service infrastructure by deploying twenty new terminals and adding an offsite ATM at Yayasan Complex, improving service accessibility.

Digital transactions experienced a significant uplift, with Biznet transactions growing by 19% in number and 25% in volume. Conversely, mobile banking saw a 19% decrease in transaction numbers but a 10% rise in volume, alongside an 11% increase in subscribers, highlighting shifting consumer behaviors. QuickPay transactions soared by 56% in number and 58% in volume, indicating a strong adoption of convenient payment solutions. Additionally, we expanded our network by 21% in card merchants and 25% in QuickPay merchants, enhancing our digital footprint and merchant ecosystem. These achievements reflect our commitment to digitalization and customer-centric service enhancement.

Sustainability in Action

Over the past year, the COO Division at BIBD has actively contributed to the bank's Sustainability Framework, particularly focusing on SDG3: Good Health and Well-being.

The division encouraged mental well-being and work-life balance through team-building activities like outdoor walks and social gatherings such as walking in the park, bowling, lunch/dinner gatherings and more.

A month-long initiative called "Recycling Revolution: From Trash to Treasure" aimed to raise awareness about recycling, providing practical tips for waste reduction. Useful recycling tips were shared across the teams by providing step-by-step guides and practical advice on recycling both in the office and beyond.

The "Healthy Pantry" initiative promoted healthier snack options among colleagues, and wellness was further supported by distributing health circulars on healthy food options, fresh fruits and nutritious snacks.

COO's "A Healthier You, A Happier You" initiative also saw weekly circulations of healthy living information, division fitness challenges, and conducting park clean-up activities to foster a healthier and more productive working environment.

Goals and Focus Areas for 2024

In the upcoming year, COO is committed to elevating the customer experience at BIBD by intensifying efforts on staff training and advocacy for unparalleled service delivery. This strategic direction aims at not just responding swiftly to customer feedback and requests but also refining operational processes to significantly enhance the experience of cardholders. Furthermore, the division plans to extend its educational outreach, encouraging customers and corporate clients alike to embrace digital solutions for efficient banking transactions, such as payroll disbursements and fund transfers. Central to achieving these objectives is the upskilling of our staff, ensuring they are well-equipped to support BIBD's overarching mission and strategic goals, thereby contributing to the bank's continuous drive towards service excellence and digital innovation.



Chief Marketing Office

The Chief Marketing Office (CMO) Division is focused on overseeing and managing the Bank's brand strategy, marketing activities, customer experience management, and communications. This division, led by the Chief Marketing Officer, is pivotal in steering and refining business decisions to support the Bank, community, and nation. It also plays a crucial role in managing sustainability initiatives aligned with the BIBD Sustainability Framework and Roadmap.

Key Focus Areas in 2023

In 2023, the CMO's focus areas included developing creative artworks that support BIBD's business goals and align with BIBD's brand identity and messaging, amplifying BIBD's presence on digital and social media platforms and lastly, curating a unique and memorable customer experience through events that not only engage our customers but also align with the Bank's overall objectives.

The division was instrumental in producing artwork, social media posts, press releases, and events which showcased BIBD's commitment to enhancing customer engagement, community involvement, and the nation's sustainability agenda.

Building Brand Equity

CMO plays a crucial role in overseeing the branding of products and services and building brand equity. This involves developing and executing marketing strategies that promote the brand image, messaging, and positioning to create a distinctive and memorable identity in the minds of customers. The CMO also ensures that products and services align with the brand standards, and that all touch points, including static and digital creative artwork, social media, events and customer experience consistently reflect BIBD's values and personality. To build brand equity, CMO collaborates with other divisions to enhance the customer experience and create brand loyalty.

Commemorating BIBD's 30th Anniversary

In commemorating BIBD's 30th Anniversary, CMO conceptualised a gallery that navigated through BIBD's history. The journey began with a timeline of significant events, leading to an exhibition showcasing the bank's evolution in products, services, SME support, digital transformation, and community initiatives. The gallery was enriched with personal photos and memorabilia from staff, adding a personal touch.

Additionally, the CMO division produced a 30-minute documentary titled "30 Years of Bank Islam Brunei Darussalam: A Documentary," featuring interviews with executives, employees, and customers. This documentary, highlighting BIBD's role in Brunei's financial sector and its commitment to community and national development, premiered on Brunei's 39th National Day, 23 February 2023, on BIBD's YouTube channel and RTB.

Strengthening Our Brand Positioning

Awards and Accolades

In 2023, CMO played a pivotal role in enhancing the bank's corporate branding and solidifying its brand positioning. This was achieved through the coordination of participation in prestigious awards and accolades on both national and international stages. Notably, BIBD secured significant recognitions such as The Banker's Bank of the Year, The Asian Banker's Strongest Bank and



Strongest Islamic Financial Institution by Balance Sheet in Brunei, and Global Finance's Best Islamic Financial Institution in Brunei, along with the Safest Bank in Brunei title. BIBD Securities, a subsidiary of BIBD, also earned notable accolades including The Asset's Asset Manager of the Year for Brunei and several awards from Asia Asset Management. These accomplishments serve as validations of BIBD's excellence and hard work, as assessed by independent industry experts, and reinforce the bank's robust standing in regional and global financial landscapes.

Brand Audit

To fortify BIBD's brand positioning, CMO undertook an annual brand audit, collaborating with the Facilities Management Unit and Branch Banking and Operating Services. This exercise ensured a cohesive and consistent representation of BIBD's brand across all physical branding assets at the bank's locations. Complementing the annual audit, regular brand surveillance activities were conducted throughout the year to maintain the integrity of BIBD's brand appearance. These initiatives are pivotal in reinforcing BIBD's brand strength and aligning its corporate identity with its strategic business objectives.

Enhancing Customer Engagement through Strategic Event Management

CMO played a pivotal role in elevating customer experience and engagement, contributing significantly to the bank's business objectives. By creatively orchestrating key public events such as the Consumer Fair, Local Product Expo, BETCON, and Yayasan Sultan Haji Hassanah Bolkiah's Hari Raya celebrations, CMO ensured that each event was not just visually appealing but also enriched with activities that resonated with customers. This approach was instrumental in creating memorable experiences, fostering customer loyalty, and enhancing the bank's brand reputation.

CMO's strategy was aligned with BIBD's overall goal of providing outstanding customer service and building strong community connections. By focusing on customer engagement, the division helped to differentiate BIBD in the competitive financial market. Our efforts in curating unique themes and layouts for these events showcased the bank's commitment to innovation and excellence, directly contributing to attracting and retaining a diverse customer base. This focus on customer-centric activities supported BIBD's business growth and reinforced its position as a leading financial institution in the country.

Spearheading BIBD's Sustainability Commitments

In 2023, CMO actively reinforced the Bank's commitment toward sustainability by participating in various tree planting activities. These efforts included sponsoring the planting of 50 trees during the 'Environment Week' of the Brunei Mid-Year Conference and Exhibition (MYCE) 2023, and supporting the 'Mission Green Possible' initiative by the Ministry of Health. These actions, involving the participation of BIBD staff, highlighted the bank's dedication to fostering a sustainable environment and addressing environmental challenges.

The CMO's involvement in these green initiatives represented BIBD's holistic approach towards sustainability. By engaging in activities like the 70th Anniversary tree planting event of the Brunei Girl Guide Association, and other environmental conservation programs, they emphasised their role as a responsible corporate citizen. These efforts not only contributed to the beautification of Brunei's landscapes but also aligned with international objectives like the United Nations Sustainable Development Goals. This proactive approach in ecological stewardship underscored BIBD's commitment to creating a sustainable future for generations to come.

CMO also played a part in advancing sustainable development by participating in the Sustainable Economy Forum 2023. This event, part of the Brunei Economy Programme, was co-hosted by the ASEAN and APEC

Business Advisory Councils of Brunei and the Ministry of Finance and Economy, showcasing BIBD as a strategic partner. The forum provided a crucial stage for BIBD to demonstrate its commitment to sustainable practices and actively engage in discussions about business roles in achieving Sustainable Development Goals (SDGs).

BIBD's CMO, Hjh Nurul Akmar binti Hj Mohd Jaafar, spoke in a panel discussion at the forum and highlighted the essential role of businesses in attaining SDGs, focusing on how they can contribute to sustainable development. Emphasising BIBD's alignment with Brunei's national vision, she stated that BIBD's initiatives and partnerships are strategically aimed at complementing national objectives and contributing effectively to Brunei Vision 2035 and the UN SDGs. This involvement signifies BIBD's deep commitment to collaborative efforts between the private sector and government for driving sustainable development.

CMO furthered the Bank's sustainability initiatives through a strategic partnership with the SDG Secretariat under the Prime Minister's Office. This collaboration, prominently featured on social media, was aimed at raising public awareness about sustainable habits, the UN SDGs, sustainable investing, and various sustainability challenges. This partnership underlines BIBD's proactive approach in promoting sustainability in the community, showcasing its commitment to environmental stewardship and educating the public on making responsible, sustainable choices.

Supporting National Goals

CMO also launched an innovative approach to financial literacy by collaborating with a well-known local artist. This campaign sought to make financial concepts more engaging and relatable to the Bruneian audience. By using illustrations and narratives grounded in local contexts, the campaign effectively communicated essential financial topics like budgeting, investing, and the use of sinking funds. It aimed particularly at educating the younger generation, making complex financial topics accessible and interesting.

Early investing
can be the ultimate launch pad, propelling kids towards
financial success and help grow their wealth while they grow up



This financial literacy campaign stood out for its creative integration of art and education. The collaboration with the artist not only made the campaign visually appealing but also ensured that the financial advice was presented in a way that resonated with the local culture. This approach helped in breaking down barriers to financial understanding, encouraging the youth to actively engage with concepts that are crucial for their financial well-being and empowerment. The campaign was a step towards nurturing a financially knowledgeable society, aligning with BIBD's commitment to community development and education.

CMO successfully navigated a dynamic year marked by significant milestones and initiatives. From spearheading the bank's 30th-anniversary celebrations with a comprehensive gallery and a documentary, to enhancing BIBD's corporate branding and positioning through prestigious awards, we are proud to have played a part in supporting the Bank's overall objectives.

Our initiatives focusing on sustainable practices and community engagement, especially in financial literacy and environmental initiatives, echoed the bank's dedication to societal welfare and aligned with national and global development goals. CMO's efforts in orchestrating events and campaigns aimed not only at elevating customer experiences but also reinforcing BIBD's ethos as a Bruneian-at-heart institution, contributing substantially to the nation's vision and the bank's strategic objectives.

Looking Ahead

In 2024, the Chief Marketing Office is committed to propelling the BIBD Group's vision forward, with an emphasis on supporting the digitalisation roadmap through Olive, our flagship digital initiative. This commitment is not only about embracing technological advancements but also about intertwining these with our sustainability agenda, ensuring that our growth is responsible and aligned with global sustainability standards.

The CMO aims to broaden our horizons, reaching out more effectively to relevant stakeholders. This concerted effort is designed to foster stronger advocacy for sustainability, while simultaneously promoting the widespread adoption and inclusivity of our digital banking platforms. Through these strategic priorities, we aspire to set new benchmarks in digital finance, rooted in sustainable and inclusive growth for all our stakeholders.



Shariah Division

The role of Shariah Division, supervised by the Shariah Advisory Body ("SAB") is to ensure all products, services, transactions, operations, and activities offered and carried out by the Bank and its subsidiaries ("Group") are in compliance to the Shariah principle. This process is managed through consistent and proactive engagement with all relevant business, controls, and support functions group-wide.

The Shariah team, as a business partner and enabler, has been working closely with the relevant business and support divisions to enhance, review and develop existing and new products and services; focusing on providing advice on Shariah structure, issues and documents and adding value by conducting rigorous Shariah research in order to ensure all aspects of the products and services are Shariah compliant. This is imperative to heighten and uphold the Islamic value and to instill customers' confidence towards the Group.

In addition, the Shariah Division is also committed to ensure that the Division's governance framework and related requirements are robust and adhered to. The Division also works to strengthen the Shariah Secretariat's procedures to ensure smooth and efficient discussions and deliberation for the SAB to discharge their duties.



Compliance Division

The Compliance Division manages the Compliance Framework for the Group which aims at protecting BIBD's value and image by ensuring focus on compliance to regulations. The Division manages this through its four sections - Regulatory Compliance which manages all regulatory engagement, Financial Crime Compliance Policies, Advisory and Training which handles all related policies and provides advisory and Group training, Financial Crime Compliance Operations which oversees daily operations in relation to transaction monitoring and Compliance Assurance which conducts monitoring and testing to ensure ongoing compliance with regulations. Each section contributes towards ensuring that Compliance Framework remains up-to-date and relevant and engages with other subsidiaries and divisions within the BIBD Group to ensure alignment and adherence to regulations.

Strategic Priorities in 2023

Compliance Division's focus for 2023 was to ensure that the Compliance Framework remained effective and up to date. This included ensuring updated assessment of the Group's Compliance risk, identifying areas requiring improvement and conducting Group-wide training. The Division coordinates and supports regulatory onsite reviews as well as alignment initiatives with global standards. In addition, the Division worked closely with other areas to ensure relevant upgrades were conducted to its systems in 2023. The Compliance Division worked closely with other banks and agencies through the Private-Public Partnership as well to address topical issues being tackled by the financial sector.

Key Achievements and Initiatives

The Compliance Division worked closely cross divisionally to support completion of regulatory onsite inspections and closure of recommendations. Results from Asia Pacific Group Mutual Evaluation of Brunei in 2022, which the Division represented the BIBD Group in was positive, and the Division continues to engage with regulators on any further introductions or changes. Further steps were taken to expand the assurance reviews conducted by the Division to test and monitor the Bank's compliance with regulations.

Sustainability in Action

The Compliance Division continues to ensure the Compliance Framework remains robust and effective and supports the BIBD Groups direction on health and well-being (SDG3 Good Health and Well Being) with changes to work hours to provide better work-life balance for the Division's staff. With close engagement to regulators and stakeholders, and exhibiting I-CUE, the Division continues to support the building of BIBD as a strong and reliable institution through its day-to-day operations (SDG16 Peace, Justice, and Strong Institutions).

Goals and Focus Areas for 2024

The main focus for the Compliance Division for 2024 includes a refocus on training and certification for the Compliance team and a restructure and rightsizing of the Compliance Assurance section to be able to meet the assurance needs of the BIBD Group. In addition, the Compliance Division will be working on strategic alignment to Global Standards recommendations and supporting Private-Public Partnership initiatives. All these goals and focus is expected to contribute positively to SDG16.

Risk Management Division

BIBD has placed a significant emphasis on the role of risk management in ensuring a sustained and responsible long-term growth of the Group. In order to support BIBD's aspirations, a robust risk management function and respective processes, coupled with a strong awareness program have been placed to allow an independent assessment, monitoring and controls of all financial and non-financial risks across the BIBD Group.

BIBD has placed a significant emphasis on the role of risk management in ensuring a sustained and responsible long-term growth of the Group. In order to support BIBD's aspirations, a robust risk management function and respective processes, coupled with a strong awareness program have been placed to allow an independent assessment, monitoring and controls of all financial and non-financial risks across the BIBD Group.

The comprehensive management of all risks faced by BIBD is part of our wider efforts to uphold the highest standards of risk governance and compliance throughout the Group. BIBD undertakes a variety of businesses, and is required to be able to govern, monitor and report all risks with a clear enterprise and holistic approach.

BIBD has in place various Risk policies and processes intended to cover different risks across all businesses that are reviewed annually.

Risk Management Strategy

The BIBD Risk Management Strategy is reviewed and approved by the BIBD Board of Directors on an annual basis. The Risk Management Strategy provides a holistic approach in managing risks, triggers and thresholds within BIBD Group.

Risk Appetite Statements

The BIBD Risk Management Strategy is reviewed and approved by the BIBD Board of Directors on an annual basis. The Risk Management Strategy provides a holistic approach in managing risks, triggers and thresholds within BIBD Group.

Within the Risk Management Strategy, a holistic Risk Appetite Statements ("RAS") document was established as the primary risk parameters, and aligned to the Group's overall risk management objectives:

- a) To consistently exceed minimum regulatory capital requirements
- b) To ensure sufficient levels of liquidity and funding
- c) To manage the level of risk in the portfolio to an acceptable level,
- d) To maintain external debt ratings.

Enterprise Risk Management Framework

The BIBD Group has embraced an enterprise-risk approach, covering 19 (nineteen) core risks, within its risk management structure. This is supported by the Enterprise Risk Management Framework ("ERMF") which provides a standardized approach to manage all risks within the Group. The key tools used within the ERMF are to establish, within each BIBD division, the proper governance, monitoring and controls to be tracked on a monthly and quarterly basis.

Risk Governance Structure

A strong governance structure is in place to ensure that the ERMF can be implemented effectively. While the Board is ultimately responsible for BIBD's risk management activities, it has delegated its responsibilities on the oversight of BIBD risk management to its Board Committees; the Audit and Finance Committee ("AF"), the Risk Committee ("RC"), and the Executive Committee ("EXCOM"). These Board Committees are updated on risk-related matters, on a quarterly and monthly basis, respectively, or as and when required. The Shariah Advisory Body has also been delegated by the Board to provide oversight over Shariah matters, including Shariah Risk. The Shariah Advisory Body meets at least quarterly and will be updated accordingly.

At Management level, the Group Risk is managed by the established committees, such as the Credit Risk Committee ("CRC"), the Asset & Liabilities Committee ("ALCO"), Capital Committee ("CC") and Enterprise Risk Management Committee ("ERM"). These management committees meet on a weekly, monthly, bi-monthly and quarterly basis respectively. Specific matters such as the Capital Adequacy ("ICAAP") and the Recovery Plan are reviewed within the CC.

Group Risk Management Model

The Group Risk Management model has implemented the “Three Lines of Defense” approach, to contain any potential risk. This is achieved by maintaining an ongoing monitoring process, and the proper controls processes.

The responsibilities are shared as follows:

1st Line of Defense (Risk Owner), the Business/Support units.

2nd Line of Defense (Monitoring and Oversight Functions), Risk Management and Compliance.

3rd Line of Defense (Risk Assurance), Internal Audit.

While risks are managed at the point of risk-taking activity, there is a clear accountability of the risk ownership across BIBD as demonstrated in the following Risk Governance chart.

Risk Governance Structure “RGS”

Within the RGS, BIBD has several committees at Board and Senior Management level:

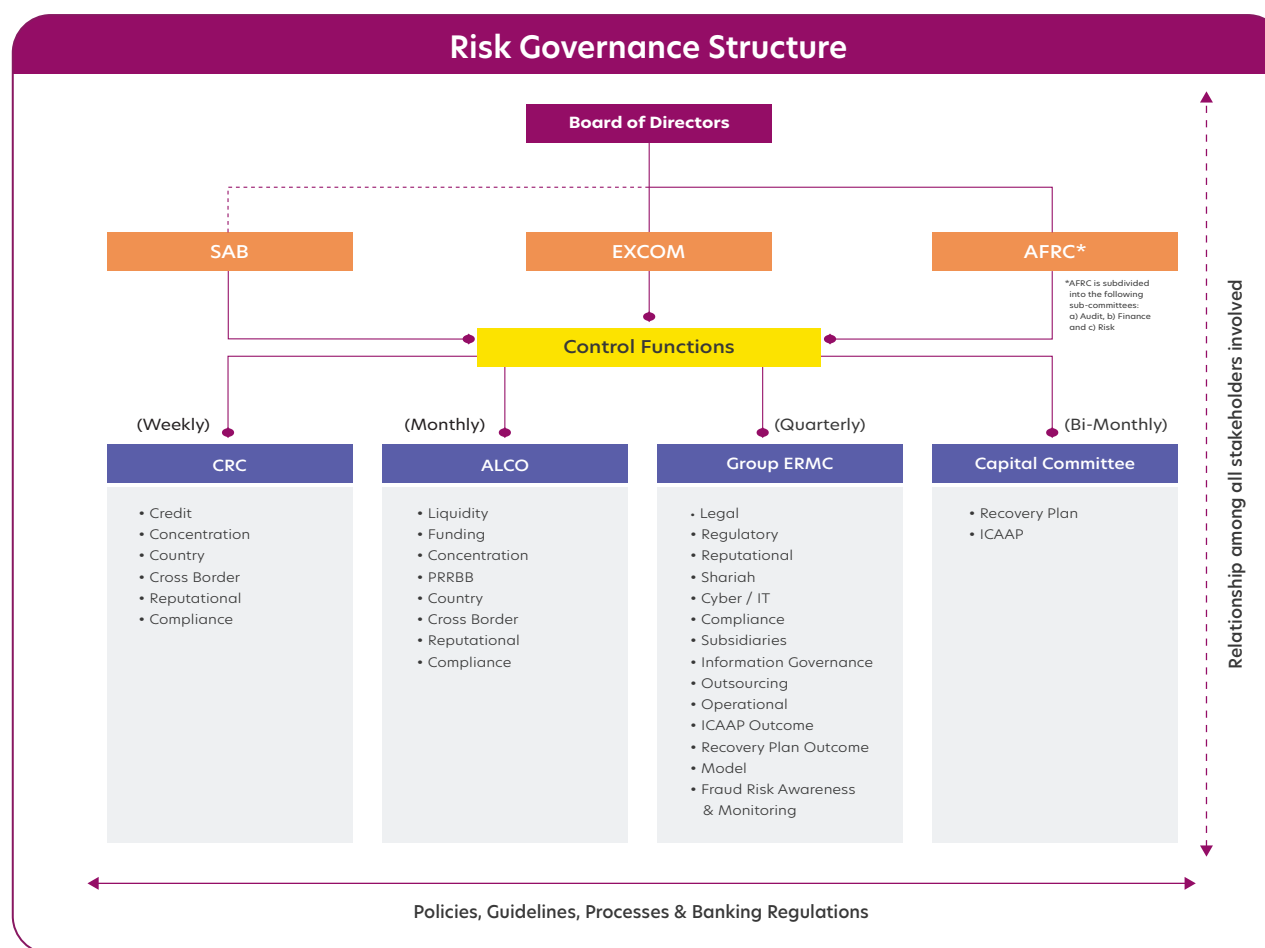
a) Board

- Executive Committee “ExCom” - Monthly
- Audit, Finance and Risk Committee “AFRC” – Quarterly
- Shariah Advisory Body “SAB” - Monthly

b) Senior Management

- Credit Risk Committee “CRC” – Weekly

- Assets & Liabilities Committee “ALCO” - Monthly
- Enterprise Risk Management Committee “ERMC” - Quarterly
- Capital Committee “CC” – Bi-monthly



The main risks within the Group are controlled and monitored under the Risk Management Division, as a 2nd Line of defense covering:

- Credit Risk
- Market Risk
- Operational Risk
- Profit Rate Risk Banking Book ("PRRBB")
- Liquidity Risk
- Funding Risk
- Concentration Risk
- Country Risk
- Cross Border Risk
- Reputational Risk
- Legal Risk
- Regulatory Risk
- Shariah Risk
- Compliance Risk
- Cyber Risk
- IT Risk
- Information Governance
- Outsourcing Risk
- Model Risk

We take the approach of analyzing all financing and investment proposals, as well as, evaluating the Group's operational processes and events, in close cooperation with respective business units, to ensure that the Group's exposure to all risks is understood, discussed and managed in a proactive way, in order for all stakeholders' interests to be protected.

Financial risks are analyzed by performing different stress tests projections using different economic scenarios throughout different exercises, such as the ICAAP, Recovery Plan and other Stress tests annually required by the Brunei Darussalam Central Bank ("BDCB"), coupled with other specific exercises presented within ALCO.

BIBD has a proactive approach in monitoring the Group's risks exposed to, by having a robust Enterprise Risk Management Framework, coupled with a solid Operational Risk Governance that utilizes several tools to constantly monitor the risks resulting from People, Systems, Processes and External factors. The Operational Risk responsibility lies within all BIBD's employees, which is driven by the Risk Management Division, coupled with the ongoing Risk Awareness and Risk Culture trainings.

The allocation of risk related responsibilities among all units, within BIBD, are organized in such a way to be in line with the Three Lines of Defense "LOD" principle, where each line of defense is independent from each other:

1. The 1st LOD is provided by the business units and supporting functions, other than 2nd and 3rd LODs. responsible for identifying, and managing the inherent risks in the products, activities, processes, and systems for which are accountable.
2. The 2nd LOD is provided by the independent risk management and compliance functions. The risk management function is primarily responsible for overseeing the bank's risk-taking activities, couple with the undertaking of the risk assessments,

with independent reporting from the 1st LOD. The compliance function monitors the compliance with respect to laws, corporate governance rules and internal policies.

3. The 3rd LOD is provided by the independent internal audit function, responsible for providing assurance on the effectiveness of the bank's 1st and 2nd LODs.

There has been several initiatives from the BDCB, adopted or in the process of being adopted by BIBD to align the Brunei Banking Sector with international standards. These initiatives include:

1. Risk management guideline and governance
2. Credit risk management guideline
3. Minimum regulatory capital requirements
4. IFRS9 model implementation
5. Classification of impaired credit facilities and financial assets for provisioning purpose
6. Market Risk Management Guidelines
7. IT and Cyber Risk Guidelines
8. Basel II – Pillar 3 Public disclosure document
9. Corporate governance for Islamic banks
10. Prudential treatment of problem assets and allowance for credit losses
11. Shariah Governance Framework
12. Operational Risk Management
13. Liquidity Risk Management
14. Capital Adequacy Framework
15. Outsourcing Guidelines
16. Internal Capital Adequacy Assessment Process ("ICAAP")

17. Recovery Plan
18. Basel 3 Liquidity Framework

Standard & Poor's Credit Rating

As a testament to BIBD's prudent approach to risk management, the Bank was reaffirmed with an A- (Stable) by one of the big three international credit rating agencies, Standard & Poor's ("S&P Global").

Management of Material Risks

The emphasis of a strong risk management culture is the foundation of the Group's Risk control mechanisms and respective awareness. This involves an on-going process of identification, assessing, controlling, monitoring, and reporting of material risks, called "Risk Taxonomy" that affects the performance of the Group's strategic objectives, as follows:

1. Credit and Concentration Risks

A robust credit risk framework is the one that embraces prudent financing guidelines to minimize credit defaults and losses, whilst maintaining a credit portfolio that is within the Group's Risk Management parameters. The Bank has in place a strong governance, processes and systems to have a proper set of controls and a monitoring scheme to overview across all risks within BIBD's the risk management.

The concentration factor per industry, geography, limits, obligor, and product is an important aspect within the Group's portfolio and is continuously tracked. In the Non-Retail spectrum, the Group's industry portfolio concentration remained stable with the highest concentration in the oil and gas industry, which has been a historic trend, due to the importance of the domestic oil and gas revenues for Brunei. Within the Retail Portfolio, there is no concentration due to the regulatory guidelines in place (Capital Adequacy Framework 13Feb19), whereby, each retail obligor cannot represent more than 0.2% of the total retail portfolio.

Non-Retail Portfolio

In the non-retail space, the Bank implemented an internal risk rating system from S&P Global, to help the Board and Senior Management to differentiate the risk levels, via a probability of default approach, across all financings and investments to facilitate the decision-making process.

In addition, there is an assessment process throughout a fundamental analysis approach – the review of qualitative and quantitative information – and financings above one year have additional analysis requirements, where specific cash flows analysis within respective projections and assumptions take place. Collateral coverage of financings is high. However, credit decisions are always based on the cash flow generation, as the primary source of repayment, coupled with an

appropriate facility structure, where all facilities have specific limits per risk type (Funded, Unfunded and Pre-settlement risk).

There is a general monitoring approach, throughout two specific processes:

- a) Watchlist accounts
This approach covers all accounts above 1 Day Past Due ("DPD") as well as movements within the DPD buckets (1-30, 31-60, 61-90 and above 90 days), on a weekly basis.
- b) Close monitoring accounts
This approach covers only current accounts with minor issues that may deteriorate if not monitored properly, on a monthly basis.

For accounts above 30 DPD but below 90 DPDs, Exposure at Default ("EAD") must be transferred to Stage 2 (IFRS9) and when reaching 90 DPDs, must be defined as impaired and EAD transferred to Stage 3 along with their corresponding Expected Credit Losses ("ECL") or impairments.

Within the Corporate Banking Group, the Special Assets Department ("SAD") is responsible to continuously follow up and assesses trends for all accounts with DPDs above 30 days, to bring possible solutions. Risk Management closely works with the SAD, to properly manage all related efforts as well as the right level of impairment.

Retail Portfolio

In the retail space, the Bank portfolio risk assessment approach is throughout the individual product types using internal risk models with different scorecards, and in some cases, fundamental credit analysis, for the final evaluation and respective approval. All facilities have specific limits per risk type (Funded, Unfunded and Pre-settlement risk).

There is a constant follow up on market trends/ behaviors and portfolio analytics per product type, such as months on books under a performing status and DPDs bucket movement analysis, among others. Within the retail portfolio, there are secured financings, whereby, collaterals fully covered the financing amounts, and with the addition of the salary assignments. For unsecured financings, there is no collateral assigned. However, most obligors have the salary assignment in place.

Collections and Recovery

Collections and Recovery Department under the Chief Operating Officer is responsible to track all DPDs and trends, to assess the proper strategy for each product type. The Collection and Recovery activity is constant across all products and DPDs buckets, including the write-off accounts. The Risk Management Division works closely with this department to understand the behavioral patterns that can be used to further enhance to existing policies.

Expected Credit Loss

BIBD established its IFRS9 process which has enabled to accurately calculate the Expected Credit Losses or credit impairments. This process provides forward looking expected credit losses for either a 12-month Probability of Default ("PD") or Lifetime PD, based on a statistical historic data with respect to BIBD portfolio's PDs, Macroeconomic overlays, Loss Given Defaults ("LGDs"), and Exposures at Default "EAD".

2. Operational and Shariah Risks

Operational Risk events stemming from People, Systems, Processes and External Factors that may lead to losses for the Group. These factors are constantly monitored and reported throughout eight key operational risk tools: 1.Risk Appetite Statement "RAS", 2.Key Risk Indicator "KRI", 3.Risk Event Report "RER", 4.Risk Control Self Assessment "RCSA", 5.New Products and Service Policy "NPSP", 6.Post Implementation Review "PIR", 7.Issue Management & Action Tracker "IMAT" and 8.Operational Risk Acceptance "ORA".

As a continuous proactive measure to better capture all operational risk related events, the Group has placed a strong emphasis on providing regular training to all employees. The Group has assigned employees across all Divisions to act as the Risk Coordinators "RC", in charge to capture any operational risk issues, including Shariah Risks.

The Risk Management Division, implemented the key

operating tools and processes to provide a holistic operational risk control across the Group. Any Risk Event Report is carefully analyzed using a Root Cause methodology together with the respective causal factors to identify the proper solution within a reasonable timeline. All key tools used for operational risk issues are monthly and quarterly tracked.

The Sharia Non Compliance is constantly monitored using the Operational Risk Tools, coupled with the Post Shariah Review Unit, part of the Risk Management Division.

3. Market, PRRBB, Funding, Liquidity, Country and Cross Border Risks

As part of the regular monitoring and reporting of BIBD's market risk exposures, there are several reports that are tracked to ensure these exposures are within the approved risk appetite parameters, the Risk Management team continuously keeps abreast of the market developments in different geographies, which may impact the BIBD cross border portfolio and specific risk parameters. BIBD maintains high quality liquid assets and well diversified sources of funding that act as a liquidity buffer.

Another aspect of the market risk is the interest/profit rate movements, "Stress Test" affecting the banking book performance, and the consequent impact on the earnings and capital. This analysis is presented within the ALCO by the Risk Management Division, on a monthly basis.

BIBD utilizes several assessment methodologies with the help of various analytical techniques, to manage relevant risks and support specific business requirements:

- a. Counterparty Limits Process using qualitative and quantitative techniques,
- b. Country Limits using fundamental economic, political, and social analysis,
- c. Cross Border Risk analysis covering the Nationalization, Expropriation, Convertibility and Transferability risks ("NECT").

BIBD also uses the Country Sovereign International risk ratings, from S&P Global, Moody's and Fitch to ensure further alignment with international practices.

4. Legal, Regulatory, Compliance and Reputational Risks

BIBD Group has placed the utmost priority on the compliance and regulatory surveillance with respect to the international and local governance guidelines. BIBD's legal division is in charge to properly cover all legal matters. BIBD is well-aware of the proper and proactive implementation of all regulatory principles, to mitigate, transfer or avoid all risks related to legal, regulatory, compliance, and the adverse impact to BIBD's reputation.

5. Cyber and IT Risks

Regular reviews, upgrades and testing of all IT systems (hardware, middleware and software), as well as BIBD's cyber infrastructure, are performed to avoid any internal and external disruptions that may affect the Group's general capabilities to operate. This approach allows further strengthening of BIBD's overall IT and Cyber risk management capabilities, by implementing best international practices. As part of this scope, the IT and Cyber risk framework is assessed and reviewed periodically as BIBD continues in developing a predictive risk management culture.

6. Information Governance and Outsourcing Risks

The BIBD Board and Senior Management has placed significant emphasis on ensuring that risks related to data quality, data security, record management and client data privacy, among others, are mitigated and avoided.

The BIBD Group has implemented an outsourcing monitoring process to ensure that material services and data received by external sources are reliable and providers have a sound and proven track record.

7. Model Risk

This refers to losses resulting from using inappropriate models, data, model's review, and maintenance service updates. BIBD Group is building its model inventory tracking list in order to have a comprehensive record of all available models in order to allow proper management, maintenance and tracking.

Foreseeable Risk Factors

2023 was a year of contrasts with several factors affecting all economic blocks, on a worldwide basis, such as a) Global interest rates upwards, b) Inflation slowing down, however not as fast as desired, c) Erratic oil price movements and d) Geopolitical tensions in the rise, especially with Russia/Ukraine, Middle East – Red Sea, China-Taiwan, Russia-NATO, and USA-China relationship. Financial markets had a volatile year with several bankruptcies in the USA with three medium to small banks affected, Silicon Valley Bank, Signature Bank and First Republic Bank, resulting mainly from liquidity issues, due to a sharp increase in interest rates, considerably affecting the value of their Bond positions. By the 1st quarter of 2024, inflation in major economies is relatively controlled, and interest rates, apparently, will not increase before April 2024, therefore no further movement from the FED, Bank of England and the European Central Bank, so far.

2024 Outlook

Domestic (Brunei)

- Aggregate demand expected to growth across the economy.
 - GDP 2023 B\$18.555bn and 2024 expected B\$19.207bn (IMF), a 3.5% expected growth.
 - Inflation in 2023 0.4% (MOFE) down from a 3.7% in 2022 (MOFE) and 2024 expected is 1.5% (IMF).
 - Concentration in the oil & gas industry, accounting for 43.4% of the Domestic GDP (3Q23 – MOFE).
- Global Risk Report 2024 (World Economic Forum Global Risks, Davos) has categorized the risk landscape as follows:
 - o Economic.
 - o Environmental.
 - o Geopolitical.
 - o Social.
 - o Technological

International

- It is foreseen that the worldwide economy will have some re-activation issues for 2024 with an expected growth of 2.9% (IMF) vis 3.0% in 2023 (circa), and a worldwide expected average inflation rate of 5.8% in 2024 (Avg.consumer prices, IMF).
- Common constraints still present across all economic blocks, such as:
 - o Inflation is slowing down, however at a slower pace than expected.
 - o Interest rates still at peak (1Q24) with uncertainty when the reduction will start.
 - o Volatility will continue in the stock, bond, and exchange rate markets
 - o Geopolitical issues with increasing tensions.
 - o Energy prices may present volatile patterns.



Internal Audit Division

The Internal Audit Division (IAD) is governed by an Internal Audit Charter. IAD reports directly to the Audit, Finance and Risk Committee ("AFRC"), and provides independent and objective assurance to the AFRC and ultimately the Board of Directors that the internal controls within BIBD and its subsidiaries are designed and operating effectively.

IAD adopts a risk-based approach to audits focusing on high-risk areas across the Bank and its subsidiaries and the frequency of audits vary from one entity to another. Audits conducted are inclusive of compliance to Brunei Darussalam Central Bank guidelines, applicable legislative requirements as well as Shariah principles.



Legal and Corporate Secretarial Division

The Legal and Corporate Secretarial Division ("LCSD") provides Legal, Corporate Governance and Corporate Secretarial services to BIBD and BIBD Subsidiaries ("BIBD Group").

LCSD was featured in the Legal500 upcoming GC Powerlist: Southeast Asia Teams 2023 which encapsulates LCSD's achievements in 2023.

Strategic Priorities in 2023

Over the past year, LCSD has focused its activities by leveraging on digitalisation whilst enhancing operational efficiency and making automation possible.

As the primary provider of legal services to the BIBD Group, LCSD strives to provide efficient, effective and timely Legal, Corporate Governance and Corporate Secretarial services to the BIBD Group and to ensure the BIBD Group's compliance with applicable legal and regulatory requirements.

Key Achievements and Initiatives

- Introduction of the BIBD Outsourcing Management Framework which serves as a guidance on the management of outsourcing activities undertaken by BIBD, particularly those that fall under the purview of the BDCB Guidelines and require BDCB's approval.
- Revision and enhancement to BIBD's Management of Conflict of Interest and Related Party Transaction Policy. This Policy aims to guide the Bank in effectively identifying, documenting, escalating, and addressing conflicts of interest and related party transactions, in line with the IBO 2008, the Companies Act (Chap 39), Principle 19 of the BDCB CG Guidelines, and established best practices.
- Awareness campaign/briefings on the BIBD Group Code of Ethics for BIBD's frontliners across all

branches in the country, highlighting the importance of the Code, providing clear understanding of the Bank's ethical values, expectations and standard of behaviors.

Sustainability in Action

- LCSD has worked towards digitisation by printing less documents and saving them into cloud servers instead and having paperless meetings for both internal meetings as well as Board and Board Committee meetings.
- LCSD has implemented its Document Management System ("DMS") which is a cloud-based system whereby all agreements and documents are to be kept, stored and monitored.
- Towards contributing to BIBD's ongoing ethical and sustainable initiatives, LCSD actively promotes a culture of waste reduction amongst the team in the conduct of their daily activities by way of paper conservation to responsible waste disposal and energy conservation.

Digitalisation

- One of our key ongoing projects is the digitisation of our Board forum. This digital transformation initiative aims to streamline the board's operations, facilitate efficient communication, and ensure that board materials and discussions are securely archived and easily retrievable.

- LCSD has implemented the expiration reminder software to set up alerts for legal document approaching expiration dates, ensuring timely renewals, and reducing potential oversights.
- LCSD has also implemented the Kanban Board which is a visual project management tool which has helped in the team's efficiency by tracking and managing the team's work making it easy to understand the status of the tasks by visual digitalisation.

Goals and Focus Areas for 2024

- To enhance efficacy of contractual arrangements with third parties e.g., vendors, contractors, and suppliers by having standardized templates of contracts in place.
- To enhance legal awareness by providing focused training for various stakeholders within the BIBD Group.
- By continuing to provide legal services which optimise the protection of the BIBD Group's legal rights, minimises its legal risks; and ease business and transactions by ensuring that its legal services are:
 - (a) sound and comprehensive;
 - (b) practical, innovative and strategic;
 - (c) timely;
 - (d) value-add and cost effective through the progressive embracement of technology and digital tools.



Government Relations and Special Projects Division

In 2023, the Government Relations and Special Projects Division at BIBD focused on enhancing operational efficiencies, reinforcing strategic partnerships, and aligning with national initiatives. Key units within the division, such as Facilities Management & Security and Strategic Relationship Management, contributed significantly to BIBD's mission and vision through targeted skill development, process optimization, and policy implementation. These efforts collectively advanced the bank's strategic alignment with national goals, bolstering its role in supporting Brunei's development and societal well-being.

Description

The Government Relations and Special Projects Division (GRSP) plays a pivotal role in both internal operations and external partnerships, encompassing a diverse range of functions and responsibilities carried out by its four key units.

1. Facilities Management & Security Unit (FMSU):

This unit is integral to our operational efficiency and organizational safety. It specializes in optimizing physical spaces and maintaining our buildings and equipment to ensure a high standard of safety compliance and environmental sustainability.

2. Procurement and Data Repository Unit (PDRU):

The PDRU is central to our operational effectiveness, handling the acquisition of essential goods, services, and work. In addition to procurement, the unit manages our Data Repository, which includes responsibilities for mail management and archival services.

3. Strategic Relationship Management Unit (SRMU):

SRMU is focused on maximising the bank's potential through strategic collaborations and partnerships. This includes alignment with Wawasan Brunei 2035, Whole of Nation Approach, Maqasid Al-Shariah, and the Brunei Smart Nation initiative, thereby contributing to BIBD's status as a Partner in Progress.

4. Sponsorship Unit: This unit is dedicated to maximising the value of our sponsorships and collaborations, aligning them with the BIBD strategy. It plays a crucial role in maintaining and enhancing our positive reputation by supporting national agendas led by key government agencies, GLCs, corporates, and relevant NGOs.

Strategic Priorities in 2023

In 2023, GRSP focused on a range of strategic priorities across its units, aiming to enhance operational efficiency, reinforce strategic partnerships, and align with national initiatives.

1. Facilities Management & Security Unit (FMSU):

A key priority was the enhancement of team skills, particularly through Project Management and Health, Safety, and Environment (HSE) training. Additionally, FMSU focused on technological advancement by deploying a facility management SharePoint system across BIBD departments, facilitating efficient repair and maintenance requests.

2. Procurement and Data Repository Unit (PDRU):

PDRU's strategic focus involved establishing policies and procedures related to archival management and executing document destruction for records held over seven years at the Central Depository. This initiative,

part of a collaboration with multiple divisions, was phased to ensure timely completion, approval, and effective policy implementation.

3. Strategic Management Relationship Unit (SRMU):

SRMU focusing its efforts through collaboratives initiatives with key strategic partners including government, GLCS, private sectors in national strategic initiatives through a Whole of Nation approach and BIBD Partner in Progress, that has further enhanced the bank's value and reputation, making it the bank of reference for the various strategic partners and stakeholders.

4. Sponsorship Unit (SU):

SU complemented the effort of SRMU, where the sponsorship contributed by the bank is disseminated and utilized in various initiatives and projects that benefit the targeted segment and the community at large.

Supporting BIBD's Goals

In the past year, GRSP demonstrated a strong alignment with BIBD's strategic goals and missions through various collaborative and strategic initiatives across its units.

1. **Facilities Management Unit (FMU) and Procurement and Data Repository Unit (PDRU):** Both units were proactive in aligning their strategic plans with BIBD's overarching goals. This involved active participation in the development and revision of their respective strategic plans, ensuring congruence with the bank's direction.
2. **Strategic Relationship Management Unit (SRMU):** SRMU's contributions were multifaceted, ranging from enhancing the bank's credibility and reputation as a partner in progress for strategic initiatives and projects at the national level, enhance customer services and strategic relationships, to positioning BIBD as a point of reference in Islamic banking and community development. The unit's efforts in fostering better relationships with strategic partners and relevant stakeholders, and raising awareness of Islamic institutions' has played a significant role in supporting and driving the Brunei Vision 2035, as well as improving the quality of life in the community.

3. **Sponsorship Unit (SU):** SU effort's in utilising sponsorship in key initiatives played a pivotal role in strengthening BIBD's external relationships and enhancing its community impact. Through targeted sponsorships focusing on education, entrepreneurship, community & social impact, and sustainability, the unit aligned its activities with the bank's sustainability strategies and Corporate Social Responsibility (CSR) initiatives.

Key Achievements and Initiatives

In the past year, GRSP has spearheaded a variety of key initiatives across its units, leading to significant achievements and milestones that align with BIBD's strategic goals.

1. **Facilities Management Unit (FMU):** FMU embarked on several facility enhancement projects, notably transforming the HQ Holding room into a multifunctional space, expanding seating for the growing workforce, and optimizing spaces in the Perdana back office and Private Banking office for operational efficiency.
2. **Procurement and Data Repository Unit (PDRU):** PDRU focused on enhancing procurement, mailing, and archival management systems, ensuring timely processing of purchase orders and invoices to mitigate risks. Key projects supported included Retail Customer

Onboarding and ISO Quality Management 9001:2015 certifications, among others.

3. **Strategic Relationship Management Unit (SRMU):** SRMU supported the government and GLCs in various empowerment and entrepreneurship initiatives, as part of the bank's contribution in economic diversification and community development. These have helped create greater exposure, grow and strengthen micro and small kampung and home-based businesses, enabling them to generate long term stable income. SRMU contribution also extended in advisory roles in educational and training, fostering knowledge and imparting key skills for targeted individuals and segment, to provide opportunity for employability, in line with Brunei Vision 2035.
4. **Sponsorship Unit (SU):** SU's initiatives spanned education, entrepreneurship, community & social impact, and sustainability, supporting international conferences, seminars, and entrepreneurial programs



to drive economic diversification and community development. Notable achievements included the support for BILIF in promoting Brunei as an Islamic Finance Hub and facilitating TUNAS platforms for MSMEs to promote their products. The BIBD ALAF program's success, particularly in supporting underprivileged students, and collaborations for health and well-being initiatives, underscored SU's commitment to sustainable development and community welfare.

Sustainability in Action

GRSP has made significant strides in contributing to BIBD's Sustainability Framework through a variety of focused initiatives and strategic alignments across its units.

1. **Facilities Management Unit (FMU):** FMU's commitment to sustainability was evident in its rigorous approach to equipment maintenance. By ensuring regular upkeep, the unit not only optimized equipment performance but also significantly reduced energy consumption.
2. **Procurement and Data Repository Unit (PDRU):** PDRU advanced BIBD's sustainability agenda by embedding ethical business practices, policy implementation, and governance into its operations. The establishment of robust Service-Level Agreements (SLAs) fostered economic and financial stability, driving a greater return on investment. These SLAs, ensured efficient management, customer satisfaction, and a strong emphasis on Environmental, Social, and Governance (ESG) criteria with suppliers, leading to sustainable business practices and financial stability.
3. **Strategic Relationship Management Unit (SRMU) and Sponsorship Unit (SU):** Both units played pivotal roles in aligning their strategic planning and operational activities with BIBD's sustainability goals. Their collaborative efforts across divisions and with external strategic stakeholders, such as government agencies, GLCs, and corporates, were crucial in implementing initiatives consistent with the bank's sustainability objectives.

GRSP has made noteworthy contributions to sustainability through various practices and initiatives across its units, reflecting a comprehensive approach to environmental stewardship, community involvement, and sustainable practices:

1. **Facilities Management Unit (FMU):** FMU's commitment to environmental sustainability is evident in its material reuse strategy for construction projects. By repurposing materials from previous projects and salvaging usable materials, FMU significantly reduces waste and the demand for new resources. This approach not only supports the circular economy within construction processes but also aligns with the organization's broader commitment to environmental stewardship, demonstrating a responsible and sustainable approach to facility management.
2. **Procurement Unit:** The Procurement Unit has championed green purchasing within the bank, particularly in the realm of kitchen supplies. By transitioning away from plastic wares to more sustainable alternatives and reducing the consumption of plastic water bottles, the unit is making tangible strides towards minimizing the bank's environmental footprint.
3. **Strategic Relationship Management Unit (SRMU):** SRMU has broadened its sustainability initiatives, aligning its activities with key SDGs to address inclusivity, health, education, and innovation. The

BIBD SEED Program, targeting SDG 1 – No Poverty, exemplifies SRMU's commitment to empowering underprivileged women through entrepreneurship, equipping them with the skills for sustainable business management. Under SDG 3 – Good Health and Well-being, SRMU collaborates with health institutions and government agencies to promote healthy lifestyles and facilitate job creation, enhancing the community's overall well-being. In supporting SDG 4 – Quality Education, SRMU partners with educational institutions to integrate practical business operations into student learning, fostering entrepreneurship and contributing to economic development. Furthermore, under SDG 9 – Industry, Innovation, and Infrastructure, SRMU's involvement in initiatives like the Anugerah Inovasi Perdana (AIP) promotes innovation within public service, aligning with sustainable development and resilience. Through these targeted efforts, SRMU contributes significantly to BIBD's sustainability framework and the broader objectives of national development.

4. **Sponsorship Unit (SU):** The Sponsorship Unit has been instrumental in advancing sustainability initiatives that align with BIBD's strategic goals. SU's efforts are directed towards embedding sustainability in all collaborative projects and expanding best practices among stakeholders' strategic initiatives and programs. This includes promoting sustainable practices in areas such as community development, environmental conservation, and social responsibility. By focusing on partnerships that underscore the bank's

sustainability objectives, SU has contributed to a wide range of initiatives that support national agendas and the United Nations Sustainable Development Goals (SDGs), particularly in fostering community engagement and environmental stewardship. These efforts have not only enhanced the bank's commitment to sustainable development but have also reinforced its role in supporting the broader goals of Brunei Vision 2035.

GRSP is also actively engaged in several key digital transformation efforts to support its overall sustainability framework.

Facilities Management Unit (FMU): FMU has embraced digitalization through the adoption of cloud-based document management and collaboration platforms, significantly improving document accessibility and collaboration efficiency.

Procurement and Data Repository Unit (PDRU): PDRU is building upon its existing Enterprise Resource Planning (ERP) systems by planning the implementation of a Vendor Management System (VMS) as part of its strategic plan for 2024. This initiative aims to streamline vendor management by providing a centralized platform for storing supplier data, facilitating the onboarding of vendors, monitoring performance, and ensuring compliance.

Strategic Relationship Management Unit (SRMU) and Sponsorship Unit (SU): Both SU and SRMU are committed to supporting and implementing bank-wide digital initiatives, such as cloud-based document management, Microsoft Teams, SharePoint, and B-Wise, among other collaboration platforms. These initiatives are aimed at streamlining back-office and administrative operations, enhancing collaboration across departments, and facilitating efficient project management.

Goals and Focus Areas for 2024

The Government Relations and Special Projects Division has outlined comprehensive goals and focus areas for the upcoming year across its units, each tailored to enhance sustainability, operational efficiency, and strategic collaborations:

Facilities Management Unit (FMU): FMU is prioritizing energy efficiency, building sustainability, and digital integration, with a significant initiative being the eco-friendly and technological refurbishment of branches. This encompasses upgrading energy systems, integrating smart building technologies, utilizing sustainable materials, and enhancing digital operational efficiency.

Procurement and Data Repository Unit (PDRU): PDRU's goals include implementing policies, SOPs and incorporating a Green Purchasing Policy. The unit also plans to develop a framework to foster better supplier relationships and negotiations, aiming for cost-effective procurement that benefits the bank.

Strategic Relationship Management Unit (SRMU): SRMU will continue to ensure that all collaborative strategic efforts positively impact external key strategic partners contributes towards achieving the bank's business goals and strengthening of the bank's image and reputation, and supporting the government in realizing the Brunei Vision 2035. SRMU will also reinforce the BIBD's position as a benchmark and partner of choice future strategic initiatives and programs through collaborative efforts.

Sponsorship Unit (SU): SU will continue to support initiatives aligned with Brunei Vision 2035, focusing on education, entrepreneurship, community impact, and sustainability. By extending sponsorship support in these areas, SU aims to contribute to the bank and Brunei's sustainability initiatives, ensuring that collaborations with external stakeholders bolster the bank's goals, image, and reputation.

Bruneian at Heart

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