

FUTURE FORWARD



CIMB GROUP HOLDINGS BERHAD
INTEGRATED ANNUAL REPORT 2021

DELIVERING SUSTAINABLE FINANCIAL RETURNS

Reshaped our portfolio by focusing on core areas of growth - page 34

CUSTOMER CENTRICITY

Significantly improved Net Promoter Score YoY - page 35

ACCELERATED SUSTAINABILITY AGENDA

Committed to Net Zero by 2050, and achieved Forward23+ sustainability target 3 years ahead of time - page 35



Delivering Sustainable Financial Returns

Disciplined Execution

Customer Centricity

Transform Fundamentals

Purpose-Driven Organisation

FORWARD 23⁺

TO BE THE LEADING FOCUSED ASEAN BANK



Reducing the Environmental Impact of this Integrated Annual Report



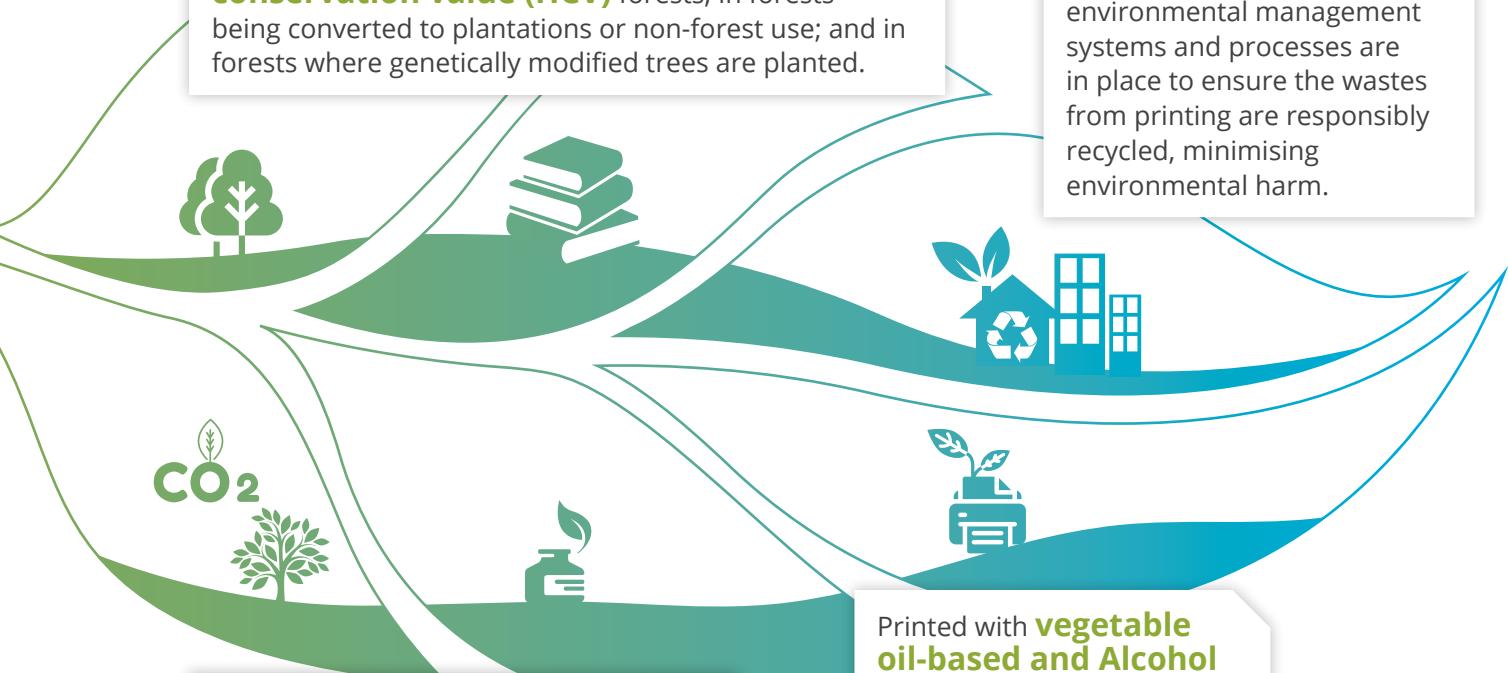
We have taken conscious efforts to manage and minimise the environmental impact of our annual report and related processes.

However, you can make the greatest difference. Did you know that the equivalent of **one football field of forest is cut down every second?** Play your part. If you can, download the soft copy of CIMB's Integrated Annual Report, Financial Statements and Sustainability Report, instead of requesting for a hard copy.

View our Integrated Annual Report, Accounts and other information about CIMB Group Holdings Berhad at www.cimb.com



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Reduced use of paper by **30%** by printing fewer copies compared to 2020. We are promoting the digital report with our stakeholders, appealing to them to contribute to saving trees and related wastage. This saving is equivalent to approximately **2 average pine trees** that collectively can absorb **2 tonnes of CO₂** over their lifetime of **100 years**. The more we save, the more we can protect our environment.

Printed with **vegetable oil-based and Alcohol Free ink** with lower volatile organic compounds (VOCs) emissions, making it healthier and safer workplace and environment.

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At CIMB, our people are our catalysts and partners in all success and growth. With around 33,000 employees, more than 2,000 suppliers and business associates, we thrive on relationships built on trust. Our people are both the drivers and beneficiaries of value creation. Hence, for the first time, we are introducing a special address by our Chief People Officer, which will be a regular feature going forward. This is part of the many enhancements on our Integrated Reporting journey as well as to reinforce the values we live by to create value for all the people working with CIMB towards advancing customers and society.

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65th ANNUAL GENERAL MEETING

Level 31, Menara CIMB,
 Jalan Stesen Sentral 2,
 Kuala Lumpur Sentral,
 50470 Kuala Lumpur, Malaysia

 Thursday, 21 April 2022

 10.00 a.m.

ABOUT THIS REPORT

To further our purpose of building a high performing sustainable organisation to help advance customers and society, CIMB Group demonstrated strong and resilient leadership during the year. Our focus has been to reinforce trust of our multiple stakeholders by addressing issues that matter the most to them. From access to seamless financial solutions to responsible banking practices, from inclusive policies to impactful programmes, from shareholder returns to principles and purpose – our journey in 2021 has been both eventful and meaningful. This Integrated Annual Report is a factual narrative covering areas of our performance, the progress on our Forward23+ strategy and Sustainability Roadmap. This report is also our call-to-action to maintain and accelerate our momentum towards creating value for our shareholders and stakeholders alike.

REPORTING SCOPE AND BOUNDARIES

This Integrated Annual Report covers our financial and non-financial performance during the period 1 January 2021 to 31 December 2021.

This report is our sincere effort to keep our stakeholders abreast of key developments; programmes and initiatives; market challenges and business solutions; our achievements; mid- to long-term direction; and the overall health of operations in 2021 in various geographical markets where we operate. The report also presents rich insights and forward-looking statements on initiatives and performance in the year ahead.

Our report is particularly relevant for our stakeholders in the ASEAN markets of Malaysia, Indonesia, Singapore, Thailand, Brunei, Cambodia, Philippines, Myanmar, Vietnam and Laos. A range of other stakeholders across the globe will also find our report informative.

Our financial statements are independently audited and provide in-depth and transparent disclosure of our financial performance. Unless we indicate otherwise, all the data presented relates to the Group, which includes our banking operations and our subsidiaries.

In preparing our report, we were guided by the requirements of local and international statutory and reporting frameworks, including those of Bursa Malaysia and Value Reporting Foundation.

MATERIALITY

This Integrated Annual Report presents a balanced and accessible assessment of our strategies, performance, governance, sustainability and prospects in relation to our material matters. The material matters are determined by a range of considerations, such as quantitative and qualitative criteria; issues likely to impact our ability to deploy our strategies or create shared value and long-term financial and non-financial performance; the matters covered in reports presented to our Board of Directors; the risks identified; and the interests of our key stakeholders.

Additionally, in the 2021 edition, we have assessed dependencies and drivers of impact against each of the material matters and how they affect various capital inputs and outputs. This exercise has been insightful, for us to better understand the inter-relationships between our strategies, material matters, and capitals in the context of both stakeholder expectations and business priorities.

NAVIGATION ICONS

Stakeholders



Existing
Clients and
Partners



Government and
Regulators, Industry and
Business Associates



Employees



Supply
Chain
Partners



Community



Shareholders and
Investors

FORWARD23⁺ Strategic Themes



Delivering Sustainable
Financial Returns



Customer
Centricity



Transform
Fundamentals



Purpose-driven
Organisation

INTEGRATED THINKING AND REPORTING PROCESS

In documenting our reports, our attempt this year in particular has been to overcome silos, encourage cross-functional dialogues, and develop a holistic understanding of inter-relationships between the key factors that drive our business, direct resources, and deliver performance and impact. It is a continuous process of learning and improvement as we adopt and work to the principles of Integrated Reporting, making our narrative not just about the year under review, but about areas that will continue to deliver value to our stakeholders in the mid to long term, enhancing brand equity, strengthening our business relationships, and promising meaningful development for all.

SUSTAINABILITY RISKS AND GOVERNANCE

In all the ASEAN markets where we operate, including the core markets of MIST&C (Malaysia, Indonesia, Singapore, Thailand and Cambodia), material economic, environmental, social and governance (EES&G) risks/factors are taken into due consideration when shaping business strategies, policies, programmes and when planning our outcomes and value creation performance metrics for stakeholders.

In other words, when aligning our business priorities with the Principles for Responsible Banking, we integrate EES&G risk management approaches in our performance modelling. More detailed disclosures on EES&G risks and governance are presented throughout this report, in addition to our independent Sustainability Report.

DRIVERS AND BENEFICIARIES OF VALUE CREATION

At CIMB, our people are our catalysts and partners in all success and growth. With around 33,000 employees, more than 2,000 suppliers and business associates, we thrive on relationships built on trust. Our people are both the drivers and beneficiaries of value creation. Hence, for the first time, we are introducing a special address by our Chief People Officer, which will be a regular feature going forward. This is part of the many enhancements on our Integrated Reporting journey as well as to reinforce the values we live by to create value for all the people working with CIMB towards advancing customers and society.

REPORTING QUALITY AND INTEGRITY

The contents of this report have been reviewed by independent auditors and verification companies:

Assurance Scope	Independent Assurance Provider
Consolidated Financial Statements Audit	PwC
Carbon Footprint Assessment	KPMG
Sustainability Disclosures Verification	KPMG

FORWARD-LOOKING STATEMENTS

We may have included certain forward-looking statements on our future priorities, strategies and growth opportunities. These are based on projections and expectations that may be evolving and subject to change based on market conditions, operating environment and factors that are beyond our control. All forward-looking statements are not conclusive and have not been reviewed by the auditors.

STATEMENT OF THE BOARD OF DIRECTORS OF CIMB GROUP HOLDINGS BERHAD

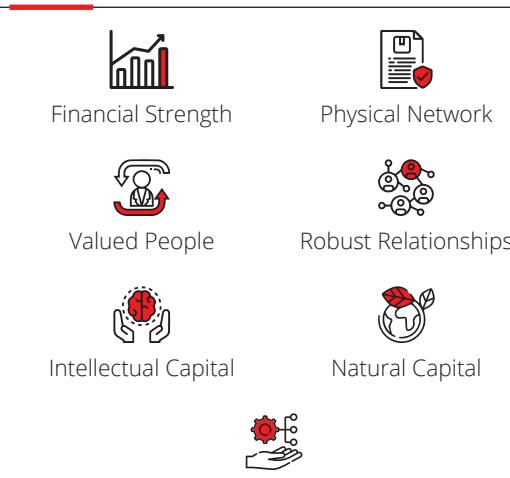
The Board acknowledges its responsibility to ensure the integrity of the CIMB Group's Integrated Annual Report 2021. In the Board's opinion, the report addresses all material issues and matters and fairly presents the Group's performance for the year 2021.

Approved by the Board of Directors and signed on behalf of the Board:

Datuk Mohd Nasir Ahmad
Chairman

Dato' Abdul Rahman Ahmad
Group Chief Executive Officer/
Executive Director

Capitals



Material ESG Matters

Highly Material Topics		Important Topics	
	Technology		Diversity and Inclusion
	Governance		Corporate Culture
	Customer Experience		Sustainable Supply Chain
	Sustainable Finance		Sustainability Awareness and Participation
	Financial Literacy, Inclusion and Well-being		Corporate Citizenship and Volunteerism
	Health, Safety and Well-being		
	Climate Change		
	Talent Attraction, Growth and Retention		

SHARED VALUE @ CIMB

Shared Value at CIMB is not just a functional or emotional dimension of our business. It goes beyond delivering products and services that cater to the needs of our customers, career expectations of our employees, business aspirations of our supply chain partners and delivering returns to our investors and shareholders.



At CIMB, Shared Value is our motivation to make stakeholders part and parcel of our purpose. Our key objective is to take an inclusive approach by mobilising our stakeholders to participate and play a critical role in shaping a sustainable future and a better tomorrow. In other words, as both catalysts and beneficiaries of our efforts and programmes that create value, our stakeholders and their interests are of primary concern and utmost priority to us.

We are always trying to bridge the gap between the value as expected by our stakeholders and the value proposed and delivered by us. Towards this, we assimilate and optimise resources, build our operational capabilities, and leverage on our control mechanisms to deliver real value to all our stakeholders.

In the long-term, we aim to bring about a systemic change in the banking industry, build a high-performing sustainable organisation and create positive economic, environmental, social and governance performance and impacts.

The whole process of value creation requires us to:



Reduce our negative footprint from our business and operations, making our performance resilient and meaningful



Create positive handprint through sustainable finance solutions as well as by promoting sustainability principles and leadership to advance customers and society



STAKEHOLDERS' EXPECTATIONS AND MATERIAL MATTERS

The process of Shared Value Creation at CIMB starts with credible inputs and feedback from our most critical stakeholders on various aspects of our business and operations. We find opportunities to interact with our stakeholders at every touchpoint, in addition to focused and purposeful engagement efforts on an annual basis. We also analyse data collected from various mission-critical functions of our business for insights on both stakeholders and solutions.

In previous years (2018 and 2020), our materiality assessment across our core markets of Malaysia, Indonesia, Singapore, Thailand and Cambodia was based on significance of various impacts and business priorities. The ranking exercise included aspects such as severity, likelihood and urgency in the context of various environmental and social impacts associated with our business, stakeholders and focus areas. In 2021, we extended our materiality exercise to include a simplified mapping of capital inputs/outputs to each of our material matters. The objective has been to identify 1) various dependencies and 2) drivers of impact as well as the corresponding capitals that are critical to address the material matters.

Based on the analysis, below is a qualitative assessment of the degree by which various capitals are affected in deploying strategies to address our highly material matters. Strategic and Financial capitals are cross-cutting with implications organisation-wide and hence, not represented in the table. In the coming few years, we will further explore quantitative and monetary valuation of various capitals – both by dependencies and drivers of impact. Meanwhile, for information on our Material ESG Matters, please refer to page 18 in CIMB Group Sustainability Report 2021.

Highly Material Matters Assessed	Capitals Affected (Inputs and Outputs)				
	Physical Network	Valued People	Robust Relationships	Intellectual Capital	Natural Capital
💻 Technology	●	●	●	●	○
🏛️ Governance	○	●	●	●	○
👤 Customer Experience	●	●	●	●	○
💰 Sustainable Finance	○	●	●	●	●
👩‍🎓 Financial Literacy, Inclusion and Well-being	○	●	●	●	○
❤️ Health, Safety and Well-being	○	●	●	○	○
🌡️ Climate Change	●	●	●	●	●
🌟 Talent Attraction, Growth and Retention	○	●	●	●	○

● High ○ Medium ○ Low

OUR INTEGRATED APPROACH TO MANAGING AND DRIVING PERFORMANCE

To address the expectations of our critical stakeholders, while effectively responding to various market trends, we plan our resource inputs in the form of various capitals, namely, our Financial Strength, Physical Network, Valued People, Robust Relationships, and our Intellectual, Natural, and Strategic Capitals. We orchestrate the efforts across mission-critical functions of our business, by aligning strategies across our core ASEAN markets, as well as by balancing financial and non-financial indicators of performance.

In 2021, we conducted a comprehensive consolidation and mapping exercise to reconcile various indicators that we track and measure against our Forward23+ Strategic Themes, Material Matters, and Capitals, also establishing some alignment with specific shareholder and stakeholder' expectations. As a result, some of the indicators that we had reported in 2020 may have been either excluded or redefined to better align to the way we measure and report our performance consistently across functions, across different chapters of this report, and across different reporting years. The table below establishes the relationship between various components of our business and the impact indicators that contribute to CIMB Group's financial and non-financial performance.

DELIVERING SUSTAINABLE FINANCIAL RETURNS			
FORWARD23+ Strategic Themes		Our Material Matters	
Profitable Growth	Digital Deployment (Automation %)	Economic Performance	Governance
Turnaround Underperforming Businesses	Data and Analytics		
Cost Efficiency	Investments		
New Technology Investments		Capitals Assessed/Affected	
Impact/Performance Indicators			
Dividend Pay-out (%)	Value Add Features (#)	Physical Network	Financial Strength
ROE (%)	Total Technology Investments in Strategic Business (RM)	Intellectual Capital	Strategic Capital
Impact ROE (%)	Digital Transactions (%)		
CET1 Ratio (%)	Total Technology Investments for Data Projects (RM)		
CIR (%)	Data Use Cases Implemented (#)		
Total Investments (RM)	Green, Social, Sustainable Impact Products and Services Mobilised (RM billion)		
Structured Trade Financing through Blockchain and IoT (RM)			

DISCIPLINED EXECUTION			
FORWARD23+ Strategic Themes		Our Material Matters	
Performance Culture	Regional Operating Model	Economic Performance	Governance
Corporate Oversight and Management Structure			
Impact/Performance Indicators			
Organisational Health Index (%)	Forward23+ Milestones Met (%)	Valued People	Strategic Capital
TEAM Pulse Check Score (%)			



CUSTOMER CENTRICITY

FORWARD²³⁺ Strategic Themes

Reliability

Treating Customers Fairly (TCF)

Customer Journey Transformation

Our Material Matters



Technology



Customer Experience

Impact/Performance Indicators

Value Chain Operations
Digitalised/Customer Interactions or Transactions
Digitalised (%)

Customer Satisfaction Score (%)

Active Online Inquiries and Transactions (#)

Customer to Branch Ratio/
Physical Touchpoints per Customer

Active Internet/Mobile Banking Customers (#)

Complaints/Cases Assessed Related to TCF policy (#)

NPS (%)

Lending through E-Commerce Platforms (RM, Beneficiary Profiles)

Financing Provided to Underserved Communities (RM)

Capitals Assessed/Affected



Physical Network



Robust Relationships



Valued People



Intellectual Capital



Strategic Capital



TRANSFORM FUNDAMENTALS

FORWARD²³⁺ Strategic Themes

Risk Management

Finance and Compliance

Capital Optimisation

Our Material Matters



Corporate Culture



Governance

Impact/Performance Indicators

CET1 Ratio (%)

Compliance and Audit Ratings

Credit Costs (RM) | Risk Rating/Credit Ratings

Breaches Reported on Governance and Compliance (#)

Capital Efficiency (%)

Cases Assessed for Reported Financial Crime and Corruption (#)

Capitals Assessed/Affected



Robust Relationships



Strategic Capital

OUR INTEGRATED APPROACH TO MANAGING AND DRIVING PERFORMANCE



PURPOSE-DRIVEN ORGANISATION

FORWARD23+ Strategic Themes

Culture and Values

Human Capital

Sustainability

Our Material Matters



Health, Safety and Well-being



Talent Attraction, Growth and Retention



Governance



Sustainable Finance

Corporate Culture



Sustainability Awareness and Participation



Diversity and Inclusion



Climate Change

Training Hours Delivered (#)

Value Creation/Knowledge Platforms (#, Partnerships)

Total Training Investments (RM)

Female Directors on the Board (%)

Employees Trained under Digital and Data Academy (#)

Females in Management (%)

Employees Trained on Sustainability (#)

Internal Talent Mobility (%)

Key Compulsory e-Learning Modules Completion Rate (%)

Gender Pay Gap (Ratio)

Employees Completed Sustainability e-Learning (%)

Impact/Performance Indicators

S&P Global Corporate Sustainability Assessment for DJSI Inclusion (%)

Net zero GHG Scope 1 and 2 emissions in our operations by 2030

Material Issues Supported by Policy Commitments (#)

Overall Net Zero GHG by 2050 (including Scope 3 and financed emissions)

Clients with E&S Action Plans that implemented them (#)

Financing Clients with Environmental and Social Action Plans (%)

Improvement in Governance Score on S&P Global Corporate Sustainability Assessment (CSA)

Community Investment (RM) and Employee Volunteer Hours (#)

Published Papers for the Industry (#)

Brand Value (Ranking)

Suppliers Engaged on Sustainability Issues (#)

Capitals Assessed/Affected



Financial Strength



Physical Network



Robust Relationships



Natural Capital



Valued People



Strategic Capital



HOW DO WE DEFINE CAPITALS?

CAPITALS	IN CIMB'S CONTEXT and APPLICATION
 Financial Strength	<p>Our management of capital flows ensures a healthy balance sheet and sustains our ability to invest in future growth while meeting the banking needs of our customers. Maintaining a strong capital position allows us to deliver monetary value to our shareholders, as well as to help other capitals contribute to the overall performance of the organisation and deliver sustainable returns to our stakeholders. Additionally, managing our financial capital will positively impact the stability of the bank, Group as well as the countries where we operate.</p>
 Physical Network	<p>Our physical networks and technological capabilities form the critical infrastructure needed to achieve high operational performance. Digital infrastructure in particular allows us to unlock the potential of our other capitals and is especially important for our sector to create safe, secure, and superior customer experiences. Our manufactured capital also helps to improve financial inclusivity through the creation of opportunities and facilities for expanding the scope and delivery model of our financial services.</p>
 Valued People	<p>Human capital is the most critical input into our business and our focus is not just on building a productive and skilful workforce, but also preparing them to survive and compete in the disruptive marketplace of the future. A nurturing environment and empowering culture allow our people to seamlessly deliver to organisational needs and expectations, while also catalysing their own personal and professional growth. Our ultimate objective is to improve our human capital development, diversity, inclusion and well-being of our staff.</p>
 Robust Relationships	<p>Our brand and reputation are strengthened by the relationships and the trust that we build with our stakeholders. Being a regional Group, social networks and relationship equity help forge partnerships, expand our customer base and build ecosystems with shared purpose, principles and progress. We work with our wide network of stakeholders to create a stable financial services environment for the countries where we operate. Our regional network and brand equity improve our social and relationship capital while strengthening our position in ASEAN.</p>
 Intellectual Capital	<p>As a focused ASEAN banking group, we rely on our knowledge repositories, experience, unique systems, technologies, and our innovative processes to create disruptors and differentiators, setting us apart from our competitors, giving us a value-advantage.</p>
 Natural Capital	<p>Our operations as well as the clients that we support consume water, energy, and other raw materials and produce waste and emissions. Our management of natural capital rests on minimising our direct and indirect negative footprint across the value chain and creating positive handprints through strategic business interventions. It also includes our investments into priority SDGs and asset allocation as per our Green, Social, Sustainable Impact Products and Services (GSSIPS) Framework. We currently measure our direct footprint, and have initiated the pilot to understand the scope of our financed emissions.</p>
 Strategic Capital	<p>CIMB's distinct statement of purpose, where we aspire to build a high performing sustainable organisation to help advance customers and society, is the core of our Forward23+ strategies which is enabled by our anchor Target Empowerment and Alignment Model (TEAM), supported by sound principles of governance, risk management, and human rights as well as CIMB's differentiated EPICC values (EPICC – Enabling Talent; Passion; Integrity and Accountability; Collaboration and Customer Centricity).</p>

HOW DO WE CREATE SHARED VALUE?

FOR CIMB AND #teamCIMB*

We manage our business and people with the responsibility of delivering sustainable and impactful financial returns.

A commitment to principles of good governance and the strategic role of our Board, Senior Leadership and skilled workforce collectively contribute to shaping a profitable organisation.



What Matters

Risk, Governance and Culture

- Remain resilient and responsive to the dynamic operating environment
- Integrate environmental, social and governance risks into our risk management framework
- Uphold high standards of corporate governance in the conduct of business and value chain
- Create a culture of high-performance, by promoting #teamCIMB ethos, and EPICC values
- Operate with integrity and transparency towards stakeholders
- Strengthen compliance, monitoring and reporting controls and mechanisms

Talent, Diversity, Inclusion, Health, Safety and Well-being

- Future-proof employees by upskilling and reskilling talent, enabling them to manage emerging risks and opportunities
- Safeguard health, safety, and well-being towards enhancing productivity and motivating performance
- Promote diversity to foster innovation and drive performance
- Create opportunities for employees and value chain partners
- Operationalise inclusive and agile policies and processes that contribute to employee productivity and well-being



How We Create Value

- Strengthen our value proposition and ability to deliver returns to investors and shareholders
- Allocate our resources strategically and reinforce our ability to plan and achieve resilient value creation
- Create a better work environment that is safe, efficient, empowered, inclusive, diverse and participative, with horizontal and vertical growth opportunities for employees



Key Drivers of Shared Value

- Group Enterprise-Wide Risk Management Framework
- Group Dividend Policy
- Group Human Resources Policies and Procedures: Code of Conduct; Code of Ethics; Human Rights Guidelines; Employee Engagement and Inclusiveness; Recruitment and Remuneration Policy
- CIMB Group Employee Diversity and Inclusion Policy: Board Diversity and Inclusion
- Performance Management Framework and Learning and Development Policy
- Group Occupational Safety and Health Policy and Procedures
- Group Procurement Policy: Vendor Code of Conduct



2021 Highlights



48.3%
Cost to Income or
Efficiency Ratio



7.5%
Return on Equity



75/100
Organisational
Health Index
score



30% female
representation
on Board of
Directors



RM1.9 billion
Procurement Spend towards
Suppliers/Vendors

* Investors, Shareholders, Employees, Suppliers

FOR CUSTOMERS AND CLIENTS

We support the aspirations of our customers and clients by taking an inclusive approach to development. Our objective is to create net positive impact through our products and services, positively advancing customers and making business a force for good.



What Matters

Customer Centricity, enabled by Technology

- Cultivate a 'customer-first' mindset
- Transform customer journeys to create consistently excellent experience
- Design and deliver financial and digital solutions that contribute to well-being and welfare
- Protect customers' data and safeguard customers against cyber-crimes and scams through enhanced safety checks and awareness
- Offer bespoke products, services, and advisory to empower businesses for achieving growth ambitions
- Establish partnerships to raise awareness and build capacity to drive responsible and competitive businesses of the future
- Encourage and enable individuals and businesses to manage their finances better, improving their well-being and quality of life

Sustainable Finance

- Mobilise capital flows for greater good, while meeting business motives
- Establish policies and guidelines to manage exposure to various sustainability risks
- Create positive impacts, and reduce potential negative impacts through products and proactive engagement

Financial Inclusion

- Contribute to socio-economic development by creating banking opportunities for the underserved and disadvantaged communities and demographics, towards building a more resilient and financially secure population



How We Create Value

- Treat customers fairly, with integrity and commitment to financial inclusiveness and well-being
- Provide access to finance to all, offer responsible products and enable sustainable business and lifestyle practices
- Improve credit quality by meeting responsible lending standards

- Protect medium to long-term shareholder and stakeholder value by incorporating ESG risks (such as climate change) into business and financing decisions
- Enable a just transition to a low-carbon economy through our financial solutions



Key Drivers of Shared Value

- Customer Experience (CX) Policy: Treating Customer Fairly
- Group Sustainable Financing Policy (GSFP) and Sector Guides
- IT Security Policy and Group Personal Data Protection Policy



2021 Highlights

NPS score within **54%** of the industry in four markets



6 million
CIMB
Digital Users



417 Financing and Capital Raising Facilities with in depth Due Diligence on E&S risks



1:29,660
Customer to Branch Ratio or Physical touchpoint per customer

HOW DO WE CREATE SHARED VALUE?

FOR SOCIETY AND COMMUNITY

We champion purposeful programmes to help communities prosper, and to shape a better planet. From financial literacy to community empowerment, and entrepreneurship to environmental stewardship, we identify issues that impede socio-economic development of communities who matter to us.



What Matters

<p>Corporate Citizenship</p> <ul style="list-style-type: none"> • Understand the needs and expectations of communities • Instill a sense of social responsibility and community stewardship amongst employees • Encourage partnerships with grassroots organisations, lead NGOs and community groups for greater impact 	<p>Sustainability/Climate Change</p> <ul style="list-style-type: none"> • Minimise negative impact of our operations and financed activities on the environment and communities • Manage our direct carbon footprint by monitoring and reducing emissions and waste from our operations • Work with industry peers and stakeholders to raise awareness and mobilise action on climate resilience in the financial services sector and beyond 	<p>Social Equality</p> <ul style="list-style-type: none"> • Establish safeguards to mitigate social inequalities and injustices in communities that matter to us • Empower communities by equipping them with skills, resources, and opportunities that will advance their welfare and well-being • Integrate community members into the mainstream marketplace by promoting entrepreneurial and education programmes
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How We Create Value

- Provide opportunities for employees to design as well as contribute to community programmes
- Channel significant investments to impactful community programmes and initiatives
- Create long-term net positive environmental and social impact in areas that matter to communities



Key Drivers of Shared Value

- Group Sustainability Policy
- Group Administration and Property Management Policy
- Group Corporate Responsibility Policy
- Flex4Sustainability Policy (Employee Volunteerism)



2021 Highlights



79th Percentile
in the S&P Global Corporate Sustainability Assessment



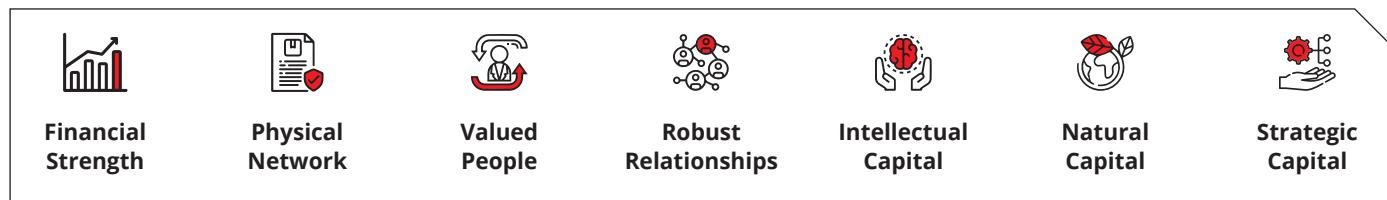
24.1% Reduction in Scope 1 and Scope 2 GHG Emissions (vs. 2019 baseline)



RM28.7 million
and **67,278 volunteer hours** invested towards communities

CIMB'S VALUE CREATION MODEL

In keeping with our efforts to adopt Integrated Reporting <IR> principles, we made significant progress in 2021. Our cross-functional teams examined the prescribed value creation business model to recalibrate it in a manner that it reflects CIMB's continuing aspiration as a focused ASEAN bank to advance customers and society. CIMB Group's recalibrated Value Creation Business Model demonstrates our unique disposition towards various resource inputs, deployed strategies, stakeholder inclusion, purpose and propositions, accountability, tangible outcomes and positive impact. In the process, we also reviewed how we name and define various Capitals, making them relatable as well as meaningful for our stakeholders.



Please refer to the section, Our Integrated Approach to Managing and Driving Performance on page 11 of this report for CIMB's scope/definitions of the Capitals.



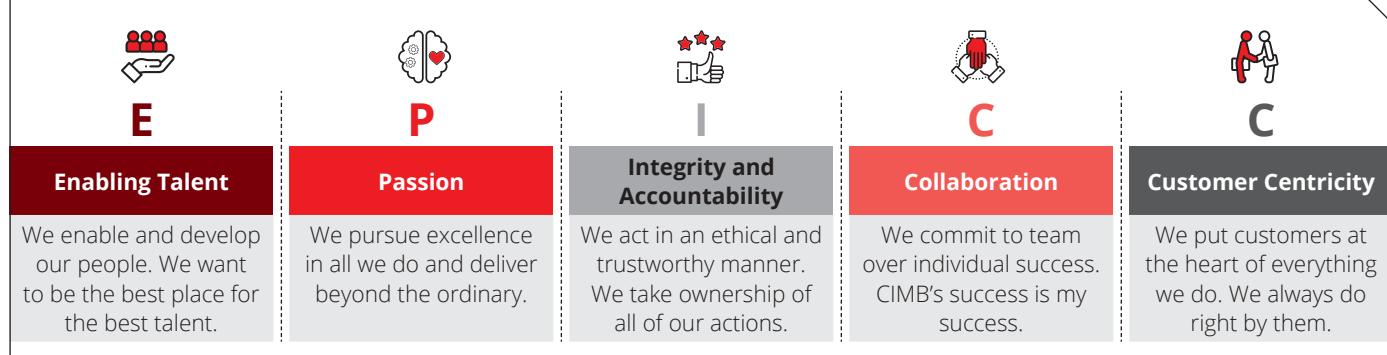
The new model clearly reflects the systemic nature of critical aspects of business and how they interact with each other towards creating opportunities to fulfil CIMB's seven priority sustainable development goals or SDGs, which form the corner stone of our sustainability programmes and initiatives alongside business priorities and stakeholders' expectations.

Please refer to the section, Sustainability Principles for our Scorecards and how we meet our priority SDGs on pages 20-22 in CIMB Group Sustainability Report 2021.



Through our Value Creation Business Model, we reinforce our commitment to create value for both shareholders and stakeholders, underpinned by EPICC values, robust risk mechanisms (Enterprise-Wide Risk Management and Sustainability Risk Management Frameworks) and principles of good corporate governance.

EPICC VALUES



Please refer to the section, Our Integrated Approach to Managing and Driving Performance for various value creation and impact/performance indicators on pages 8-10 of this report, mapped against our Forward23+ strategic themes, our material matters and capitals.



CIMB'S VALUE CREATION MODEL

INPUTS

OUR RESOURCES AND RELATIONSHIPS

FINANCIAL STRENGTH

Strong balance sheet with invested capital and total assets valued at RM621.9 billion and market capitalisation at RM55.3 billion



PHYSICAL NETWORK

630 retail branches, 7,652 self-service customer access points



VALUED PEOPLE

Around 33,000 workforce across 10 ASEAN countries



ROBUST RELATIONSHIPS

>18 million customers and >2,000 registered suppliers, 67,278 hours employee volunteerism



INTELLECTUAL CAPITAL

Engagement, advocacy, capacity building and knowledge platforms such as The Cooler Earth Sustainability Summit and CEO Action Network



NATURAL CAPITAL

Five (5) sector guides including environmental criteria and RM527 million in renewable energy financing



STRATEGIC CAPITAL

Target Empowerment and Alignment Model (TEAM) driven by our EPICC values



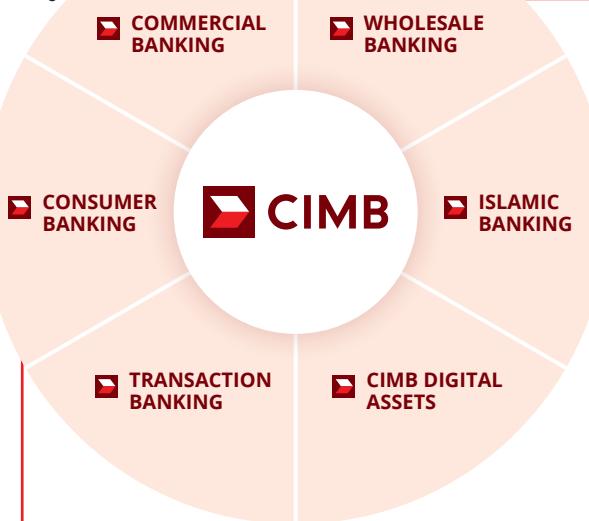
BUSINESS

OUR STRATEGY AND FOCUS AREAS

OUR VISION

To be the leading focused ASEAN bank

OUR BUSINESS PILLARS



OUR PURPOSE

To build a high performing sustainable organisation to help advance customers and society

FORWARD 23⁺

STRATEGIC THEMES



Delivering Sustainable Financial Returns



Customer Centricity



Disciplined Execution



Transfer Fundamentals



Purpose-driven Organisation

MATERIAL ESG MATTERS

Highly Material Topics



Technology



Governance



Customer Experience



Sustainable Finance



Financial Literacy, Inclusion and Well-being



Health, Safety and Well-being



Climate Change



Talent Attraction, Growth and Retention

Important Topics

Diversity and Inclusion

Corporate Culture

Sustainable Supply Chain

Sustainability Awareness and Participation

Corporate Citizenship and Volunteerism

OUR KPIs (2024)

CIR

≤45%

ROE

TOP QUARTILE

CET1

>13.5%

NPS and S&P Global Corporate Sustainability Assessment

TOP QUARTILE

GHG Scope 1 and 2

NET ZERO EMISSIONS IN OUR OPERATIONS BY 2030

Overall Net Zero GHG by 2050

INCLUDING SCOPE 3 AND FINANCED EMISSIONS

PURPOSE**OUR STAKEHOLDER PROPOSITIONS****CUSTOMER VALUE PROPOSITION**

We place customers at the heart of everything we do through:

- Easy and efficient banking, and always going the extra mile
- Personalised financial solutions
- Safe and secured digital platforms
- Treating customers fairly

EMPLOYEE VALUE PROPOSITION

We make CIMB the best place for the best talent to work through:

- Competitive remuneration and benefits
- Learning and talent development
- Diversity, sustainability and corporate responsibility
- Health, safety, well-being and welfare

SUPPLIER VALUE PROPOSITION

We forge partnerships that advance mutual interests and aspirations through:

- Suppliers' safety, well-being and project continuity
- Inculcation of sustainable procurement practices
- A competitive landscape aligned to the strategies of the bank for suppliers to develop and grow

INVESTOR VALUE PROPOSITION

We observe highest standards of governance and integrity to build confidence through:

- Timely and adequate disclosures
- Differentiated and responsible approach to planning and delivering growth
- Oversight, controls, independent assurance, and reporting

COMMUNITY VALUE PROPOSITION

We work towards building healthy and resilient communities in ASEAN through:

- Supporting communities from the lowest 40% of income earners
- Prioritising of at-risk and most vulnerable communities
- Channeling finance to enable a low-carbon and just economy

ACCOUNTABILITY**OUR INTERNAL CONTROLS****GOVERNANCE AND LEADERSHIP****Focus**

Governance for oversight of effectiveness, adequacy and integrity of CIMB's system of internal controls and risk management

Accountability

Board of Directors (BOD), Group Executive Committee, Group Chief Risk Officer (GCRO), Group Legal and Compliance (GLC)

Controls

Internal and External Independent Audits and Assurance

GROUP KPIs AND SCORECARDS**Focus**

Key measures on profitability, cost, capital, mid- to long-term strategic initiatives, people and sustainability, risk, audit and compliance positions

Accountability

BOD, Special Purpose Committees and Group CEO

Controls

Group Nomination and Remuneration Committee, BOD

CORE VALUES**Focus**

EPICC Values to deliver impact the right way across CIMB

Accountability

Group Chief People Officer and Functional Heads

Controls

Organisational Health Index (OHI); People Engagement/Enculturation

KEY POLICIES**Focus**

Progressive and inclusive policies that address material matters in addition to driving operational efficiencies and beyond-compliance motives lues to deliver impact the right way across CIMB

Accountability

GCRO, GLC and Functional Heads

Controls

Board Risk and Compliance Committee, Group Risk and Compliance Committee, Group Policy and Procedure Oversight Committee, Internal and External Audits

IMPACT**OUR VALUE CREATION 2021****CIMB AND #teamCIMB***

75/100 Group Organisational Health Index

30% Female Directors on the Board

7.5% Return on Equity

RM25.9 billion of Sustainable Finance in Green, Social, Sustainable Impact Products and Services

CUSTOMERS AND CLIENTS

54% Customer Satisfaction Score/NPS Score, relative to peers

6 million CIMB Digital Users

417 Clients undergoing Enhanced Sustainability Due Diligence

1:29,660 Customer to Branch Ratio

SOCIETY AND COMMUNITY

79th percentile S&P Global Corporate Sustainability Assessment

24.1% Reduction in Scope 1 and Scope 2 GHG Emissions (vs. 2019 baseline)

RM28.7 million Investment in community

12 of 13 Material issues supported by policy commitments

* Investors, Shareholders, Employees, Suppliers



DEAR STAKEHOLDERS,

The transition from response to recovery remains a complex and challenging process. The scale and speed at which various government and business machinery responded to COVID-19 has been as unprecedented as the health crisis itself. Where we have witnessed far reaching socio-economic effects, we have also seen a total turn-around in the approaches to managing disruption, towards creating new ways of life and work. The year 2021 and the resilient leadership demonstrated by people and businesses alike has reaffirmed our commitment to responsible growth and well-being of everyone associated with our business and the ecosystem.

TOTAL ASSETS:

**RM621.9
BILLION**

MARKET CAPITALISATION:

**RM55.3
BILLION**

RESILIENT LEADERSHIP AND VALUE CREATION

The most extraordinary circumstances have called for extraordinary leadership. Over the past year, leaders have come to appreciate the inequities brought about by 'one-size-fits-all' policies and processes. They have experienced the same challenges as the other stakeholders to business. They are able to not only empathise, but also look at issues from multi-dimensional perspectives, requiring multi-dimensional solutions. This realisation in itself continues to be a strong motivation for leaders to focus on both strengthening their stakeholders' trust with definitive action as well as on reinforcing the ability of businesses to not just survive but thrive. I identify this elemental change in behaviour – where leaders acknowledge the greater challenges that impede productivity and performance, and displaying a genuine desire to 'build back better' – as 'Resilient Leadership', with sustainability at the heart of all our efforts.

In short, at CIMB, resilient leadership and commitment to sustainability have been key to our efforts to recover on our path to achieving future growth. In 2021, we managed our stakeholder relationships with renewed care and purpose, towards advancing customers and society. Our priority commitment to stakeholders has been towards rebuilding their lives and livelihoods by doing what we do best: being here for them, understanding their diverse needs, making sure they have seamless access to finance and financing solutions, and keeping them resilient on their road to recovery.

In doing so, we have improved our orientation during the year to 'value creation' and this essentially meant both preserving our ability to create and deliver value to our multiple-stakeholders as well as improving our communications through Integrated Reporting <IR>. Our journey on <IR> has been gradual, with emphasis on 'internalisation' of its guiding principles in a way that is meaningful in establishing the interconnectedness of various functions, their roles, and contributions to CIMB's stakeholders, our business intent and greater purpose.

A professional portrait of a man with grey hair and glasses, wearing a dark suit, white shirt, and red tie. He is smiling and has his hands clasped in front of him.

MESSAGE FROM THE CHAIRMAN

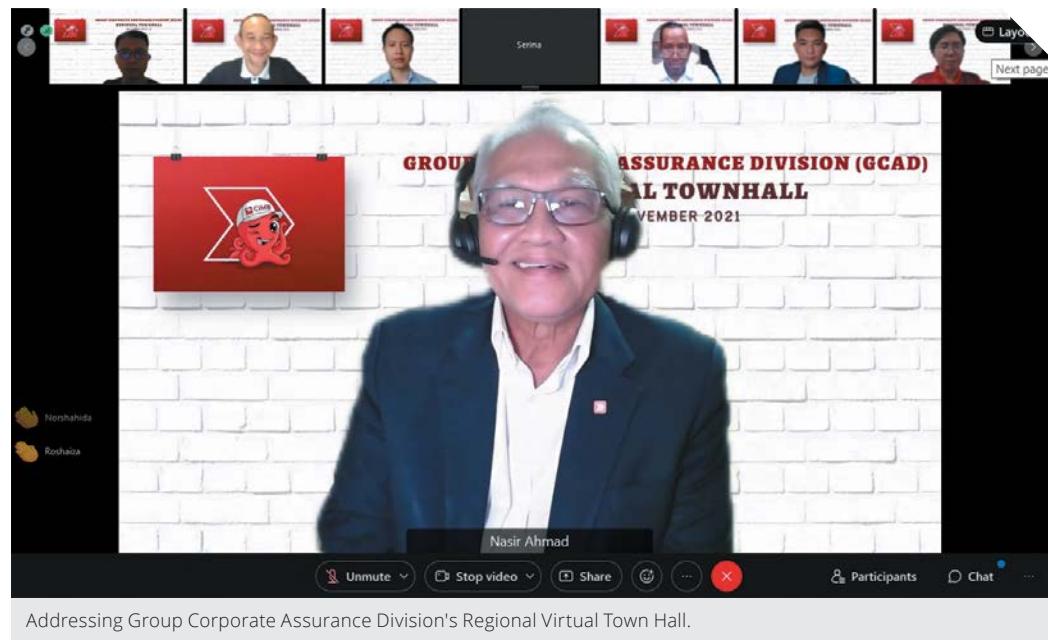
DATUK MOHD NASIR AHMAD
Chairman

RISK AND GOVERNANCE

Businesses had a little over a year to learn from the pandemic 'handbook'. The task at hand was not just to adapt by mobilising business continuity plans. The bigger focus has been on building resilience to both real and perceived risks, present and future. This required us to reassess if our systems and resources are adequate and sufficiently robust to identify, manage and mitigate future risks. Our efforts in 2021 also included revisiting crisis management plans, operational contingency processes, people and performance strategies, and above all, response and recovery mechanisms amongst others.

During the year, CIMB's Board of Directors actively deliberated on current and emerging business risks associated with technology deployment and digital enablement; people health, productivity and performance; human rights; impact of climate change; supply chain continuity; and community well-being. The Board recognises that such fundamental risks can potentially compromise our ability to create stakeholders' value as well as impact our overall sustainability and business performance. The Board also constantly emphasises on the need to enhance knowledge, capabilities, and capacity of both business enablers and business drivers to effectively manage such risks.

MESSAGE FROM THE CHAIRMAN



Addressing Group Corporate Assurance Division's Regional Virtual Town Hall.

FEMALE REPRESENTATION
ON THE BOARD:

30%

The primary objective is to ensure CIMB 'walks the talk' not just in addressing various risks, but also in communicating the strategies and their outcomes efficiently and meaningfully to various stakeholders of business.

Overall, at Board-level, our attempt has been to offer best-counsel to the management for responding swiftly to pressing matters that compromise the quality of our stakeholder relationships and threaten the smooth functioning of the organisation. We also established the need for a balancing act between near-term business performance, mid-term recovery strategies, and long-term resilience.

Towards this, we saw some positive movements and changes in top management in 2021. In January, Paul Wong Chee Kin succeeded Sutee Losoponkul as President and CEO of CIMB Thai. In April, Haniz Nazlan joined as Group Chief Strategy Officer. This was followed by the appointment of Vera Handajani as Group Chief Risk Officer in August replacing David Richard Thomas who left the Group after nine years. Lastly in December, Lani Darmawan was named the President Director and CEO of CIMB Niaga to succeed Tigor M. Siahaan who moved on to pursue other interests. The Board is proud that we were able to fill these senior positions with mainly internal talents and confident that they will continue to grow our ASEAN position from strength to strength.

Throughout the year under review, CIMB met the target of 30% female representation on the Board. This, I believe, augurs well in terms of our ability to leverage on different perspectives and sensibilities that challenge the status quo and make way for balanced debates and better decision-making. Gender balance on CIMB Board contributes to improving risk governance and our overall orientation to responsible growth.

Given the vulnerability of financial performance in the last two years, delivering sustainable financial returns to shareholders remains our focus, while creating long-term value for other stakeholders.



Speaking to shareholders at the 64th AGM.

FORWARD23+ AND GROWTH

The pandemic has necessitated the critical role of the financial sector, in particular banks. It has been a litmus test of their abilities and ingenuity to respond to customers, employees and stakeholders, when they are most vulnerable and at-risk. During the year, in executing Forward23+ strategies, the priority for the year remained to develop greater understanding of stakeholder needs and expectations, to assist and navigate them through the impacts of COVID-19, and help them recover and rebuild with resilience.

If 2020 was 'Year Zero' where we recalibrated strategies for survival, then 2021 was 'Year One' of those strategies taking shape and evolving to address emerging challenges and leveraging new opportunities along the way. Barring the possibilities of significant escalations in virus outbreaks, we are confidently on track with our Forward23+ strategy.

The past two years have shown that financial performance is vulnerable to external forces. This has strengthened our resolve to deliver sustainable shareholder returns, while creating long-term value for all stakeholders. This will be driven by efforts to reshape our portfolio, improve cost-efficiencies, enhance technological infrastructure and capabilities, build a healthy and efficient workforce, remain customer-centric, and leverage on our regional presence to make targeted investments.

To ensure seamless implementation of Forward23+ programmes across ASEAN, a major decision was taken during the year to evolve from our Regional Operating Model. We have now put in place the Target Empowerment and Alignment Model (TEAM) which is not a 'one-size-fits-all' model but provides flexibility in implementation of our model. By being flexible, TEAM provides clearer lines of reporting for different operations and at the same time strengthens accountability and efficiency to support the achievement of Forward23+ targets.



Hosted our 64th AGM via live streaming and online voting.

MESSAGE FROM THE CHAIRMAN

SUSTAINABILITY AND SUSTAINABLE BUSINESS

The Intergovernmental Panel on Climate Change (IPCC) released its sixth assessment report in 2021. It concluded that the intensifying effects of climate change and its tipping points cannot be excluded from future planning. There is an urgency like never before to transform not just our energy system but the way we conduct our business and lives. In the process, the challenge lies in managing risk exposures to create net positive impact on the environment and society while creating financial opportunities for both businesses and the stakeholders in their ecosystems.

Following CIMB's commitment to prohibit new coal financing, we entered into the first phase of this process in 2021 with the end objective of achieving a zero-coal portfolio by 2040. Besides, in support of the Paris Agreement target to limit global warming to 1.5°C, we continued to devise programmes internally across the Group to reach net zero GHG Scope 1 and 2 emissions in our operations by 2030 and overall Net Zero GHG by 2050 (including scope 3 and financed emissions). Our target to mobilise RM10 billion in sustainable finance under the Green, Social, Sustainable Impact Products and Services (GSSIPS) Framework was achieved ahead of schedule. This commitment was subsequently raised to RM30 billion during the year, and we have successfully achieved RM25.9 billion by end-2021.

We continued in our drive to support sustainable businesses of all sizes. For instance, RM250 million was allocated to CIMB GreenBizReady, which was launched in 2021 as a resource centre for SMEs embarking on their sustainability journeys. Linking knowledge and capacity building with sustainable finance schemes, the initiative seeks to encourage a greener post-pandemic recovery and is aligned with the desired just transition to a green economy.

CIMB's third sustainability-themed summit, The Cooler Earth, once again gathered thousands of businesses, leaders from public and private sectors, as well as civil society and the public. The theme in 2021 was Align, Act, Accelerate, pointing to a collective desire to move forward past the turmoil of the pandemic. A Youth Day during the five-day online summit was dedicated to raising the voices of our youths on issues that matter to them, given that they would be inheriting a warming and inequitable planet.

In keeping with its commitment, the Group continued to support CSR work. Our overarching theme has been to 'leave no one behind', especially the most affected and at-risk members of society e.g. B40 communities in Malaysia. A total of RM28.7 million was disbursed for various CSR programmes to support such underserved and disadvantaged communities across ASEAN. For instance, the Komuniti Kita COVID-19 Relief project pledged RM10 million towards healthcare needs such as facility and equipment upgrades as well as food aid for those who have lost their livelihoods to the pandemic. The programme works with various NGOs to deliver help in the most effective ways. Similarly, CIMB Islamic pledged to sponsor RM300,000 for a participating programme under Bank Negara's iTEKAD initiative that supports

the asnaf and B40 communities affected by the pandemic with training and job opportunities, micro and social financing. The first batch of 31 participants under the CIMB Islamic Rider Entrepreneur Programme have already received motorcycles and placements with Food Panda.

CIMB has always been a staunch supporter of the arts. From October to December 2021, a tripartite initiative to uplift the local arts and culture community was organised as part of a CIMB collaboration with the Cultural Economy Development Agency (CENDANA) and Yayasan Hasanah.

Environmental injustices and social inequality surfaced with intensity after the pandemic. The strong performance of ESG funds compared to traditional funds in the past year has also been a topic of global discussion. At CIMB, we continued to strengthen our business case for sustainability; we improved our internal capabilities and capacity to understand and implement sustainability approaches and strategies; we recognised the need to design credible and consistent communications to keep our stakeholders in the loop on our responsible business practices, and we remained committed to creating shared value by driving sustainability as one of the strategic pillars of Forward23+.

GREEN, SOCIAL, SUSTAINABLE IMPACT PRODUCTS AND SERVICES MOBILISED:

**RM25.9
BILLION**

CSR INVESTMENT:

**RM28.7
MILLION**



Delivering closing remarks for The Cooler Earth Sustainability Summit 2021.

PEOPLE AND PERFORMANCE

With extended lockdowns and movement restrictions, we witnessed adverse psychosocial impact on people from all backgrounds, demographics and positions. The mental and physical state of being were affected by isolation, anxiety, monotony, and even insecurities associated with relationships and financial standing. Our priority is of course to help our people manage their health challenges and mental well-being, while creating a safe, secure and trusting environment to motivate productivity and performance.

All states in Malaysia entered phase four of the National Recovery Plan in 2021, signalling a positive return to activity for many businesses and economic sectors. Despite the relaxation in SOPs, #teamCIMB still adheres to social distancing measures and a work-from-home option is encouraged where possible. Split operations and jobs-on-rotation are still being practiced and meetings are held online as much as possible.

CIMB responded swiftly to the demands of this new COVID-19 era, from at-risk customers and communities to employees, suppliers and business partners, who benefitted from our relief, assistance and well-being programmes.

On behalf of the Board, I take this opportunity to commend our employees who persevered with unwavering spirit despite the uncertainties whether at the frontline of our physical branches or dialling-in from home. Without their determination, we could not have provided the critical financial support that our customers and communities needed during the year. Our employees' best interests are taken to heart and we encourage them to make the best of the services and support that are offered by CIMB through various channels and initiatives. As one, we will continue to walk together and prove once again that the #teamCIMB spirit is strong and unwavering.

CIMB responded swiftly to the demands of this new COVID-19 era, from at-risk customers and communities to employees, suppliers and business partners.

FINAL REMARKS AND ACKNOWLEDGEMENTS

In 2021, we had two retirements of Board members. Dato' Robert Cheim Dau Meng retired as Chairman of CIMB Investment Bank Berhad while Puan Rosnah Dato' Kamarul Zaman retired from the Boards of CIMB Bank Berhad and CIMB Islamic Bank Berhad. We are ever so grateful for their sterling services to CIMB and wish them well.

The year also saw the appointment of Ms Teoh Su Yin as Chairperson of CIMB Investment Bank Berhad besides welcoming two new directors namely Dr Azura Othman to CIMB Islamic Bank Berhad and Ms Surina Shukri to CIMB Investment Bank Berhad.

In a wider context, I speak on behalf of all CIMB management and staff in thanking the unsung heroes of this pandemic: the medical frontliners and government agencies who have delivered on their mandate of 'immunisation for all'; businesses who have taken a lead in lending a helping hand to communities; and citizens who set-up their own support groups and initiatives to help the underserved segments of the society. The lessons learnt in solidarity strengthens my belief in a strong recovery.

Amidst all this, we have worked through another year of ups and downs with our partners, suppliers, customers, and our stakeholders. Thank you for continuing to place your trust in our relationships and our ability to create value for you. Let us together build a better and a more resilient future.

Datuk Mohd Nasir Ahmad
Chairman



Datuk Mohd Nasir Ahmad with YB Senator Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz inside one of the mini gallery rooms in Hotel Art Fair at Element Kuala Lumpur. Also in picture is Mr. Kenny Teng, the owner of G13 Gallery.



Launch of TripART collaboration with CENDANA and Yayasan Hasanah and CIMB Hotel Art Fair officiated by Minister of Finance – YB Senator Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz.

OVERVIEW OF CIMB GROUP

LEADING

We seek to be amongst the leading ASEAN banks (top quartile) when measured by financial metrics such as ROE and CIR as well as non-financial metrics such as NPS, Organisational Health and Sustainability.

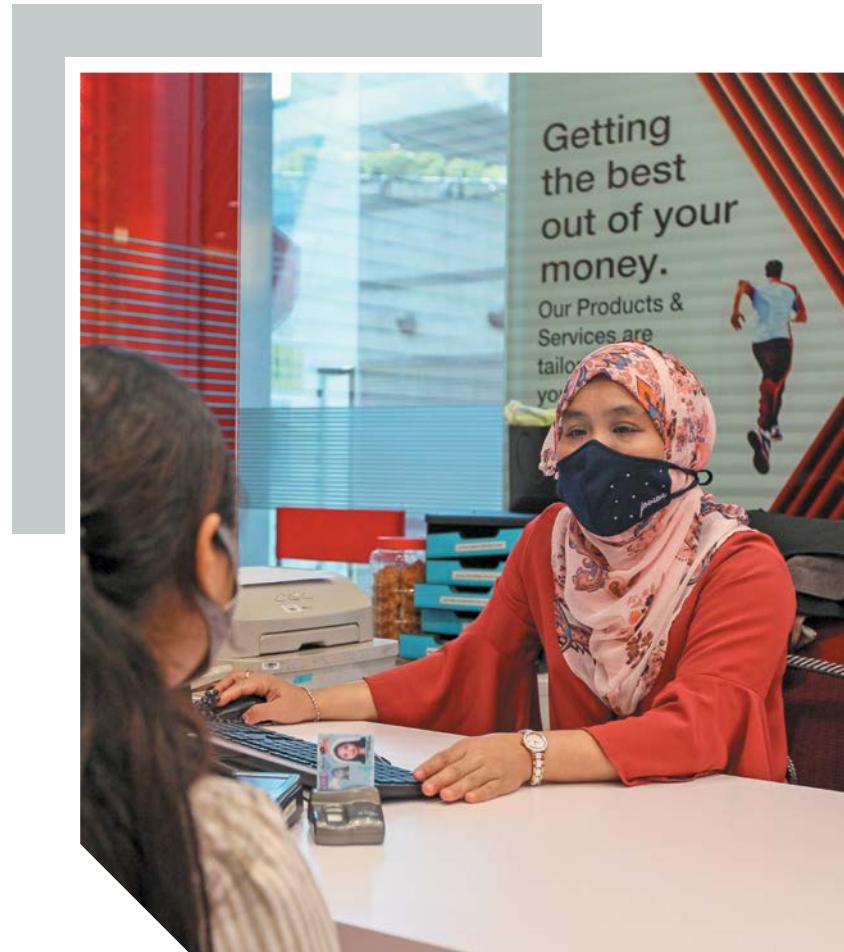
FOCUSED

We will not be everything to everyone. We shall focus on key markets and segments, where we play to win.



ASEAN

We are a local ASEAN bank and this is our key differentiation. This identity resonates with our staff and external stakeholders.



 **RM621.9 BILLION**

Total Assets

 **RM55.3 BILLION**

Market Capitalisation

 **RM4.30 BILLION**

Net Profit

TO BE THE LEADING **FOCUSED ASEAN BANK**

OUR VALUES

<i>"Deliver impact together the right way"</i>				
E	P	I	C	C
Enabling Talent We enable and develop our people. We want to be the best place for the best talent.	Passion We pursue excellence in all we do and deliver beyond the ordinary.	Integrity and Accountability We act in an ethical and trustworthy manner. We take ownership of all of our actions.	Collaboration We commit to team over individual success. CIMB's success is my success.	Customer Centricity We put customers at the heart of everything we do. We always do right by them.



How we will compete

Universal in appeal:
Focus across all segments



ASEAN focus: ASEAN wholesale and Preferred; niche in commercial



Strong position:
Community-focused bank



Focused player:
ASEAN wholesale and Preferred; niche in consumer finance



Focused Bank:
Consumer and SME; high quality wholesale



Selective investments:
Digital attacker leveraging on partnerships to create a hedge for the future



How we will win

Lead the market on **customer experience** and **service** for focused customer segments

Stay competitive in **providing value** to customers by becoming more efficient

Leverage our **ASEAN footprint** as a **differentiator** where relevant

Invest in **technology, digital and analytics** to lead on service, experience and value

Be **brilliant at the basics**; end to end risk management, controls, performance orientation

OUR PRESENCE



ASEAN MARKETS

MALAYSIA
Branches : 230



SINGAPORE
Branch : 1



THAILAND
Branches : 54



INDONESIA
Branches : 324
Payment and Cash Centres,
Digital Lounges and Mobile
Cash Vans : 88



PHILIPPINES
Office : 1



BRUNEI
Office : 1



LAOS
Branch/Office : 1



CAMBODIA
Branches/Offices : 14



VIETNAM
Branches/Offices : 2



MYANMAR
Representative
Office : 1



OTHER MARKETS

CHINA AND HONG KONG
Branches : 2
(Shanghai, Hong Kong)



UNITED KINGDOM
Branch : 1



INDIA*



KOREA*



U.S.A.*



* Stockbroking Collaboration via CGS-CIMB

OUR REGIONAL PRESENCE AND PERFORMANCE

CIMB Group is a leading focused ASEAN bank and one of the region's foremost corporate advisors. It is also a world leader in Islamic finance.

The Group is headquartered in Kuala Lumpur, Malaysia, and offers consumer banking, commercial banking, wholesale banking, Islamic banking, wealth management and digital payment products and services. It is the fifth largest banking group by assets in ASEAN and, as at the end of 2021, had our around 33,000 staff and over 18 million customers.

CIMB Group Holdings Berhad has been listed on the Main Market of Bursa Malaysia since 1987 and has market capitalisation of RM55.3 billion as at 31 December 2021. Total assets at the end of 2021 were RM621.9 billion, with total shareholders' funds of RM58.9 billion and total Islamic assets of RM152.8 billion. At the end of 2021, the major shareholders were Khazanah Nasional Berhad with 25.7%, Employees Provident Fund with 15.3%, Permodalan Nasional Berhad with 11.8% and Kumpulan Wang Persaraan (Diperbadankan) with 6.3%.

OUR PROFILE

CIMB BANK

CIMB Bank is the Group's commercial bank in Malaysia with 230 branches across the country. It has subsidiaries in Thailand, Cambodia and Vietnam, as well as branches in Singapore, Philippines, London, Hong Kong, Shanghai and Laos and representative office in Yangon.

CIMB NIAGA

CIMB Niaga is the Group's banking franchise in Indonesia with 324 branches across the archipelago. It has been listed on the Indonesia Stock Exchange since 1989 and is the sixth largest bank in Indonesia by assets at the end of 2021.

CIMB INVESTMENT BANK

CIMB Investment Bank is the Group's investment banking franchise operates in 15 countries, which includes operations through CGS-CIMB Securities, an associate of CIMB Group, which provides institutional and retail equity broking services and equities research.

CIMB THAI BANK

CIMB Thai is the Group's banking franchise in Thailand. It has been listed on the Stock Exchange of Thailand and is the ninth largest commercial bank in Thailand by assets, with 54 branches nationwide and one overseas branch in Vientiane, Laos.

CIMB ISLAMIC

CIMB Islamic is the Group's Islamic banking and financial services franchise, with an extensive suite of innovative Shariah-compliant products and services. It operates in parallel with the Group's banking platform.

CIMB BANK PLC

CIMB Cambodia is the Group's banking franchise in Cambodia, with 14 branches across the country. It offers a wide range of banking products and services for individuals, businesses and corporates.

CIMB BANK VIETNAM

Established in 2016, CIMB Vietnam was the first within the Group's franchise to adopt digital bank model. It is today recognised as one of Vietnam's most innovative and emerging digital banks.

Our Retail and Institutional Customers: Over



18 MILLION

Our Self-Service Access Points:



7,652

Our Workforce: around



33,000

Our Retail Branches:



630

Our Products and Solutions



Consumer Banking



CIMB Digital Assets



Commercial Banking



Islamic Banking

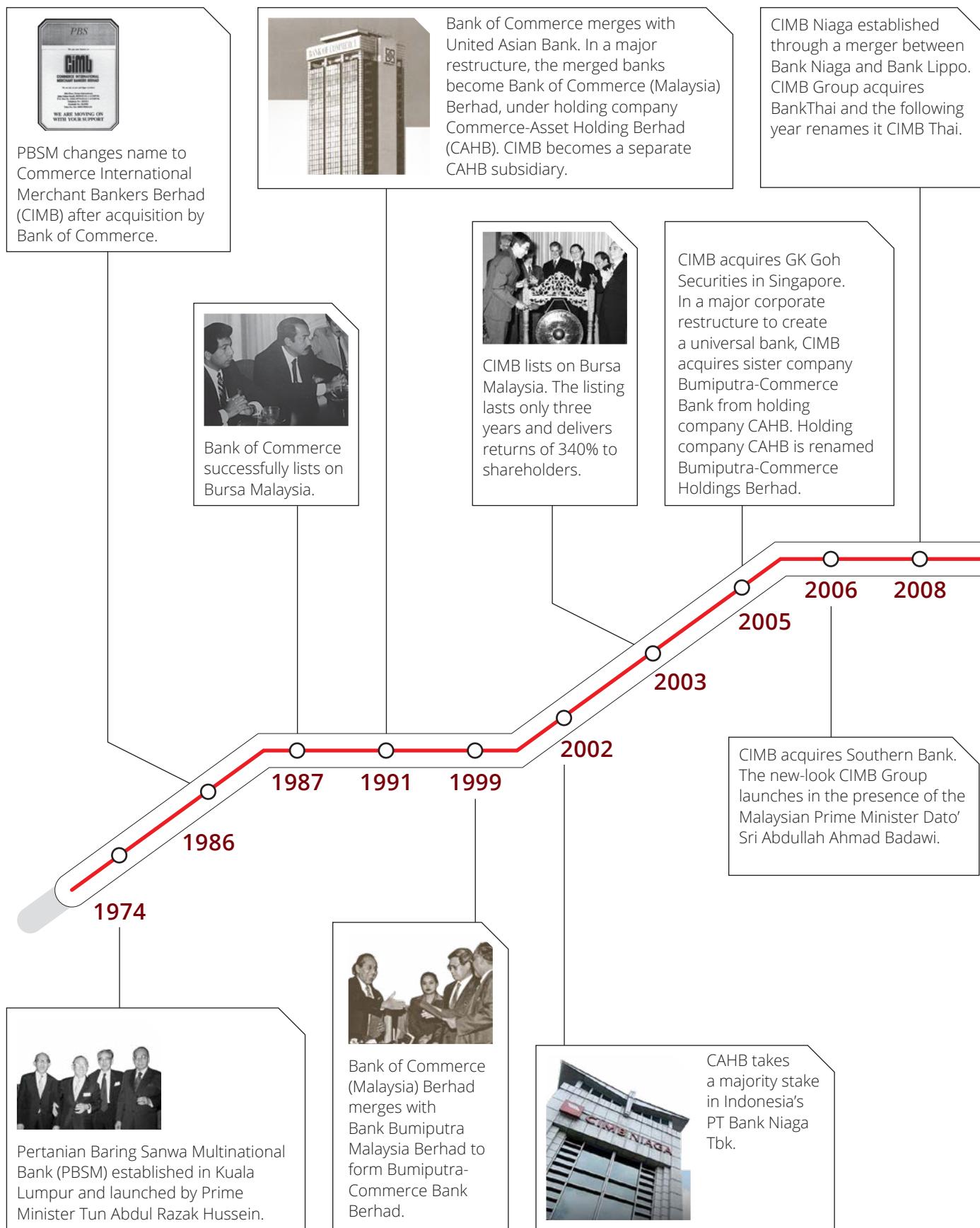


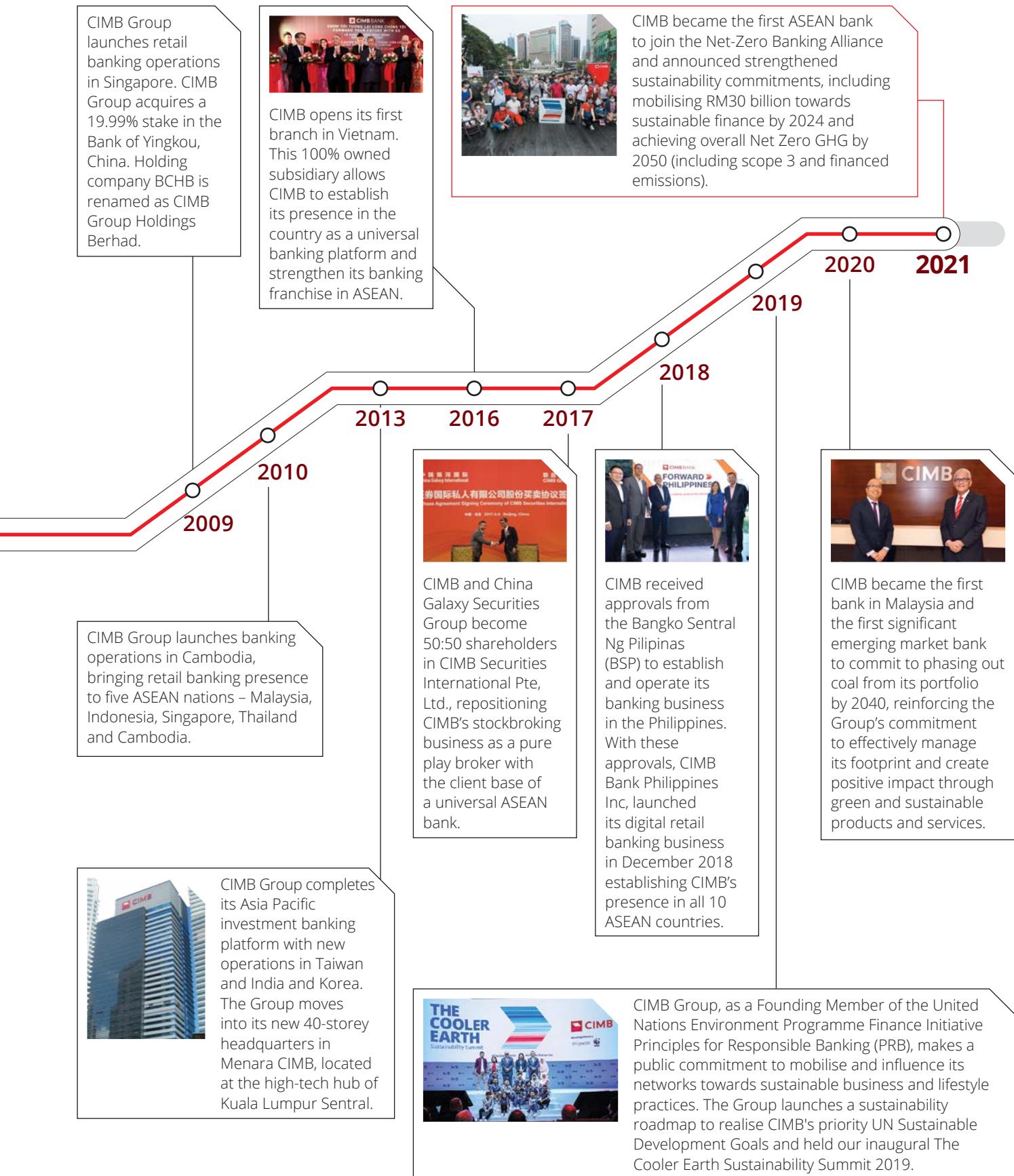
Wholesale Banking



Transaction Banking

CORPORATE MILESTONES AND OUR HERITAGE





KEY HIGHLIGHTS OF 2021

BUSINESS HIGHLIGHTS

1

FORWARD23+

We developed our Forward23+ Strategic Plan with the ambitious aim to be the leading focused ASEAN bank.

2021 was the first full year of implementation and we are starting to see results. We are pleased to have achieved our 2024 Forward23+ target of 75th percentile on the S&P Global Corporate Sustainability Assessment (for DJSI inclusion), three years ahead of schedule, underlining our commitment to sustainability.

2



DELIVERING SUSTAINABLE FINANCIAL RETURNS

We made considerable headway in reshaping our portfolio by focusing on profitable markets and recalibrating segments in which we lack competitive advantage. This has resulted in an ROE of 7.5%.

In driving cost efficiency, our efforts have paid off where we successfully registered a record low CIR of 48.3%. We also focused on infrastructure and platform reliability, improving our availability to no less than 99.25%.

3



DISCIPLINED EXECUTION

We continued to enhance the way we work with our disciplined execution.

Towards this, we launched the Target Empowerment and Alignment Model (TEAM) to provide an optimal balance between centralisation and alignment of tasks, while empowering day-to-day execution at country level. As we roll this out in 2022, we anticipate that TEAM will help to solidify our position as a truly ASEAN bank.

4



CUSTOMER CENTRICITY

Customers are at the heart of everything we do. Our focused efforts in 2021 resulted in improvements in our NPS compared to FY2020. In particular, CIMB Malaysia made positive gains and CIMB Thai ranked highly in its market.

We continued to extend assistance to our affected customers to help them navigate through the pandemic. CIMB Malaysia has provided financial relief to over 534,000 customers over and above the blanket moratorium, amounting to RM93.8 billion in total gross loan value over the last two years.

5



TRANSFORM FUNDAMENTALS

We remained focused on underlying fundamentals such as risk management, capital optimisation and asset quality improvement.

Our efforts to improve capital and asset quality have shown results where we achieved a record high CET1. Although credit cost remained elevated, we exceeded our FY21 target, and recorded significantly lower provisions compared to the year before.

6



PURPOSE-DRIVEN ORGANISATION

Internally, we have completed our new KPI and bonus framework, as well as a new culture framework in order to ensure overall alignment and operational excellence. CIMB strives to be the best organisation for the best talent with the right values to thrive.

This year, we also announced our enhanced commitments to stay at the forefront of the sustainability agenda. We mobilised RM25.9 billion towards our target to provide RM30 billion in sustainable finance by 2024.

FINANCIAL HIGHLIGHTS

 **OPERATING INCOME:**
RM19.5 billion

 **NET PROFIT:**
RM4.30 billion

 **GROSS LOANS:**
RM378.0 billion

 **TOTAL ASSETS:**
RM621.9 billion

 **DEPOSITS FROM CUSTOMERS:**
RM440.4 billion

 **ROE:**
7.5%

 **CET1:**
14.6%

 **DIVIDEND PER SHARE:**
22.99 sen

SUSTAINABILITY HIGHLIGHTS

STRENGTHENING GOVERNANCE

 We established the Board-level Group Sustainability and Governance Committee, providing the Board with greater oversight of sustainability matters via five Independent Non-Executive Directors

DEVELOPING STANDARDS

 We led the development of VBIAF Sector Guidance on Oil and Gas as part of the VBIAF Community of Practitioners. We also adopted TCFD-aligned reporting guidelines, including scenario analysis using the PACTA methodology

RAISING ACCOUNTABILITY

 We embedded sustainability KPIs into the performance measurements of the Group's top 100 executives. We also completed our new KPI and bonus framework and introduced collective scorecards by countries and divisions

ENGAGING STAKEHOLDERS

 We proactively engaged with multiple stakeholders including our peers, industry leaders, our client companies, regulators, policymakers as well as the government through our flagship event, The Cooler Earth Sustainability Summit, as well as the purpose-driven coalition, CEO Action Network and Bank Negara Malaysia's Joint Committee on Climate Change

GROWING NET POSITIVE FINANCE

 We accelerated progress on Green, Social, Sustainable Impact Products and Services Framework by mobilising RM25.9 billion towards our target to provide RM30 billion in sustainable finance by 2024

DEEPENING OUR COMMITMENTS

 We committed to Net Zero by 2050 including financed emissions, and net zero Scope 1 and 2 by 2030, and became the first ASEAN Bank to join the Net-Zero Banking Alliance. We also committed to RM150 million of community investments over 5 years, with 67,278 employee volunteer hours recorded in 2021

PROFIT BEFORE TAX (BAU):

**RM6.35
BILLION**

ROE (BAU):

8.1%



DATO' ABDUL RAHMAN AHMAD
Group Chief Executive Officer

GROUP CEO'S REFLECTIONS

The financial performance stated in this section is on a BAU basis which excludes RM556 million of exceptional items encompassing: gain on deconsolidation of Touch 'n Go Digital of RM1,156 million; impairment of CIMB Thai goodwill of RM1,215 million; intangible assets write off and accelerated amortisation of RM402 million; and other exceptional items of RM95 million.

2021 will be remembered as another challenging year that affected businesses and people alike across every aspect and one of mixed recovery amidst the periodic resurgence of COVID-19 variants. Global economies experienced various degrees of recovery and reduced lockdown restrictions, with some countries gradually returning to their respective pre-COVID states. The major markets CIMB operates in partially recovered with GDP growth of 3.1% in Malaysia, 3.7% in Indonesia, 7.2% in Singapore and 0.8% in Thailand.

Governments recalibrated their national reserves and used fiscal policy instruments at their disposal to nurse their economies back to health. Central banks leveraged their tools to counter weakened consumption as well. In the final quarter of 2021, the Malaysian central bank announced that the Overnight Policy Rate would be maintained at 1.75% given the slower recovery, with an eye to revise it in 2022 when inflation is expected to rise. Small and large businesses recalibrated their balance sheets, while seeking help to maintain their cash flows. People persevered through despite their struggle between health, income, and growth.

In the second year of this pandemic, my belief in humanity's ability to rise above adversity and remain resilient has been reinforced. Businesses transformed their operations - many having to trim budgets, reallocate capital resources, reassess strategies, and reform processes. While business leaders had to adapt and shape the new normal, more opportunities to deliver 'shared value' to stakeholders presented themselves. At CIMB, we were uniquely positioned to leverage these, with our purpose of advancing customers and society. We supported our most critical and at-risk stakeholders with proactive financial relief schemes and solutions. We also consolidated our ASEAN franchise, drove recovery of our financial performance, managed our capitals prudently and achieved a 31% YoY accretion on shareholder value in 2021, making us the top performing financial institution stock on the FTSE Bursa Malaysia KLCI index.



FY21 results press conference with our Group Chief Financial Officer, Khairul Rifaie

GROUP CEO'S REFLECTIONS



What is your view of CIMB Group's 2021 results? More specifically, what were the key drivers and what factors impeded growth?

Despite the stop start nature of the opening of economies where we operate, the Group showed strong financial performance recovery where we either met or exceeded all of our financial profitability targets. Our Profit before Tax (PBT) and Net Profit tripled YoY to RM6.35 billion and RM4.65 billion respectively. We achieved a Return on Equity (ROE) of 8.1% whilst our capital position remained healthy as our Common Equity Tier 1 (CET1) rose to a new record high of 14.5%.

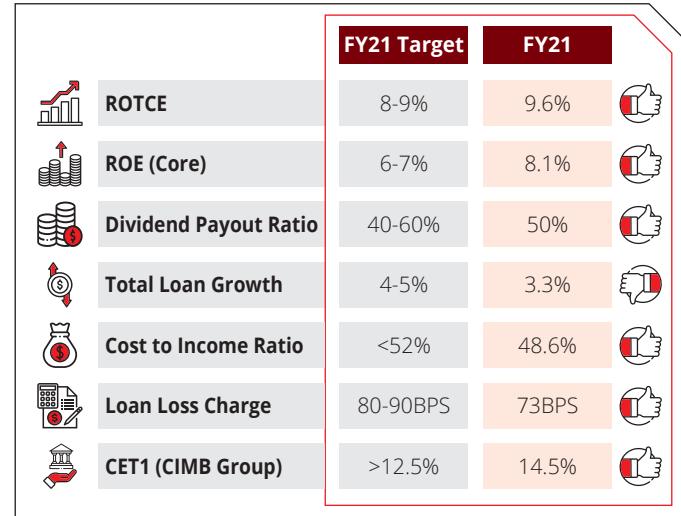
We also saw positive growth in operating income, driven by improved Net Interest Margin (NIM) from our Current Account Savings Account (CASA) franchise strategy and steady loan growth. Non-Interest Income (NOII) remains an area for improvement, as distribution and transaction margins compressed, while investment gains moderated. Deposits continued to achieve steady growth, driven by CASA. The Group's CASA ratio stood at 42.5% as at end December 2021.

Operating Expenses (OPEX) only increased marginally due to our disciplined cost controls. The good growth in income coupled with contained cost escalation resulted in positive JAW which meant our Pre-Provision Operating Profit (PPOP) grew strongly by 14.9%, which is the second highest amongst the top Malaysian banks.

Total provisions declined 53.6% YoY from reduced overlays and corporate provisions. The Group's credit cost remained elevated at 73bps, however, this still exceeded our FY21 target of 80-90bps.

Our people turnover and retention remained steady from previous years as we continued to focus on health and well-being, productivity and performance. Future resilience of our people will however depend on our ability to empower them with digital skills, enhance motivation levels by making sure employees are safe, healthy, professionally enriched, and productive. We raised our bar on Economic, Environmental, Social and Governance (EES&G) integration by adopting leading best practices, and also by achieving our 2024 Forward23+ target of 75th percentile on the S&P Global Corporate Sustainability Assessment (for DJSI inclusion), three years ahead of schedule. The challenge however remains to be at the forefront of the sustainability agenda whilst we continue engaging the industry and our clients to raise awareness and ensuring sustainability continues to drive business growth and competitiveness.

Most importantly, these results are thanks to the incomparable commitment of #teamCIMB, who have worked closely with our customers to support them, while constantly adapting in these challenging times.



Can you elaborate on how your mid-term Forward23+ strategy contributed to your FY2021 performance and how it addressed your recovery efforts in 2021?

We developed our Forward23+ Strategic Plan with the ambitious aim to be the leading focused ASEAN bank. 2021 was the first full year of its implementation and we are pleased with its progress.

A key pillar under Forward23+ is to Deliver Sustainable Financial Returns, given that we have historically lagged behind our peers in terms of ROE. We made considerable headway in reshaping our portfolio by focusing in core areas of growth such as Consumer Malaysia and Indonesia, Commercial Malaysia and SME in Indonesia.

We also increased allocation in our Group Funding as we continue to increase bond holdings and rebuild our loan book. We reduced our asset allocation in Commercial (ex-SME) Indonesia and Singapore while we continue to fix the businesses. Consequently, this impacted our overall loan growth which came in at 3.3% YoY, short of our target. But we now have the right platform and are well positioned to accelerate our asset growth as economies recover.

Cost optimisation initiatives continued to be a core focus in 2021 to further improve our productivity and efficiency. We successfully identified RM410 million worth of cost take-out opportunities, to be materialised in stages, out of which RM195 million has been realised in 2021. This resulted in a record low Cost to Income Ratio (CIR) of 48.6%, bringing us closer to our Forward23+ target of 45%. Together with the cost savings crystallised in FY20, this meant that we delivered on our targeted cost take-out of RM1 billion set at the inception of Forward23+.

Our focus to improve asset quality is also showing results with significantly lower provisions compared to FY20 which was impacted by the pandemic. However, we continued to take a prudent approach and Cost of Credit remains elevated from overlays which we will retain until the end of the targeted financial assistance programmes.



Virtual breakfast and discussion session with #teamCIMB



In addressing stakeholders' concerns and expectations, what were the top priorities for CIMB Group in 2021 – from recovery to resilient growth perspectives?

CIMB has always approached value creation holistically by looking at both financial and non-financial factors. This balanced approach enables us to grow our business strategically whilst creating greater long-term value for all our stakeholders.

One top priority we identified under Forward23+ is to improve our digital and operational resiliency, given the paradigm shift towards digital transactions. This is also one area we recognise that we need to do much better, given the heightened expectations of our customers and some of the legacy issues we faced. In the past couple of years, we have sustained technology and operational investments to focus on infrastructure and platform reliability. We saw the availability of CIMB Clicks and BizChannel across Malaysia, Indonesia, Singapore, Thailand (MIST) improve dramatically to no less than 99.25%. We are now on track to roll-out our Next Gen Clicks app by 2Q22 and have commenced work on the Next Gen BizChannel. We intend to accelerate this further and plan to invest RM1.2 billion in 2022 to further digitise and improve our technology and operational resiliency.

As a result of our Customer Centricity efforts, we improved our Net Promoter Score (NPS) significantly compared to FY20. In particular, CIMB Malaysia made positive gains and CIMB Thai ranked highly in its market.

At the same time, we worked on enhancing the way we operate with the launch of Target Empowerment and Alignment Model (TEAM) to replace the previous Regional Operating Model (ROM). This framework aims to elevate accountability, ensure centralisation and alignment of tasks while empowering day-to-day execution at country level. Implementation is still in progress, but we hope the new CIMB TEAM will solidify our position as a truly ASEAN bank.

On our journey to becoming a Purpose-Driven Organisation, we made positive progress such as:

- We completed our new KPI and bonus framework in 2021 internally with #teamCIMB, where we introduced collective scorecards by countries and divisions, to ensure more alignment between staff and the Group's direction and targets;
- We also built our EPICC culture framework that was rolled out in January 2022. I truly believe that organisational excellence stems from a good work culture. Our goal is for CIMB to be the best organisation for the best talent with the right values to thrive; and
- We accelerated our progress on Green, Social, Sustainable Impact Products and Services (GSSIPS) Framework operationalisation where we mobilised RM25.9 billion towards our target to provide RM30 billion in sustainable finance by 2024. This includes all forms of financial services, including financing, equity and debt capital market transactions, wealth management and deposits aligned to the GSSIPS Framework.

Most importantly, we are incredibly proud of how we helped our customers to navigate through the adverse impact of the pandemic. For instance, throughout the last two years, CIMB Malaysia has processed over 534,000 financial payment relief assistance applications for individual, SME and business banking borrowers, amounting to RM93.8 billion in total gross loan value. This includes the various payment relief assistance programmes since 2020, except for the blanket moratorium in March 2020.



How are you progressing on your Sustainability agenda?

In September 2021, in conjunction with The Cooler Earth Sustainability Summit, we announced our enhanced commitments to accelerate our sustainability agenda by setting ambitious targets which included:

- Achieving net zero greenhouse gas (GHG) Scope 1 and 2 emissions in our operations by 2030;
- Achieving overall Net Zero GHG by 2050 (including scope 3 and financed emissions);
- Increasing our sustainable finance commitment target from RM10 billion to RM30 billion by 2024 aimed at creating positive impact under our GSSIPS Framework;
- Rolling out our No Deforestation, No Peat, No Exploitation (NDPE) policy in phases starting mid-2022; and
- Investing RM150 million over five years and 100,000 employee volunteer hours annually by 2024.

GROUP CEO'S REFLECTIONS

We are constantly developing new sustainable financial products and services. These included, amongst others, an RM2.45 billion sustainability-linked derivative transaction in October 2021. This landmark deal is the world's first Malaysian Ringgit-denominated sustainability-linked derivative transaction and Asia's largest ESG linked derivative trade to date. In total, we mobilised RM25.9 billion of sustainable finance in 2021, up from RM10.9 billion in 2020.

In 2021, we established the Group Sustainability and Governance Committee (GSGC) which provides the Board with stronger oversight of our sustainability journey. We have also set sustainability-linked KPIs for the Group's top 100 executives. This is to ensure that everyone understands and moves towards our commitments as a group.

Moving into 2022, our focus will be on sustainable finance innovation, working closely with our clients to identify and seize opportunities to improve on their sustainability performance, and to prepare for upcoming regulatory changes such as the EU Carbon Border Adjustment Mechanism. We will also be rolling out our Group Human Rights Policy, to help safeguard against human rights violations in our operations, and in our clients' businesses.



CEO Action Network (CAN) 1st Anniversary Showcase



We are constantly developing new sustainable financial products and services. 

 **RM30 BILLION**

Sustainable Finance to be mobilised by 2024

 **RM150 MILLION**

Investment over five years



What has been your position on Climate Change and the global Climate Emergency? How do you see the role of banks in accelerating climate action and climate justice?

According to the recent IPCC Working Group II Sixth Assessment Report, human-induced climate change has caused widespread adverse impacts to nature and people. These include severe and, in some cases, irreversible, damage to the very ecosystems that we rely on for freshwater, food, health, and physical safety, the destruction of which has already led to untold damage to infrastructure, homes, people and key economic sectors. The banking sector has both the ability and responsibility to act in the best interest of stakeholders in mitigating and adapting to climate change impacts, by directing and shifting capital flows from high-to low-carbon activities. This will be a transformation journey of unprecedented scale and scope, which is urgently needed to help address the multiple environmental crises and social challenges faced by humanity.

To align our strategy and operations to meeting the goals of the Paris Climate Agreement, CIMB has made strong commitments including net zero GHG Scope 1 and 2 emissions in our operations by 2030 and overall Net Zero by 2050 (including scope 3 and financed emissions); together with an NDPE commitment. In addition to being a signatory to the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking, and the Collective Commitment to Climate Action (CCCA), we are now also a member of the Net-Zero Banking Alliance (NZBA), and an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD). We invite our stakeholders to refer to our Sustainability Report 2021 for details and join us in championing responsible banking and sustainable development.



How do you see the economy in 2022 and what is in store for CIMB Group?

Our global economic growth forecast stands at 4.2% for 2022. This is following a growth of 5.8% in 2021. The slower growth expected this year is due to base effects, as the global economy recorded robust growth recovering from the pandemic in 2021 as well as the heightened geo political risks given the situation in Ukraine.

At the same time, levels of policy support from governments and central banks would likely be unwound this year. Governments are looking to reduce fiscal assistance to prevent the rise in debt servicing costs and future fiscal drag. Meanwhile, major central banks are looking to normalise policy rates in 2022, due to rising inflation.

Growth in ASEAN is expected to pick up in the second half of 2022 with continued loosening of restrictions. As ASEAN countries have controlled the levels of the pandemic, economies have begun to recover with private consumption and investment activity beginning to normalise. Hopefully, as the economy reopens its borders to tourists, this may add support to economies with a high share of tourism GDP. This would likely benefit Thailand the most, with other countries such as Malaysia and Indonesia not far behind.

With the anticipated economic recovery, CIMB will focus on:

- Expanding our CASA franchise and loan growth;
- Executing our Affluent strategy where we will enhance our proposition by developing more value adding products and services with seamless cross-border solutions, delivering superior wealth advisory with better client coverage and improving our digital affluent capabilities;
- Leveraging on our established Wholesale ASEAN network by continuing to focus on client coverage and structured account planning to drive asset growth, as well as explore new growth segments and industries;
- Rejuvenating our NOLI growth through renewed focus in Transaction Banking;
- Committing to investing and enhancing our digital capabilities, technology and operational resiliency. We have also started embarking on a major review of mitigating controls and policies and procedures, surrounding our transaction processing infrastructure. As mentioned, we plan to spend RM1.2 billion in 2022, to further digitise and improve our technology and operational resiliency; and
- Cost discipline, risk management and asset quality whilst intensifying our efforts to advance our ESG agenda and work towards our sustainability commitments.

Our headline targets for FY2022 are:

FORWARD 23+	
FY22 TARGETS	
	ROE (Reported)
	ROE (Core)
	Dividend Payout Ratio
	Total Loan Growth
	Cost to Income Ratio
	Loan Loss Charge
	CET1 (CIMB Group)
FY22 Target	
	7.5-8.0%
	8.5-9.0% [^]
	40-60%
	5-6%
	<49.0%
	60-70BPS
	>13.0%

[^] Excluding cukai makmur

CONCLUSION AND APPRECIATION

In 2021, we made several changes to our senior management team to be more focused and to accelerate the path towards our Forward23+ goals. We welcomed the appointment of Haniz Nazlan as Group Chief Strategy Officer and internally, we appointed Vera Handajani as Group Chief Risk Officer, Lani Darmawan as President Director and CEO of CIMB Niaga as well as Gurdip Singh Sidhu as Group Chief Sustainability Officer.

I would also like to thank a few executives for their past contributions to the Group: David Richard Thomas, Group Chief Risk Officer, Tigor M. Siahaan, President Director and CEO of CIMB Niaga as well as Omar Siddiq, CEO of Group Wholesale Banking. Though we have parted ways, the legacy they leave behind is permanently impactful. "Once a CIMBian, always a CIMBian" and I wish them all the best in their future endeavours.

At the Board level, allow me to express my gratitude to Dato' Robert Cheim Dau Meng for his service as the Chairman of CIMB Investment Bank Berhad and Puan Rosnah Dato' Kamarul Zaman for her service on the Boards of CIMB Bank Berhad and CIMB Islamic Bank Berhad. We cannot thank them enough for all the guidance.

I would like to extend my sincerest appreciation to our Group Chairman and members of the Board for their continued trust and support. I must also thank the regulators for overseeing the banking industry and providing guidance to help us navigate through the pandemic. I am beyond grateful to our customers, clients, peers and partners for placing their trust in us.

Most importantly, thank you #teamCIMB for your hard work, support and commitment throughout the challenging year. I look forward to working closely with each and every one of you as we embrace new challenges ahead and continue with our momentum to strive towards our ambition to be the leading focused ASEAN bank.



Dato' Abdul Rahman Ahmad
Group Chief Executive Officer

ECONOMIC REVIEW AND OUTLOOK

2021: YEAR OF RECOVERY AND RESILIENCE

In the second year of the COVID-19 pandemic, economic and financial systems continued to absorb the reverberations of this historic global pandemic. The prolonged downturn shares similarities to previous financial crises though it stemmed mostly from external factors, highlighting the extent and degree of connectivity between our financial systems and human health and environmental boundaries. The impact has been somewhat cushioned by fiscal policy and public health efforts that continued to hinge on widespread restriction of activities in non-essential sectors. Supply side output of the National Key Economic Areas (NKEAs) in Malaysia rebounded significantly from the second quarter of 2021, despite the steep rise in the number of new positive cases and continued enforcement of strict lockdowns. The upturn in production was bolstered by strong demand side expenditure notably in private consumption, exports and imports, and fixed assets investment.

The introduction of vaccination programmes was a major catalyst that drove the process of normalisation in countries with vaccine access. However, globally, positive economic growth was held back by countries that lack 'vaccine privilege'. The vaccine divide between advanced economies and low-income nations could lead to global loss in GDP of USD5.3 trillion in the next five years. While global GDP is expected to grow at a modest rate of 5.9% in 2021, domestic growth registered 3.1%.

State-led COVID-19 stimulus programmes mobilised trillions in funds globally to aid their economies to a better recovery, spending far more in this public health

crisis than in the last financial crisis of 2008-2009. Respectively, developed and developing economies spent 270 times and 18 times in excess of the 2008-2009 stimulus package on average. Core fiscal measures by governments aimed to provide tax relief for businesses and households, as well as wage subsidies to support the labour force impacted by the pandemic. At the same time, the government were also supporting the purchase and supply of healthcare and medical items. In advanced economies, central banks focused on lending operations and asset purchases while those in developing economies resorted less to asset purchases and more to the deployment of interest rate and foreign exchange and reserve policies. Financial institutions also led the charge for economic resilience by adjusting risk management thresholds and distributing government stimulus packages.

These fiscal and economic relief expenditures led to a rise in global public debt to 97.8% of GDP in 2021, hovering close to the previous year's record of 98%. Global fiscal deficit recorded a drop to 8.2% from nearly 14% in 2020. Reflecting similar trends, Malaysia's fiscal deficit in 2021 was consistent with that during the 2008-2009 financial crisis, hovering between 6.5 and 7%.

In reckoning with the impact of the pandemic, businesses have had to re-envise their growth trajectories and operational approaches, with plenty of emphasis on adapting to the remote working lifestyle and digital enablers. The tightening of Standard Operating Procedures (SOP) under a total nationwide lockdown in June led to a 4.4% drop in Malaysian GDP that month. The

Services sector, which constitutes more than half of domestic GDP, rebounded from contraction in the first quarter to a gain of 13.4% in the second quarter. With the exception of the Agriculture sector, which recorded negative growth of 1.5%, all other NKEAs showed strong quarter-on-quarter growth. These favourable conditions contributed to an overall growth of 16.1% in Q2 2021, signalling the capacity for a strong and speedy economic recovery.

In the third quarter of 2021, the re-opening of the Malaysian economy due to national vaccination efforts has been a much welcome relief to many pandemic-stressed sectors. Travel restrictions have been lifted since the country's transition beyond the strictest phases of the lockdowns. Business activity has picked up momentum amidst companies returning to in-office or on-site work.

CIMB Group was agile in responding to the expectations from various stakeholders in the midst of the worst health and business crisis to hit us in decades. We proactively went to market with solutions that supported the at-risk and most vulnerable clients and customers, employees, and community members. The task at hand has been to make access to affordable financing easy and efficient, keep our people safe and motivated, and maintain business at its optimum.

For more information on how we addressed various risks, please refer to the section, Key Risks and Mitigation on pages 41-45 in this Report.



2022: LIGHT AT THE END OF THE TUNNEL

With the full-dose vaccination rate reaching 95.5% of the Malaysian adult population and counting, a normalised post-pandemic future looks optimistic in 2022 and beyond. Closer now to herd immunity, the healthcare sector is working towards continued immunisation levels through the rollout of booster jabs. This coupled with ongoing policy support will provide the conditions for an economic recovery and will be further elevated by positive spillovers from increased demand as similar situations play out regionally and globally.

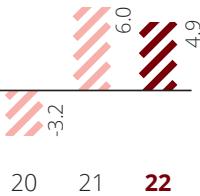
The current output gap will likely persist into 2022, and the projected inflation rate is a modest 2.1% in 2022. Rate normalisation is expected only in mid-2022 onwards as the low interest policy by the central bank continues to support the economy emerging from COVID-19.

Recovery depends on a mix of factors that include closing the output gap, correcting wage irregularity, loan restructuring, and revisiting contracts, supported by the government's RM530 billion expansionary budget for 2022. Financial institutions must continue to be wary of non-performing loans and capital depletion while balancing their role as a credit supporter.

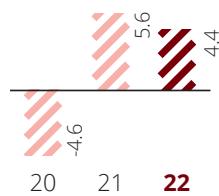
Planning and foresight of capital allocation will go a long way to accelerate economic recovery albeit at considerable cost. As the world switches gears into recovery mode, the urgent priority for businesses emerging from the pandemic is rebuilding security and stability. CIMB's Forward23+ will focus on understanding customers' needs and adapting our operating model to meet those needs.

GROWTH PROJECTIONS

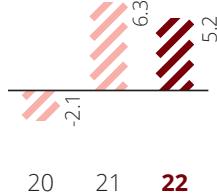
Global Economy



Advanced Economies

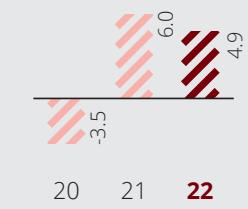


Emerging Market & Developing Economies

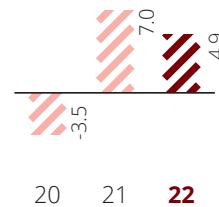


GROWTH PROJECTIONS BY REGION

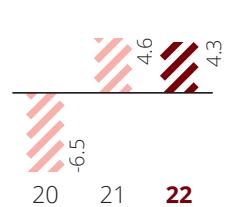
World



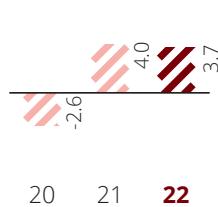
United States



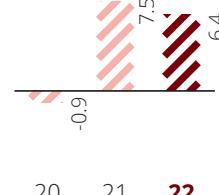
Euro Area



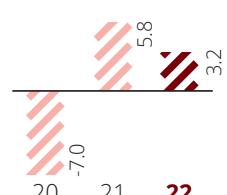
Middle East and Central Asia



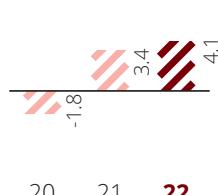
Emerging and Developing Asia



Latin America and The Caribbean



Sub-Saharan Africa



ECONOMIC REVIEW AND OUTLOOK

The ASEAN-5 is expected to face significant challenges from resurgent waves of the virus, as there are still countries lagging in terms of vaccinations. At the same time, the region also faces risk of weak consumption in the services sector, with the ASEAN region likely to record an GDP growth rate of 5.0% in 2022. The respective central banks is likely to maintain monetary support and remain vigilant to any changes in inflation.

That said, the ripple effects from the pandemic are yet to be exhausted and the ongoing disruptions in global capital markets are cause for concern. As banks rack up loan loss provisions, they will have to brace for a growing credit crisis that looms large on the horizon. The outlook of most global banks remains negative according to Fitch Ratings as financial institutions continue to absorb shock from various sectors of the recovering economy.

Several potential developments are forthcoming as the world economy regains its footing: heightened cybersecurity and fraud prevention that protect digital transactions and communications, and as a result, intensified compliance requirements. Meanwhile, the possibility of new coronavirus strains from local or foreign sources should not be discounted. As such, travellers will be subjected to stringent testing as international borders open, with the right to travel becoming a privilege to the inoculated.

On the back of our recalibrated Forward23+ strategy, CIMB Group remains positive for 2022 and beyond. In the post-COVID-19 era or the 'New Normal', people and businesses who can demonstrate resilience by adapting to a highly digitalised world and markets that assign high importance to responsible business practices alongside performance will thrive into the future.

For more information on our outlook for 2022 and beyond, please refer to Group CEO's Review on pages 36-37 and Business Review on pages 80-91 of this Report.



CLIMATE CHANGE: THE ECONOMICS OF INACTION

The climate crisis continues to be the most pressing global issue, COVID-19 aside. The most recent Intergovernmental Panel on Climate Change (IPCC) Report highlighted the rapidly closing the window within which the world has to take immediate, substantial, and widespread action to reduce emissions levels that limit warming to between 1.5°C and 2°C above pre-industrial levels. At current levels, global temperatures will exceed 1.5°C in the next 20 years, bringing with it extreme weather events, environmental disasters, and biodiversity loss. The concerns are not merely environmental: damage to physical assets and infrastructure, destruction of natural habitats, loss of coastal and agricultural land, human displacement and resource depletion as a result of climate change threaten livelihoods and economic systems.

Latest figures on the economic toll of climate change point to devastating consequences. In the worst scenario where no further emissions reduction actions are taken, global temperatures may rise as much as 3.2°C by 2050, resulting in 18% loss in global GDP. ASEAN economies will be the hardest hit by far, with a projected GDP loss of 37.4% in the worst-case scenario. The ASEAN-5 are most exposed to physical risks from climate change, hence they stand to lose the most but could also gain the most by throwing full weight behind the push for global action.

Reaching a net-zero economy is necessary to prevent extreme climate change. The UN Climate Change Conference (COP26) saw countries making bold collective commitments to curb methane emissions, to halt and reverse forest loss, align the finance sector with net-zero by 2050, accelerate the phase-out of coal, and end international financing for fossil fuels amongst other measures. In our main market, Malaysia, the Government submitted its updated NDC (nationally determined contribution) that includes an increased ambition of 45% reduction in carbon intensity, not conditional upon international financing, up from 35% previously. In the region, more and more countries are introducing carbon pricing models and climate financing into financial

systems, with Singapore's carbon tax increasing from S\$5 per tonne today to S\$25 in 2024 and S\$50 to S\$80 by 2030. As governmental efforts are ramped up, the onus also falls on industry players – corporations and companies of all sizes – to hold themselves responsible for their climate contributions.

Amidst the call of alarms, it serves as a useful reminder that climate action offers more gains than losses. The evidence is building-up to support the Net Zero 2050 pathway and its strong benefits in terms of net GDP and job creation, especially when compared to less ambitious climate transition pathways. According to a recent report, "Securing Our Future: Net Zero Pathways for Malaysia" by WWF and BCG, the Net Zero 2050 pathway has the potential to contribute up to an incremental RM50-60 billion in GDP per annum and 200,000 to 300,000 jobs. The report also asserts that based on the starting point advantages of Malaysia, the investment costs to achieve a Net Zero 2050 pathway is less than 1% of GDP.

Unlocking high growth industries such as Renewable energy, energy efficiency, and low carbon transportation hinges on cross-government and financial institutions to step up in a coordinated effort. While the COVID-19 stimulus packages demonstrated the capacity for radical, wide-scale financial commitment and political will, the same has not been done for the United Nations Sustainable Development Goals. Policy and fiscal support for rebuilding the economy post-pandemic is an opportunity to allocate resources to inclusive and green growth principles.

CIMB Group is clear with its position on Climate Change and Climate Action. We understand the urgency and we are committed to lead the way within our circle of influence and within our operational scope to reduce our carbon footprint and proactively leave a positive handprint.

Please refer to the material topic, Climate Change: Operational Emissions on pages 25-27 and the section, Governance and Risk on pages 74-96 in CIMB Group Sustainability Report 2021.



KEY RISKS AND MITIGATION



CREDIT RISK

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with failure of an obligor, market counterparty or an issuer of securities or other instruments held to perform contractual obligations to the Group

Capitals Affected:



Financial Strength



Robust Relationships

HOW DOES IT IMPACT SHARED VALUE?

Such risks create potential losses and deplete financial capital, compromising our ability to allocate adequate investments to manage material matters

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Participate actively in managing COVID-19 relief assistance programmes to support our customers at-risk and in-need, but with an exit strategy to manage cliff effect and risk of higher defaults upon expiry of repayment/payment assistance programmes
- Ensure provisioning sufficiency through management overlay provisioning for portfolio under repayment/payment assistance
- Optimise RWA (Risk-Weighted Assets) and FRS (Financial Reporting Standards) parameters by performing review, refinement and calibration of existing credit models to reflect the latest accounting and regulatory capital requirements on current portfolio position
- Review and enhance credit risk policy framework to adapt existing prudent lending/financing guidelines to current operating environment with the objective of minimising credit defaults and losses
- Maintain a portfolio of credit risk which is adequately diversified by country, industry, market, sector, product, customer segment and duration
- Monitor through Early Warning Indicators and Watchlist Process credit risk management tool to identify deteriorating credits at early stages, thereby minimising any potential credit loss
- Assess quality of loans/financing approved via a regular independent post-credit review process
- Review and set direction periodically under the guidance of the Board Risk and Compliance Committee (BRCC) and Group Risk and Compliance Committee (GRCC) using the Risk Posture and Risk Appetite frameworks
- Review and report exposures regularly to GRCC and BRCC
- Leverage data and analytics to assess portfolios, identify problem areas and decide on corrective actions

HOW DO WE MEASURE SHARED VALUE?

- Credit quality (i.e., delinquency, impairment and loss ratio)
- Risk appetite metrics (Risk Adjusted Return on Capital or RAROC)
- Earnings and Growth

KEY RISKS AND MITIGATION



MARKET RISK

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility

Capitals Affected:



Financial Strength



Physical Network



Robust Relationships



Valued People



Intellectual Capital

HOW DOES IT IMPACT SHARED VALUE?

Market risks affect our financial capital and losses beyond our risk appetite would pose challenges to managing performance and growth

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Identify, measure, monitor and manage market risk within the approved Risk Appetite as well as the confines of the Market Risk Policy Framework
- Provide oversight on various areas of risk and governance through the Group Market Risk Committee, a subcommittee of the GRCC that is supported by several working groups
- Provide constructive challenge to the first line-of-defence
- Adopt best practices for market risk management in the region
- Keep abreast of market and regulatory developments which impact the Group's market risk metrics and make recommendations for suitable changes

HOW DO WE MEASURE SHARED VALUE?

- Market Risk Limits
- Risk appetite metrics
- Earnings and Growth



LIQUIDITY AND FUNDING RISK

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with the inability to efficiently meet the present and future funding needs or regulatory obligations, when due

Capitals Affected:



Financial Strength



Robust Relationships

HOW DOES IT IMPACT SHARED VALUE?

Such risks may adversely affect business continuity and result in unacceptable losses in the mid-term

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Maintain high-quality liquefiable assets (HQLA) and well-diversified sources of funds as liquidity risk buffer under both business-as-usual (BAU) and stress scenarios
- Measure, monitor and manage liquidity risk positions to comply with regulatory Basel III liquidity risk requirements and internal risk appetite
- Perform semi-annual consolidated stress tests to identify vulnerable areas in portfolio
- Discuss and deliberate on liquidity risk and funding profile at the Group Asset Liability Management Committee (Group ALCO), a subcommittee of GRCC

HOW DO WE MEASURE SHARED VALUE?

- Adequate HQLA
- Well diversified funding sources



INTEREST RATE RISK/RATE OF RETURN RISK IN THE BANKING BOOK (IRRBB/RORBB)

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with the current and potential risk to the Group's earnings and economic value arising from movement in interest rates/profit rates

Capitals Affected:



Financial Strength



Robust Relationships

HOW DOES IT IMPACT SHARED VALUE?

Such risks may affect the Group's financial position in the form of short term Net Interest Income (NII)/Net Profit Income (NPI) or longer term financial position

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Measure, monitor and manage IRRBB/RORBB benchmarking against minimum Basel requirement and internal risk appetite
- Perform semi-annual consolidated stress tests to identify vulnerable areas in portfolio
- Discuss and deliberate IRRBB/RORBB at the Group Asset Liability Management Committee (Group ALCO), a subcommittee of GRCC

HOW DO WE MEASURE SHARED VALUE?

- Balance Sheet Composition
- Earnings and Growth



COUNTRY RISK

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with country/market specific regulations, limits, and even socio-political factors

Capitals Affected:



Financial Strength



Robust Relationships

HOW DOES IT IMPACT SHARED VALUE?

Such risks may influence the internal policies and effectiveness of various credit and other strategies

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Establish country limits to capture and manage country risk arising from credit exposure to obligors
- Review relevant country limits and business requirements through the Group Credit Committee before approval of country limits

HOW DO WE MEASURE SHARED VALUE?

- Country positions (brand and ranking)
- Earnings and Growth

KEY RISKS AND MITIGATION

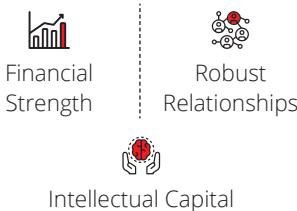


SHARIAH NON-COMPLIANCE (SNC) RISK

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with non-compliance to various policies and regulations mandated by the Shariah Advisory Council (SAC) of Bank Negara Malaysia (BNM) and Securities Commission (SC), Board Shariah Committee (BSC) of the Group and other Shariah regulatory authorities of the jurisdictions where the Group operates

Capitals Affected:



HOW DOES IT IMPACT SHARED VALUE?

Such risks may pose serious consequences in terms of compromised market reputation and credibility, profit could not be recognised, as well as legal sanctions and punitive damages

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Establish the BSC and four Shariah functions, as required under BNM Shariah Governance Policy Document
- Develop Shariah-related policies and procedures, with necessary approvals from BSC for all Islamic banking business and operations
- Deploy risk management tools to facilitate how Business Units (BU)/Business Enablers (BE) identify and manage such inherent risks to business
- Develop SNC risk scenarios and stress test impact of non-compliance on bank's capital position

HOW DO WE MEASURE SHARED VALUE?

- Market positions (brand and ranking of Islamic banking)
- Integration of Value-based Intermediation (VBI) principles
- Earnings and Growth



SUSTAINABILITY RISKS

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with various economic, environmental, social and governance (EES&G) issues stemming from banking transactions/activities, business operations or supply chain activities

Capitals Affected:



HOW DOES IT IMPACT SHARED VALUE?

Such risks may negatively impact our assets, relationships, reputation, costs, profitability, capital, competitiveness and our ability to deliver resilient long-term growth

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Institutionalise Sustainability Risk Management Framework, and integrate sustainability considerations into business decision-making
- Monitor sustainability risk profile of the Group's business through the Group Sustainability Council (GSC)
- Subscribe to local, regional and international standards and best practices to adopt and promote principles for responsible banking
- Ensure effective implementation of appropriate policies, procedures and controls to enhance EES&G performance
- Engage with high sustainability risk sector clients, as well as financing clients with sustainability action plans

HOW DO WE MEASURE SHARED VALUE?

- Market positions (EES&G performance on market indices)
- Adoption of Sustainability Standards (GRI, SASB etc.)
- Alignment to the UNEP FI Principles for Responsible Banking

OTHER NON-FINANCIAL RISKS



OPERATIONAL RISK

WHAT IS THE RISK AND WHAT DOES IT MEAN?

Associated with losses resulting from inadequate or failed processes, people and systems or from external events. It includes legal risk but excludes strategic and Shariah non-compliance risks.

Technology Risk

Associated with inadequate or weaknesses in strategy, people, process, technology or external events, which includes financial risk, regulatory/compliance risk and the risk of reputational loss/damage

Outsourcing Risk

Associated with risk emanating from outsourcing arrangements that could result in a disruption to business operations, financial loss or reputational damage

Fraud Risk

Associated with the risk of loss resulting from an act or course of deception or omission with the intention to conceal, omit, distort, misrepresent, falsify, etc.

Business Continuity Management

Associated with the challenge to manage disruptions well in order to get back to the business of running the organisation as quickly as possible

HOW DOES IT IMPACT SHARED VALUE?

Non-financial risks may negatively impact the Group's productivity, in particular, its ability to continue to operate and provide the essential financial services to its customers. Such risks, upon materialising, may also result in financial losses, negative customer experience, loss of competitive advantage and business failure, and these would eventually adversely impact the returns to our shareholders

WHAT ARE THE MITIGATION ACTIONS PUT IN PLACE?

- Conduct a regional assessment on COVID-19 control measures and their effectiveness in ensuring that the Group's operational activities remain resilient under the extraordinary conditions created by the pandemic
- Undertake a thematic and focused review/gap analysis on non-financial risk areas in an effort to improve the governance and effectiveness of control practices
- Carry-out operational risk stress tests focusing on the material risks impacting the Group's key business segments and systems
- Operationalise the Enterprise Risk Management Framework to drive an effective identification, assessment, reporting and management of such risks with the use of various tools, methodologies and processes
- Establish a senior management committee (i.e., Group Operational and Resiliency Risk Management Committee) at the Group and respective local countries, tasked to oversee the non-financial risk framework and policies, and to ensure they are appropriate for the size and complexity of the current and future operations of CIMB Group
- Institutionalise a Business Continuity Management (BCM) Steering Committee to promote and maintain sound BCM practices, which reports directly to the Group Executive Committee (GEXCO)
- Review and enhance various tools, methodologies and processes for the identification, assessment, reporting and management of non-financial risks

HOW DO WE MEASURE SHARED VALUE?

- Earnings and Growth

Capitals Affected:



Financial Strength

GROUP'S FORWARD23⁺ STRATEGIC THEMES

Launched in October 2020, Forward23+ (2020-2024) is the Group's new turnaround plan in response to extremely challenging and disruptive market landscape. The recalibrated strategy takes into account the 'new normal' brought about by the COVID-19 pandemic, trade-offs, clear performance metrics and tracking mechanisms with collective ownership of the strategic plan across the Group. Our vision is to become the leading focused ASEAN bank by passionately embracing a customer centric mindset to advance customers and societies in the markets where we operate.

Five strategic themes drive the turnaround plan, namely Delivering Sustainable Financial Returns; Disciplined Execution; Customer Centricity; Transform Fundamentals; and Purpose-driven Organisation.

FORWARD23⁺ Strategic Themes

	What Does It Mean?	Stakeholders' Expectations
1 Delivering Sustainable Financial Returns	Catalyse growth and turnaround businesses by tapping on high potential opportunities across ASEAN	<ul style="list-style-type: none"> • Build a robust business portfolio, with promising returns • Champion responsible banking operations that focus on sustainable business growth • Ensure a data-driven and fact based dynamic asset allocation
2 Disciplined Execution	Instil disciplined execution amongst #teamCIMB at all levels to manage performance, improve efficiencies and accelerate growth	<ul style="list-style-type: none"> • Deliver organisational targets consistently • Reduce organisational complexity to improve speed of decision making
3 Customer Centricity	Deliver on our CX promises to make banking Easy, Efficient and always going the Extra Mile for our customers – CIMB Group's key differentiator	<ul style="list-style-type: none"> • Deliver superior customer experience consistently • Treat customers fairly • Deploy agile solutions and accelerate digitalisation to make operational processes and services delivery simpler faster and more efficient
4 Transform Fundamentals	Ensure the ASEAN franchise has the right level of support and a uniform set of standards and guidelines to operate optimally	<ul style="list-style-type: none"> • Adopt a holistic approach to client selection, underwriting, market risks and collections • Drive finance as the single source of truth, modernisation and automation of support processes, and enhance compliance culture
5 Purpose-driven Organisation	Advance customers and society through our corporate values and responsible banking practices, shaping a better tomorrow and a sustainable planet	<ul style="list-style-type: none"> • Build a culture that is reflective of a purpose-driven organisation • Instil a #teamCIMB mind-set through EPICC values of Enabling Talent, Passion, Integrity and Accountability, Collaboration and Customer Centricity • Demonstrate environmental stewardship in own operations and financed activities, and deploy capital to green and low-carbon projects • Reduce social inequalities by enabling financial inclusion, and by respecting and promoting human rights • Encourage Sustainable Supply Chain Practices • Adopt international standards and Principles for Responsible Banking and Value-based Intermediation (VBI)

^{*} not comprehensive

FORWARD²³⁺

VISION

To be the leading focused ASEAN bank

Strategic Themes				
1 Delivering Sustainable Financial Returns	a) Reshape portfolio <ul style="list-style-type: none"> Accelerate profitable growth Fix and turnaround underperforming businesses 	b) Drive cost efficiency <ul style="list-style-type: none"> Reset cost base Tighten expense management Increase productivity 	c) Digitise for value <ul style="list-style-type: none"> Strengthen technology Digitise and automate front and back office Focus on data and analytics 	d) Focused investments <ul style="list-style-type: none"> Facilitate intra-ASEAN wholesale Preferred and Wealth CASA, fee income and transaction banking Islamic Finance Selective CIMB digital investments
2 Disciplined Execution <ul style="list-style-type: none"> Performance culture Simplify corporate, oversight and management structure Regional operating model 		3 Customer Centricity <ul style="list-style-type: none"> Strengthen reliability Transform customer journeys Treat customers fairly 		4 Transform Fundamentals <ul style="list-style-type: none"> Risk management Capital optimisation Finance and Compliance
5 Purpose-driven organisation	a) Culture and Values	b) Human capital		c) Sustainability

Priority Focus Areas (2021)	Headline KPIs (2020-2024)*
<ul style="list-style-type: none"> Reshape portfolio to accelerate growth in focus areas by right-sizing Thailand Commercial and Singapore and deconsolidated TNGD Improve underperforming businesses by trimming Indonesia COMBA portfolio showing improved RAROC and exited Singapore commodity financing Acquire profitable growth through focused investments through optimising RAROC driven growth in Consumer and SME Tackle cost-efficiency by implementing stringent cost control framework, accelerated IA write-off and depreciation review 	<ul style="list-style-type: none"> Leading ASEAN bank amongst top quartile by financial metrics Top quartile ROE CIR of ≤45% CET1 of >13.5%
<ul style="list-style-type: none"> Build a culture of clear transparency and accountability Simplify performance management and obtain buy-in from #teamCIMB on the enhanced KPI framework Link performance to rewards in new KPI and bonus framework, and Long Term Incentive Plan (LTIP) Recalibrate the Regional Operating Model framework 	<ul style="list-style-type: none"> Collective scorecards for bonus pool determination Streamlined management meetings Multi-country and multi-disciplined taskforce and introduction of the new Target Empowerment and Alignment Model (TEAM)
<ul style="list-style-type: none"> Transform customer journeys by accelerating digitalisation efforts Implement a process design review to drive superior experiences and operational excellence Review and improve targets related to existing indicators on service level agreements (SLA) and channel reliability 	<ul style="list-style-type: none"> Top quartile in NPS
<ul style="list-style-type: none"> Re-evaluate credit cost efficiencies and risk management approach Deploy strategies to optimise capital Validate and enhance existing financial framework and governance to improve guidance on pricing and return Roll-out a group-wide finance transformation plan to be the single source of truth Drive cost efficiency by strengthening cost monitoring and controls and drive cost savings initiatives to ensure cost targets are met effectively and enhanced CAPEX prioritisation framework 	<ul style="list-style-type: none"> Capital Adequacy Ratio Best in Credit Cost CIR of ≤45%
<ul style="list-style-type: none"> Strengthen environmental and social safeguards in financing, via enhancement of sector guides Develop and promote innovative sustainable financial products and services, including for financial inclusion Develop Net Zero strategies for our operational and financed emissions Perform Human Rights assessment on our Corporate Banking portfolio Assist customers impacted by the pandemic through financial relief measures Develop Diversity and Inclusion policy 	<ul style="list-style-type: none"> Top quartile on S&P Global Corporate Sustainability Assessment for DJSI inclusion Increase female representation in Board and leadership roles Close gender-based remuneration gaps Mobilise RM30 billion in sustainable finance Net zero GHG Scope 1 and 2 emissions in our operations by 2030 Overall Net Zero GHG by 2050 (including Scope 3 and financed emissions)

ECONOMIC VALUE DISTRIBUTED TO
EMPLOYEES

**RM5.4
BILLION**

INVESTMENT IN LEARNING AND
DEVELOPMENT

**RM82
MILLION**

| **GURDIP SINGH SIDHU**
Group Chief People Officer



GROUP CPO'S MESSAGE

DEAR #teamCIMB AND ALL THE PEOPLE ASSOCIATED WITH CIMB,

2021 was a year where we moved from adapting to the prolonged pandemic to pivoting for the longer term in line with our Forward23+ aspirations. Much has been said about people being our greatest asset and this year certainly showed the resiliency and commitment of our team to overcome various challenges to stay true to our raison d'etre, to serve our customers.

The people agenda at CIMB is always at the forefront of our priorities. We anticipate the evolving needs and priorities of our people by extensively listening and engaging our around 33,000 members of the CIMB family. We likewise juxtapose that with what our other stakeholders such as our Customers, Board, Regulators, Shareholders and Society at large shared with us. Our ultimate objective is to secure the welfare and well-being of our people, equipping them to deliver on our commitments to our stakeholders and to uphold the trust placed in us.

With all that input, 2021 was focused on the following key themes, which emerged as key priorities from our interactions and dialogue with employees at all levels throughout the year. Our efforts are always to identify opportunities to understand employees' pain points better, to be able to initiate necessary transformation that will continue to motivate #teamCIMB to contribute to both organisational and individual aspirations.



Talent



Performance



Wellness



Culture



Employee Experience



Our efforts are always to identify opportunities to understand employees' pain points better, to be able to initiate necessary transformation that will continue to motivate #teamCIMB...

GROUP CPO'S MESSAGE

EMPOWERING AND ENRICHING OUR TALENT

Our success is inexorably linked to our people – their ideas, skills and commitment. We aspire to be the best place for the best talent and we recognise that good talent wants to be empowered and enabled to plan their own development and chart their direction while contributing to the Group's performance. Some of our key initiatives to support talent include:

SHOWING THE WAY THROUGH CAREER MAPPING AND CAREER PATHS

To enhance our people's ability to proactively navigate and steer their career progression, we revamped and catalogued career paths for all divisions in CIMB. The result is a career pathing toolkit which will provide staff with full visibility on career opportunities and paths that they could take as well as mapping out the key skills and competencies required to enable them to succeed in those roles.

STRENGTHENING SUCCESSION AND LEADERSHIP CAPABILITY

Succession planning and developing leadership capability at senior levels and for our top talent to get them future ready was a focus for 2021. Assessments covering critical positions at GEXCO-1 and beyond across the region were carried out to understand their leadership styles and development needs. Interventions were put into place in the form of individual coaching for selected senior leaders or through deployment to helm critical roles as part of their experiential development. Internal coaches and trainers were also upskilled and developed to ensure the sustainability and continuity of the programme.

INVESTING IN EARLY CAREERS

Despite the volatility in the business landscape, we remained committed to identifying and providing opportunities to high potential graduates for our flagship graduate programmes under the The Complete Banker (TCB) umbrella. We welcomed three cohorts in 2021: two for the general track and one for the digital and technology track. The graduates of these programmes will be placed in high demand and high growth areas of the Group upon successful completion of their rotations.

SUPPORTING GOVERNMENT EFFORTS IN GRADUATE EMPLOYABILITY

Many graduates found the job market to be more challenging in recent years and as a responsible corporate citizen, we continued to support government efforts to enhance employability of graduates through our PROTÉGÉ programme. We took in approximately 250 graduates in 2021, for an 8-month long programme which provides soft skills training and work experience. Approximately 40% of our PROTÉGÉ trainees were offered employment with CIMB at the end of their training period in the bank.

MOBILISING AND SUPPORTING INTERNAL TALENT

Internal mobility plays a vital role in developing and retaining qualified, talented employees and ensuring that the bank continues to benefit from their expertise and experience. We renewed our commitment to support and encourage mobility in 2021 by allowing employees to move internally within a reasonable timeframe without approval from their immediate supervisors. In this regard, a significant number of open positions in the bank have been filled by internal candidates.

Please refer to the material topic, Talent Attraction, Growth and Retention on pages 35-37 in CIMB Group Sustainability Report 2021.



DRIVING INDIVIDUAL AND ORGANISATIONAL PERFORMANCE

Passion is one of our core values which we have defined as being about high performance, and the pursuit of excellence. While effort is made to attract, acquire and develop the right talent, motivation and productivity stem from an environment of trust and candid open dialogue where employees feel that they are heard and people managers make clear expectations on delivery, behaviour and conduct early on. We applied a multipronged approach in 2021 to revamp and introduce new frameworks, templates and incentive plans that is intended to better align with our Forward23+ aspirations.

RETHINKING PERFORMANCE MANAGEMENT TO ENCOURAGE DIALOGUE

We launched our revised performance framework in 2021 to encourage continuous dialogue between people managers and their team members. We seek to improve real-time coaching and feedback, enhancing the alignment between organisational goals and employee personal development goals. We also seek to shift the focus to development and skills acquisition. Along with mapped career paths, it will empower employees by allowing them to take charge of their careers.

SUPPORTING COLLECTIVE SUCCESS

While we acknowledge that we cannot dispense with KPIs to measure and drive performance, we recognise that targets can also hamper organisational collaboration, leading to less than expected business outcomes. To this end, more than 100 collective scorecards were rolled out in 2021 to strengthen the alignment between various divisions and departments with the Group's strategy and to create a common platform through which various teams can understand their progress towards a common goal.

RESTRUCTURING THE SENIOR TEAM EMPLOYMENT MODEL AND INCENTIVES

The Group Executive Committee (GEXCO) members moved from permanent employment to that of fixed term contracts. This is consistent with that of the GCEO and it is part of the transition to a stronger performance and accountability driven approach. In addition to this, a long-term incentive plan (LTIP) comprising of performance shares and stock options were introduced and offered to key employees as part of our efforts to better align the total rewards for this group to that of the group's collective success over the Forward23+ time horizon.

SUPPORTING INCLUSIVITY AND WELL-BEING IN THE WORKPLACE

The COVID-19 pandemic brought employee well-being and inclusivity to the forefront of the people agenda. In CIMB, we define employee well-being in the broadest sense possible - as a place where employees feel that they belong, feel included and safe from a physical as well as a mental and emotional perspective. Much of our effort in 2021 was focused in the following areas:

MAKING HYBRID WORKING A WAY OF LIFE

CIMB has long offered various flexible work arrangement options to promote work-life effectiveness for employees. In 2021, following positive feedback from many employees, we made hybrid working a permanent way of life for employees from across the Region. We expect approximately 50% of our workforce to be in "flexible roles" once the policy goes into full implementation.

PRIORITISING MENTAL WELLNESS

Recognising that mental health is as equally important as physical health, we launched our mental wellness programme in partnership with a recognised provider to provide on-demand support for employees in Malaysia. Our businesses in the Region are equally committed to mental well-being with most territories implementing programmes of their own.

GROUP CPO'S MESSAGE

MANAGING UNEXPECTED CRISES: COVID AND FLOOD RELIEF

We are not immune to unexpected crises such as pandemics and natural disasters that are not only disruptive to our business but also pose a threat to employee health and safety.

As the pandemic continued with a second wave in early 2021, we adopted a wide range of measures to protect employees which included making testing available for those working on-site and reconfiguring workspaces in line with safety measures. In Malaysia and Indonesia, quarantine facilities were provided for employees whose home environments are not conducive for self-isolation. A private vaccination programme was also carried out to accelerate the percentage of employees vaccinated. To date 98% of our employees across the Group are fully vaccinated.

The 433 employees who were victims of floods that hit parts of Malaysia in December 2021 were also provided support in the immediate aftermath of the floods and for the restoration work that followed. Aid was delivered through the coordination of a central response team aided by 373 CIMB volunteers who also helped in post-flood cleaning efforts involving employee homes. In addition, a total of RM1 million cash assistance was distributed and an interest free loan package was offered to help affected employees rebuild their homes.

AFFIRMING OUR COMMITMENT TO DIVERSITY AND INCLUSION

We aim to attract, develop, and retain talented employees from all cultures, ethnicities, genders, abilities, beliefs, backgrounds, and experiences. As such, embracing diversity and being respectful of differences is one of the key behaviours expected of CIMB employees under our core values. To drive the organisation to embrace these behaviours, we made diversity and inclusion a key component of our Forward23+ Human Capital agenda and rolled out our Group Employee Diversity and Inclusion Policy, which provides clear principles and guidelines on how we should conduct ourselves towards achieving our diversity and inclusion goals.

A key focus is on increasing female representation in leadership roles, mission critical and revenue generating roles as well as building a healthy pipeline of high performing talent for succession management. While 57% of our workforce are women, female representation is at 43% for leadership roles up to GCEO-2. This is an improvement from levels of below 40% a year ago.

While we work on these efforts, brown bag sessions were held to maintain awareness of diversity issues among employees. Focus group sessions were also organised to gain insights and better understand the barriers faced by women across the Group on matters ranging from career progression to well-being.

Please refer to the material topic, Financial Literacy, Inclusion, and Well-being and Health, Safety and Well-being on pages 31-34 in CIMB Group Sustainability Report 2021.



ALIGNING CULTURE TO THE WAY WE WORK NOW

The changing business and operating environment provided us with the impetus to refresh our values and culture. Culture was identified as one of the key levers to our response to these changes from the people perspective. We saw this as an opportunity to tighten the links between our strategy, our operating model and the culture as well as make working in CIMB a holistic and positive experience.

UNDERSTANDING EMPLOYEES AND ESTABLISHING METRICS TO GUIDE OUR CULTURE CHANGE JOURNEY

In 2021, the first phase kicked off where we set to define the values that would serve as the foundation of our culture. The Organisational Health Index (OHI) survey was rolled out to our around 33,000 employees across the Group to understand their thoughts and feedback on how we were doing and what is important moving forward. We juxtaposed the feedback from the OHI with that of various focus group sessions as well as feedback from our other stakeholders to derive the set of values.

EPICC OUR REFRESHED VALUES AND CULTURE FRAMEWORK

Our core values are represented by the acronym EPICC which stands for **Enabling Talent, Passion, Integrity and Accountability, Collaboration** and **Customer Centricity**.

As a responsible business committed to creating value for our employees and stakeholders, the values and culture framework will serve as a guide to create an enabling environment through an organisation wide values and culture embedment journey. A comprehensive intervention roadmap was developed and the rollout has commenced.

MOVING FORWARD: LIVING AN EPICC LIFE

The focus in 2022 will be on implementing the interventions designed to align the organisation to the values and embed them in the everyday work experience of employees. Our two-pronged approach consists of leaders leading the change efforts to cascade values and culture through various levels of the organisation supported by communications and campaigns to maintain awareness of the new values. In tandem, the values will also be hardwired into HR processes which will influence the entire employee life cycle.

Please refer to the material topics, Corporate Culture and Diversity and Inclusion on pages 29-30 in CIMB Group Sustainability Report 2021.



CREATING TAILORED AND AUTHENTIC EMPLOYEE EXPERIENCES

Employee Experience encapsulating what employees encounter and observe throughout their employment in an organisation is one of our key priorities under Forward23+. While a great customer experience drives loyalty to a brand, service or product, great employee experience drives motivation and attracts talent while indirectly influencing a positive customer experience.

We identified key “employee journeys” and in 2021, we commenced the design of these journeys, using a human-centric design approach. Some of the key journeys include how to transform the remote working experience, making our new employee onboarding more efficient as well as enhancing the online training user experience.

HUMAN CAPITAL THAT LINKS ALL OUR CAPITAL INPUTS AND OUTCOMES

Our human capital and human capital efficiency – the competency, knowledge, and innovation of our people – are essential to our ability to create value as a business. Every team – from frontline sales and service teams, products and technology teams, as well as control and enabler functions; of all levels of employees are critical for the success of #teamCIMB.

Our investments in human capital have direct correlation with our ability to strengthen our intellectual capital, enhance our social and relationship capital, and deliver strategic capital that in turn contributes to financial capital.

This also means that our people approach and strategies have systemic linkages with everything that we do as a business and everything that we can deliver as a business to both shareholders and stakeholders.

Our network of people across ASEAN are our handprint and our continuing efforts will be to partner with them at every opportunity to not just create value for them, but also empower them to be part of our purpose.

In 2021, we initiated the process to deliberate and build evidence that can substantiate linkages between human capital and other capital inputs and outcomes. Over the next three years, we will identify and map KPIs and targets that will help leverage on such linkages.

Please refer to the sections, Stakeholders’ Expectations and Material Matters as well as Our Integrated Approach to Managing and Driving Performance on pages 7-11 in this report.



Gurdip Singh Sidhu
Group Chief People Officer

GROUP CFO'S FINANCIAL PERFORMANCE REVIEW

The COVID-19 pandemic continued to have an impact in 2021 making it yet another challenging year as cases spiked and brought about prolonged lockdowns across the region. However, the widespread vaccination rollout was a positive break as restrictive movement measures were gradually lifted and economic activities resumed in the second half of the year. Against this backdrop, the Group posted a significantly improved 2021 net profit of RM4.65 billion, translating to a net earnings per share (EPS) of 46.4 sen. As a recovery year from an exceptionally challenging 2020, we exceeded all our financial targets in 2021, barring for loan growth as we consciously grew loans judiciously and reshaped our portfolio in Indonesia and Thailand. Most notably, we exceeded our ROE target and achieved an ROE of 8.1% on a Business As Usual (BAU) basis and achieved our highest ever Common Equity Tier 1 (CET1) ratio of 14.5%, as well as the lowest ever Cost to Income Ratio (CIR) of 48.6%, while proactively managing our asset quality. We declared a 50% dividend payout for 2021, in line with our 40-60% target, whilst meeting our shareholder's expectations amidst further uncertainties going into 2022.

THE YEAR IN REVIEW

The world continued to navigate the challenges of the pandemic all through 2021. We started the year cautiously optimistic with sustained consumer spending and strong pick-up in treasury market activities, providing glimmers of hope for all-round improvements for the year. However, 2021 turned out to be underpinned by an uneven recovery driven by prolonged lockdowns across the region. Despite this challenging macro economic environment, Malaysia's GDP ended the year strongly and expanded by 3.1% driven by external demand and as we gradually saw domestic consumer and business sentiment improve. Against this backdrop, the Malaysian banking industry loan growth accelerated 4.5% buoyed by household spending and trading activities. The Group continued to provide support to assist struggling businesses and consumers via various repayment assistance schemes and loan restructurings. At the same time, we remain firmly focused on executing the Forward23+ strategies, in terms of reshaping our portfolio, prioritising digitalisation and analytics to drive customer experience, delivering cost efficiency and productivity, as well as a dedicated approach to investments and partnerships, all of this with Sustainability at the forefront.



NET PROFIT (BAU):

**RM4.65
BILLION**

CET1*:

14.5%

KHAIRUL RIFAE

Group Chief Financial Officer

In 2021, we recorded a 289.3% improvement in BAU net profit to RM4.65 billion, translating to an EPS of 46.4 sen. This excludes the gain from the deconsolidation of Touch 'n Go Digital of RM1,156 million, impairment of Thai goodwill of RM1,215 million, write off and accelerated amortisation of intangible assets of RM402 million and other exceptional items amounting to RM95 million. The exclusion of these items provides a clear reflection of the Group's underlying operational performance and all references in my report will be on a BAU basis.

The strong net profit growth was underpinned by a vast improvement in operating income of 8.2% driven by strong Net Interest Margin (NIM) expansion in Malaysia and Singapore, as well as contained cost growth of just 1.8% and significantly lower provisions of 53.6%. Asset quality monitoring remained a top priority through the year as we navigated a year fraught with volatility and uncertainty, whilst ensuring the financial well-being of our customers. We worked hard to contain operating expenses with sustained investment in technology and our people, while identifying areas of cost savings through digitalisation and operational improvements, resulting in our record low CIR of

48.6% in 2021. We ended the year with a stronger balance sheet and solid capital position, declaring a dividend payout ratio of 50.1% based on the BAU net profit, translating to 22.99 sen per share, with a fully-electable Dividend Reinvestment Scheme option.

Guided by the Forward23+ strategic plan, the Group remain focussed on the strategy of reshaping our portfolio while rebuilding the loan book and identifying avenues for cost savings. Digital reliability and customer centricity was a priority as more touch points moved towards digital channels particularly from the onset of the pandemic, while digital downtime and availability remains closely tracked to ensure minimal operational disruptions. We continue to be vigilant on risk management and asset quality, identifying segments or businesses under stress and ensuring that appropriate precautionary measures were taken. The following factors drove the financial performance in 2021:

- The Group's 2021 revenues were 8.2% higher at RM18.37 billion compared to RM16.99 billion in 2020.

* Post proposed FY21 Second Interim Dividend with assumed DRS

GROUP CFO'S FINANCIAL PERFORMANCE REVIEW

- Net interest income (NII) grew 11.5% YoY to RM13.96 billion driven by an 18bps expansion in NIM to 2.45%, largely attributed to the improvement in Malaysia and Singapore, and the Group gross loan growth of 3.3% YoY.
- Non-interest income (NOII) declined marginally by 1.1% to RM4.41 billion on the back of lower trading and forex gains, however, the underlying Treasury and Markets and Wealth Management businesses maintained a strong growth momentum.
- Operating expenses were well contained increasing only 1.8% YoY to RM8.94 billion as the Group executed strong cost controls. As a result, the Group reported a strong pre-provision operating profit (PPOP) of 14.9% YoY which translated to a positive JAW bringing the Group's CIR to a record low of 48.6% compared to 51.7% in 2020.
- The Group's ECL on loans, advances and financing was much lower at RM2.61 billion compared to RM5.34 billion in 2020. The decrease was from the lower management overlays and macroeconomic factor adjustments which were to provide for risks in segments that were impacted by COVID-19, as well as lower Commercial and Corporate impairments. The Group's gross impaired loans ratio stood at 3.5% with the Loan Loss Charge (LLC) improving to 73bps for the year.
- Total gross loans rose by 3.3% YoY from the improving macro environment driven by Consumer Banking growing 5.1%, followed by Wholesale Banking at 1.6% and Commercial Banking at 1.1%. We saw strong loan growth across our core markets with the exception of Thailand declining by 6.3% as we exited the Commercial segment as part of our plans to reshape the portfolio. Malaysia, Indonesia and Singapore grew 4.1%, 3.9% and 4.6% respectively, all driven by the Consumer segments.

- Group deposits expanded by 7.2% YoY underpinned by CASA accumulation which grew 10.3% YoY, resulting in higher CASA ratio of 42.5%. This is in line with the Group's balance sheet optimisation strategy as the ample system liquidity resulted in a focus towards lower cost CASA. This CASA expansion was attributed across all our core markets. Wholesale and Commercial deposits grew strongly at 14.3% and 10.5% respectively, while Consumer deposits fell marginally by 0.7% YoY. Liquidity remained strong with the Loan to Deposit Ratio at 85.8%, whilst the Liquidity Coverage Ratio stood comfortably above 100% for all banking entities.
- Capital adequacy remains strong despite the challenging environment as the Group's CET1 ratio ended 2021 at a record high of 14.5% compared to 13.3% as at end-2020.
- Exceptional items during the year included an impairment of the CIMB Thai goodwill taken in the third quarter which is non-cash and non-recurring, with no impact to CIMB's liquidity and capital position, but will consequently improve the Group's ROE going forward. The write off and accelerated amortisation of intangible assets were also identified throughout the year and will optimise the balance sheet and contribute to cost savings.

GROWTH DRIVERS

The Group's bottom-line performance in 2021 was underscored by strong NIM recovery and higher gross loans as mobility and consumer spending improved in line with a recovery in trading activities. With significant macroeconomic factor adjustments and overlays being prudently provided in 2020, the Group remained focused on effective asset quality management throughout the year in 2021.

- The Group continued its conservative stance on loan growth for the year in view of the uncertain macro environment, guided by the Forward23+ strategy in reshaping the

portfolio. During the year, the Group reorganised the Commercial and Corporate businesses in Indonesia as CIMB Niaga's 3.9% loan growth was underpinned by the Consumer segment driven by mortgages (+9.1%) and auto loans (+28.8%). In Thailand, the exit of the Commercial business was the main driver of the YoY reduction of 6.3% in CIMB Thai's gross loans. Malaysia's loans grew 4.1% attributed to all segments, with Consumer loans expanding decently as we continue to gain market share in mortgages (+7.2%). Singapore grew loans at 4.6%, predominantly from the Consumer segment growing 31.5% from mortgages (+22.4%) and term loans (+20.4%).

- The Group's NIM was 18bps higher over the year mainly due to the absence of the negative impact from the sizeable rate cuts in 2020. The NIM expansion was also attributed to a reduction in cost of funds driven by strong growth in low cost CASA across all businesses and countries, coupled with strong balance sheet management. NIM rose by 24bps YoY in both Malaysia and Singapore, while Indonesia and Thailand's NIM were constrained by lower loan yields and strong liquidity build-up.
- Total NOII declined marginally by 1.1% YoY attributed to the 14.6% contraction in trading and FX income from the muted capital market activity after a strong first quarter and weaker investor sentiment as the market stayed cautious given the uncertainty brought about by resumption of lockdowns and economic headwinds.
- Operating expenses were well contained for the year and the Group had successfully identified RM410 million in annual cost take outs with RM195 million being realised in 2021. This was contributed by the deconsolidation of Touch 'n Go Digital, optimisation in Indonesia and Singapore, write off and accelerated amortisation of intangible assets, as well as a complete review of optimal organisation structure regionally.

- ECL on loans, advances and financing and other provisions continued to be scrutinised closely as multiple payment relief schemes were announced throughout the year that were made available to different income groups and Small and Medium Enterprises (SME). During the year, the Group topped up the management overlays to provide for higher risk segments, as well as additional provisions for certain Corporate accounts affected by the COVID-19 pandemic. There were also provisions made in 4Q21 relating to the double crediting of customers. Despite this, total provisions fell by 53.6% YoY. The FY21 LLC of 0.73% was 78bps lower YoY and was better than our target for the year.

YoY operating income – breakdown NII and NOII

(RM'mil)	FY21 BAU*	FY20	YoY
Net interest income	13,958	12,523	11.5%
Non interest income	4,414	4,464	(1.1%)
Total	18,372	16,987	8.2%

Note:* Excludes gain on deconsolidation of Touch 'n Go Digital of RM1,156 million and exceptional items loss of RM15 million

This section serves as an overview of the performance of the Group's business units. Further details can be obtained from the Business Review section of this report.

- Consumer Banking had a good year with a profit before tax (PBT) growth of 243.9% YoY as the business stayed the course by focussing on selected target segments and enhanced customer experience, while growing loans conscientiously by 5.1%. Operating income was strong with NII expanding 7.5% from improved NIM, loan growth and a pick-up in consumer expenditure, coupled with a 13.8% growth in fee-based NOII from robust fee income and wealth management. Operating expenses rose by 3.2% YoY, bringing about a commendable 17.0% YoY improvement in PPOP. ECL declined 33.1% YoY in line with lower moratorium-related management overlays. As a result, the Consumer PBT came in at RM1.93 billion for 2021, significantly higher compared to RM561 million in 2020.

- Commercial Banking turned around to a PBT of RM1.07 billion in 2021 compared to a loss before tax of RM130 million in 2020. The significant improvement was largely attributed to lower provisions as the segment was weighed down by sizeable provisions and management overlays in 2020. Operating income was 6.9% higher YoY as NII benefitted from the stronger traction in the CASA franchise (+14.1%) which underpinned the 10.5% deposit growth. This was coupled with the 10.4% growth in NOII from higher fees and commission. Commercial loans grew 1.1% YoY driven by Malaysia (+4.3%) and Singapore (+8.3%) while this was partially offset by Indonesia which was in recalibration mode and Thailand that is in the process of exiting the segment. Operating expenses were flat YoY bringing about a 14.8% growth in PPOP which also led to the significant turnaround in PBT.

OVERVIEW OF BUSINESS-UNIT PERFORMANCE

Revenue and PBT by segment

(RM'mil)	FY21 BAU*	FY20	YoY
Consumer Banking	8,016	7,358	8.9%
Commercial Banking	3,502	3,275	6.9%
Wholesale Banking	5,221	4,899	6.6%
Corporate Banking	2,763	2,788	(0.9%)
Treasury and Markets	2,042	1,689	20.9%
Investment Banking	416	422	(1.5%)
CIMB Digital Assets and Group Funding	1,634	1,455	12.3%
Total Revenue	18,372	16,987	8.2%

(RM'mil)	FY21 BAU*	FY20	YoY
Consumer Banking	1,929	561	243.9%
Commercial Banking	1,072	(130)	924.6%
Wholesale Banking	2,475	512	383.4%
Corporate Banking	931	(323)	388.2%
Treasury and Markets	1,431	633	126.1%
Investment Banking	113	202	(44.1%)
CIMB Digital Assets and Group Funding	869	587	48.1%
PBT	6,345	1,530	314.7%

Note:* Excludes RM556 million of exceptional items encompassing: Gain on deconsolidation of Touch 'n Go Digital of RM1,156 million; Impairment of CIMB Thai goodwill of RM1,215 million; Intangible assets write off and accelerated amortisation of RM402 million; and other EI of RM95 million

GROUP CFO'S FINANCIAL PERFORMANCE REVIEW

- Wholesale Banking posted a commendable PBT of RM2.48 billion in 2021, a 383.4% YoY increase compared to RM512 million in 2020 from improved Treasury and Markets and lower loan and bond provisions. Wholesale income was 6.6% higher from a robust NII growth of 9.0%, from stronger NIM and 1.6% higher Wholesale loans, and a NOII growth of 0.8%. Overhead expenses were 5.8% higher YoY, bringing about a PPOP improvement of 7.1% in 2021. The significant decline in provisions of 68.1% translated to the higher YoY PBT.
- CIMB Digital Assets and Group Funding's (CDAF) PBT improved by 48.1% YoY to RM869 million compared to RM587 million previously. Operating income was 12.3% higher YoY driven by an NII growth of 75.0% mainly due to the absence of the negative impact from the significant rate cuts in 2020. This is offset by a 47.1% fall in NOII from lower fixed income gains. The digital businesses continue to build momentum with CIMB Philippines hitting 5.1 million customers as at December 2021 and a deposit book of RM1.29 billion. Touch 'n Go Digital registered a 10.5% YoY increase in registered users from 15.2 million to 16.8 million and almost doubled the number of merchants to 557,000 as at end-2021 from 293,000 merchants as at end-2020. The Group's 40% interest in the asset management business maintained a positive growth trend with Assets Under Management rising 4.9% YoY. CDAF operating expenses were 10.4% lower due to cautious spending and savings made.

Revenue by Country

(RM'mil)	FY21 BAU	FY20	YoY
Malaysia	10,106	9,130	10.7%
Indonesia	5,020	4,613	8.8%
Thailand	1,707	1,836	(7.0%)
Singapore	1,262	1,171	7.8%
Other countries	277	238	16.7%
Total Revenue	18,372	16,987	8.2%

PBT by Country

(RM'mil)	FY21 BAU	FY20	YoY
Malaysia~	3,995	1,792	122.9%
Indonesia^	1,575	829	89.9%
Thailand^	305	167	82.6%
Singapore*	575	(1,041)	155.3%
Other countries#	(106)	(217)	51.4%
PBT	6,345	1,530	314.7%

Notes: BAU excludes exceptional items of:

~RM1,618 million; ^RM42 million; +RM11 million; *RM42 million; #RM1,516 million

OVERVIEW OF COUNTRY PERFORMANCE

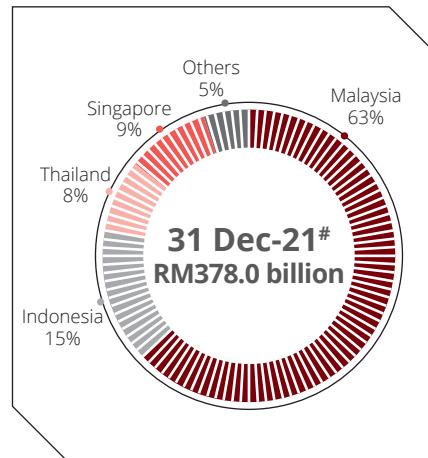
Given the Group's presence in all 10 ASEAN countries, we continue to focus on our strengths in each market under the Forward23+ strategic plan. The Forward23+ strategy includes relooking at the Group's risk matrix and appetite, as well as realigning our geographical coverage to place us on a stronger footing going into 2022. This strategy is bearing fruit with solid improvement seen across our key markets during the year as we witness solid topline growth in Malaysia, Indonesia, Singapore and Cambodia, while Thailand's improvement was driven by a notable drop in operating expenses. The Group is intent on sensible expansion of our loan book across the region with greater emphasis on Consumer Banking, particularly within the secured segment, as well as SME for both Malaysia and Indonesia. Thailand is expanding its scale within the consumer finance segment, more specifically in the 4 and 2-wheeler businesses, and wealth management. Singapore will focus on its consumer franchise, while Cambodia is expected to continue on its all-round positive trajectory. The Philippines and Vietnam remains in incubation stage and will seek further growth via partnerships.

The following section provides an overview of the Group's performance by country:

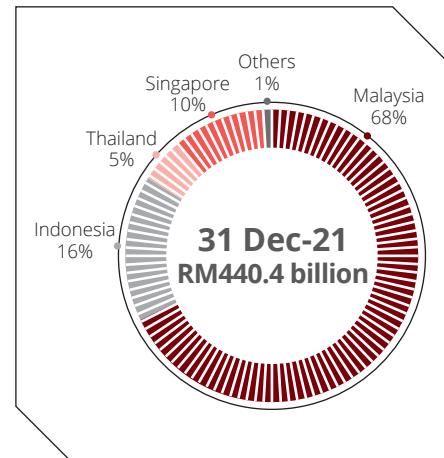
- Malaysia saw its PBT expand by 122.9% YoY and remains the principal profit contributor to the Group at 63%. Malaysia gross loans grew by 4.1% YoY driven by all segments, and in line with the industry. Deposits rose 7.0% YoY mainly from the 8.7% YoY jump in CASA. Segmentally, the better performance was mainly driven by Wholesale and Consumer Banking, while Commercial Banking was depressed by higher provisions. Malaysia ECL from loans and bonds were markedly lower YoY due to lower macroeconomic factor adjustments and management overlays taken in 2021 and some write backs. This was in spite of additional Corporate provisions taken towards the year end.

- Indonesia PBT was 89.9% higher YoY at RM1.58 billion underpinned by revenue growth and lower provisions from reduced macroeconomic factor adjustments and management overlays. Gross loans rose 3.9% YoY as the Consumer growth was partially offset by the on-going recalibration of the Commercial and Corporate business. NIMs were relatively stable at -2bps YoY to 4.92% in 2021. Operating expenses were well managed which translated to a significant improvement in CIMB Niaga's CIR to 45.9% from 48.9% previously.
- The Thailand operations were soft in 2021 in tandem with the weak economic activity which continues to be impacted by the hard-hit tourism sector. Despite a weaker topline, Thailand PBT grew by 82.6% YoY to RM305 million from a reduction in opex and effective provision management. CIMB Thai's operating income was impacted by a 6.3% YoY decline in gross loans, partly attributed to the exit of the Commercial business, and 8bps contraction in NIM. This was partially offset by improved NOII from better capital market activity and wealth management. ECL declined by 25.7% YoY from lower management overlays and macroeconomic factor adjustments.
- Singapore posted a turnaround in 2021 to a PBT of RM575 million compared to a pretax loss of RM1,041 million in 2020. This was largely due to the significant provisions taken in 2020 from the legacy Commercial and Corporate loans in addition to COVID-19-related provisions. Singapore posted a strong topline growth from a solid 24bps NIM expansion and 4.6% YoY gross loan growth mainly from Consumer Banking. Deposit growth was shored up by the 2.5% YoY growth in CASA, maintaining its high CASA ratio at 62.5%.

Loans by Country as at 31 December 2021



Deposits by Country as at 31 December 2021



Loan Growth

	YoY
Malaysia	4.1%
Indonesia^	3.9%
Thailand^	(6.3%)
Singapore^	4.6%
Others**	3.6%
Group	3.3%

Deposit Growth

	YoY
Malaysia	7.0%
Indonesia^	16.3%
Thailand^	6.1%
Singapore^	0.4%
Others**	11.1%
Group	7.2%

Notes: ^ In local currency

Based on geographical location of counterparty

** Including Cambodia, Vietnam and Philippines

FINANCIAL POSITION

- The Group remains in capital accretion mode, ending 2021 with a record CET1 of 14.5%, representing a 120bps YoY increase from 13.3% in 2020. This reflects the healthy accumulation and preservation of capital through effective capital management and the dividend reinvestment scheme amidst economic uncertainties.
- Capital adequacy and efficiency remains a pertinent focal point both for regulatory and operational requirements. As the Group has achieved a CET1 of 14.5% in 2022, the Forward23+ target has been raised to >13.5% for end-2024 (from >13% previously).
- The Group will continue its efforts to strategically manage its capital via: (i) Risk-adjusted return on capital (RAROC) driven capital deployment, (ii) evaluation of options within the dividend reinvestment scheme, (iii) continued prudent liability management, (iv) RWA-optimisation exercises and (v) situational and opportunistic divestments.
- The Liquidity Coverage Ratio and Net Stable Funding Ratios remains comfortably above target levels and regulatory requirement, with high quality liquid assets recording improvement in yields.
- The strategic plans laid out within Forward23+ remains firmly on driving RAROC, which will also steer the Group's capital deployment over the coming 3 years. Optimal capital utilisation for identified growth segments and businesses across the region are expected to bring about superior returns on capital and subsequently, drive the Group's ROE.

GROUP CFO'S FINANCIAL PERFORMANCE REVIEW

RETURNS TO SHAREHOLDERS

The Board approved and declared total dividends amounting to RM2.33 billion or 22.99 sen per share to be distributed to shareholders for FY21. The first interim dividend of 10.44 sen per share was paid in October 2021, with a DRS take up rate of 85.0% while the remainder was paid out by cash. The proposed second interim single-tier dividend of 12.55 sen per share is to be paid out by May 2022 with the option of either cash or via a DRS. The total dividends translate to a payout ratio of 50.1%, on the BAU net profit.

NON-FINANCIAL MEASURES OF PERFORMANCE

Non-financial measures remain relevant components in evaluating the success of our initiatives towards achieving our strategic goals. Some of these key measures include:

SUSTAINABILITY

A key catalyst to drive the Group's focus on Sustainability under the Forward23+ strategic plan, has been the Green, Social, Sustainable Impact Products and Services ("GSSIPS") framework. This framework supports our approach to proactively create positive handprints through CIMB's financial solutions, while continuing to reduce and manage the negative impact across the Group's value chain. Of the RM30 billion GSSIPS target set for end-2024, the Group has thus far achieved RM25.9 billion as at end 2021. Coupled with our progressive decisions like stopping the financing of new coal plants and thermal coal mines, these will impact:

- Our Financial Strength by way of increasing share of income from the growing green economy, reducing our financial exposure to high transition risk sectors, and investments in skills development

- Our People by upskilling key employees to drive sustainable finance, as well as to inspire responsible banking practices and behaviour in all #teamCIMB
- Our Relationships by addressing the growing expectations on sustainability by our customers, investors, regulators and policy makers. The Group plays a critical role in financial inclusion to help reduce social inequalities within our operations and circle of influence. Demonstrating market leadership, forging industry partnerships, and contributing to purpose-driven working groups to set new benchmarks, standards and frameworks for sustainable business
- Our Natural Capital by way of the positive impact created by championing greener and more sustainable products, as well as our clear expectations on safeguards to reduce harm from the projects and clients that are financed

CUSTOMER CENTRICITY

The Group continues to keep customers at the core of everything that we do. Our focus is to remain agile and re-purpose both processes and people to ensure minimal-to-no service disruptions. Towards this, the Group is focused on three main areas, i) accelerate digital enablement and investments in technology to ensure well managed and seamless digital customer traffic, communication and transactions, ii) continue supporting at-risk and vulnerable customers with re-purposed financing/moratorium solutions, and lastly, iii) empower customer-facing and front-end employees with safety measures/equipment, work-from-home options, hardship allowances, training on moratorium and product solutions knowledge, and incentives. On the whole, the additional financial outlay channelled towards these focus areas positively impacts:

- Our Financial Strength by high retention of customers through effective management of customer complaints and feedback, reduced cases of mis-selling and achieving service excellence

- Our People by helping our employees achieve their income potential and providing sufficient opportunities to learn and grow within a safe space
- Our Relationships by demonstrating resilience and commitment to customers, while strengthening their confidence and trust in CIMB. This was reflected in both the Market NPS and Customer NPS scores, which rebounded from previous years

COMPLIANCE

The 'comply or explain' approaches seem inadequate in the new world order. There is an increasing demand to build a 'beyond compliance culture', mainly due to the unprecedented disruptive forces in the operating environment.

At CIMB, when we look beyond compliance, it is not purely from a cost perspective, but our ability to dissect the current market trends into long-term risks for our business and stakeholders. With our focus on the Governance pillar of ESG, we recognise the autonomy of the local jurisdictions and compliance to local requirements in each of the markets where we operate. At the same time, we also strive to ensure a consistent and standardised approach in our risk governance and compliance processes. With pertinent lines of defence, we ensure clear accountability of risks across our Group, with compliance mechanism that is robust to future-proof our business and people. Overall, we see compliance:

- Strengthening our strategic capital by making sure our approach supports our purpose as well as the business model
- Reinforcing our relationships by building our reputation as a responsible company committed to principles of good governance
- Contributing to our intellectual capital by way of our differentiated approach supported by our unique knowledge, systems and procedures

HUMAN CAPITAL

COVID-19 has challenged us to reimagine the way we deliver to our customers while remaining true to the first tenet of our core values, which is to enable our people. As an essential service, we worked to ensure the physical and mental well-being of our staff in all countries, while ensuring that customer needs were met, high performance and staff remained productive.

Our efforts were focused on safeguarding employee health, safety and peace of mind such as well planned and extensive safety infrastructure, vaccination programmes and quarantine provisions, medical costs coverage and mental health counselling. We also worked to instil a sense of individual ownership in driving performance and productivity, promote cross-functional collaboration, and cultivate and harness staff potential by ensuring talent mobility. We also embarked on a values and culture refresh to strengthen our organisational effectiveness.

These will have a positive impact on:

- Our Financial Strength as we ensure safety and continuity of services for our customers and revenue generation activities.
- Our People for creating a safe workplace where staff find motivation beyond monetary rewards and opportunities for growth. This indirectly reduces attrition and enhances talent attraction.
- Our Relationships with our customers through our employees who demonstrate greater responsibility and help strengthen customers' confidence in us.

The Group will continue to execute the Forward23+ strategies while focusing on credit risk and RAROC optimisation. We will streamline the regional portfolio, invest in areas to improve technological and operational resiliency and digital capabilities and keeping a conservative view on non-retail legacy accounts and pandemic impacted sectors. At the same time, we aim to keep treating our customers fairly and assist vulnerable segments and customers, as well as make more notable strides on the sustainability front.

Going into 2022, management expects a sustained improvement in our financial performance. The financial targets for 2022 are an ROE of between 7.5-8.0% (8.5-9.0% excluding the impact on Cukai Makmur announced during Budget 2020), total loan growth of 5-6%, CIR of below 49% and an LLC of between 60-70bps. We expect to maintain our CET1 target at above 13.5% and the dividend payout ratio within the 40-60% range. These targets will drive our pathway in achieving our Forward23+ ambitions by 2024.

GOING FORWARD

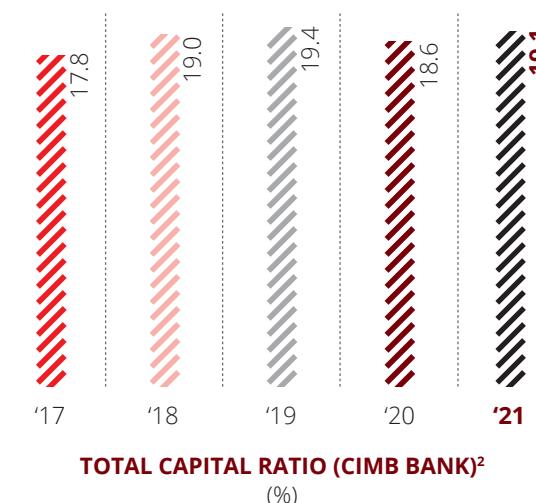
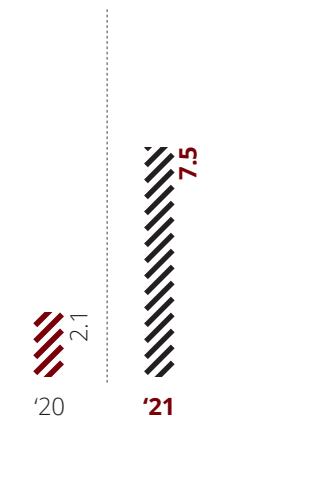
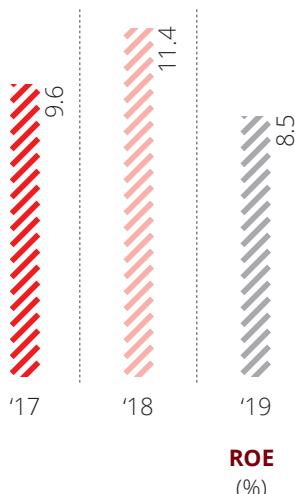
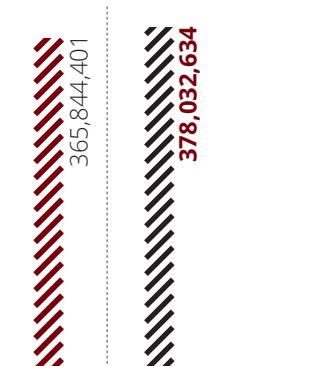
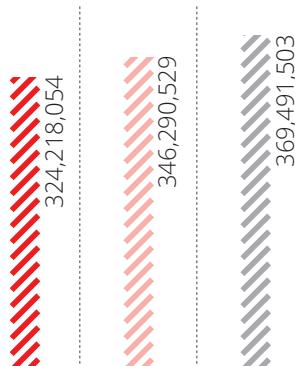
We are cautiously optimistic for 2022 with the gradual economic recovery anticipated across all our key operating markets, while keeping a close watch on the heightened geopolitical risks and uncertainty as we move into an endemic stage of COVID-19. With this, we expect our 2022 financial performance to further improve driven by topline growth supported by sustained NIM, positive asset growth momentum and NOII. We also expect an increase in capital expenditure to improve our digital and operational resiliency. Despite the measured rise in operating expenses, driven mainly by these investments, we expect our CIR to still improve.

Operating Income, PBT and Tax By Country (Based on Reported Numbers)

The Group (RM'mil)	2021				2020			
	Revenue	PBT	Current year tax	Taxation paid	Revenue	PBT	Current year tax	Taxation paid
Malaysia	10,089	2,377	(1,206)	(1,332)	9,130	1,792	(564)	(1,006)
Indonesia	5,020	1,533	(413)	(334)	4,613	829	(208)	(185)
Singapore	1,707	293	(5)	(17)	1,836	167	(2)	(55)
Thailand	1,277	534	(135)	(33)	1,171	(1,041)	(37)	(44)
Other countries	1,420	1,052	(35)	(29)	238	(217)	(38)	(26)
	19,513	5,789	(1,794)	(1,745)	16,987	1,530	(849)	(1,316)

Note: In this section for the purpose of analysis, Malaysia numbers includes some foreign branches and excludes Touch n' Go.

5-YEAR GROUP FINANCIAL HIGHLIGHTS



¹ Include investment accounts of customers and structured investments classified as financial liabilities designated at fair value through profit or loss and other liabilities

² Before deducting proposed dividend

5-YEAR GROUP FINANCIAL SUMMARY

Key Highlights	Financial Year Ended 31 December				
	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000
Consolidated Statement of Income					
Operating income ¹	19,512,940	16,987,379	17,539,165	17,144,789	17,385,475
Overheads ¹	9,418,949	8,775,170	9,616,191	8,418,642	8,892,554
Profit before expected credit losses	10,093,991	8,212,209	7,922,974	8,726,147	8,492,921
Expected credit losses on loans, advances and financing	2,613,587	5,342,209	1,638,785	1,432,661	2,230,907
Profit before taxation and zakat	5,789,478	1,530,329	5,974,840	7,200,667	6,109,985
Net profit for the financial year	4,295,334	1,194,424	4,559,656	5,583,510	4,475,175
Consolidated Statement of Financial Position					
Gross loans, advances and financing	378,032,634	365,844,401	369,491,503	346,290,529	324,218,054
Total assets	621,907,058	602,354,899	573,245,655	534,089,043	506,499,532
Deposits from customers ²	440,404,971	410,839,559	401,681,309	379,671,991	356,994,529
Total liabilities	561,798,310	545,180,777	515,776,579	481,501,072	456,693,097
Shareholders' funds	58,863,262	55,925,641	56,237,171	51,374,295	48,245,479
Commitments and contingencies	1,213,155,193	1,123,995,768	1,146,023,486	1,129,138,654	875,879,316
Financial Ratios (%)					
Common equity tier 1 ratio (CIMB Group) ³	14.6	13.3	13.3	n/a	n/a
Tier 1 ratio (CIMB Group) ³	15.5	14.6	14.4	n/a	n/a
Total capital ratio (CIMB Group) ³	18.4	17.6	17.1	n/a	n/a
Common equity tier 1 ratio (CIMB Bank) ³	14.9	13.1	13.8	12.9	12.9
Tier 1 ratio (CIMB Bank) ³	15.8	14.8	15.2	14.3	14.3
Total capital ratio (CIMB Bank) ³	19.1	18.6	19.4	19.0	17.8
Return on average equity	7.5	2.1	8.5	11.4	9.6
Return on average total assets	0.70	0.20	0.82	1.07	0.90
Net interest margin ¹	2.45	2.27	2.41	2.45	2.58
Cost to income ratio ¹	48.3	51.7	54.8	49.1	51.1
Gross impaired loans to gross loans	3.5	3.6	3.1	2.9	3.4
Allowance coverage ratio	100.2	91.6	80.7	91.0	70.5
Loan loss charge	0.73	1.51	0.45	0.43	0.69
Loan deposit ratio	85.8	89.0	92.0	91.2	90.8
Net tangible assets per share (RM)	4.95	4.65	4.70	4.39	4.14
Book value per share (RM)	5.76	5.64	5.67	5.37	5.23
CASA ratio	42.5	41.3	34.4	32.7	35.0
Other Information					
Earnings per share (sen)					
– basic	42.9	12.0	47.0	59.7	49.6
Dividend per share (sen)	23.0	4.8	26.0	25.0	25.0
Dividend payout ratio (%)	50	40	56	42	51
Number of shares in issue ('000) ⁴	10,221,452	9,922,966	9,922,966	9,564,455	9,225,547
Weighted average number of shares in issue ('000)	10,022,287	9,922,966	9,705,987	9,356,695	9,016,943
Non-Financial Highlights					
Share price at year-end (RM)	5.45	4.30	5.15	5.71	6.54
Number of employees ⁵	33,265	34,183	35,265	36,104	37,597

¹ 2017 to 2020 are restated for certain expenses which are considered as incremental and directly attributable to the acquisition of a financial liability and treated as an integral part of the effective interest/profit rate. These expenses were previously included under overheads and is now recognised as interest expense

² Include investment accounts of customers and structured investments classified as financial liabilities designated at fair value through profit or loss and other liabilities

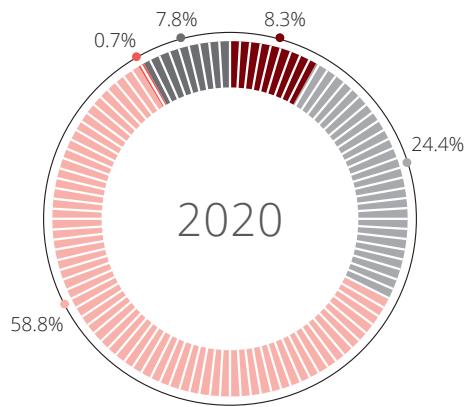
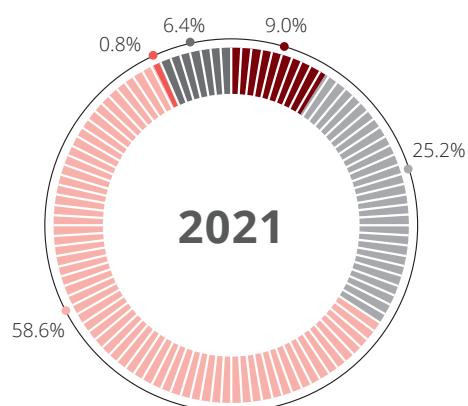
³ Before deducting proposed dividend

⁴ Excludes 4,908 ordinary shares held as treasury shares

⁵ Excludes headcount borne by third parties

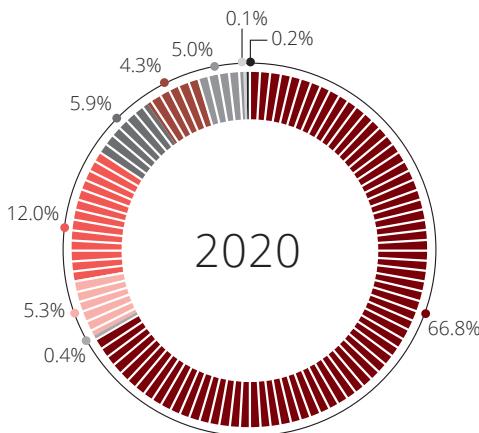
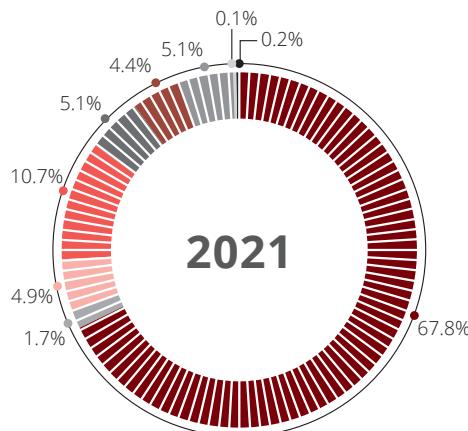
SIMPLIFIED STATEMENTS OF FINANCIAL POSITION

ASSETS



- Cash and short term funds, reversed repurchase agreements and deposits and placements with banks and other financial institutions
- Portfolio of financial investments
- Loans, advances and financing
- Statutory deposits with central banks
- Other assets (including intangible assets)

EQUITY AND LIABILITIES



- Deposits from customers
- Investment accounts of customers
- Deposits and placements of banks and other financial institutions
- Bills and acceptances payable and other liabilities
- Debt securities issued and other borrowed funds
- Ordinary share capital
- Reserves
- Perpetual preference shares
- Non-controlling interests

QUARTERLY FINANCIAL PERFORMANCE

RM'000	2021			
	Q1	Q2	Q3	Q4
Operating revenue	5,908,754	4,621,768	4,395,755	4,586,663
Net interest income (after modification loss)	2,663,555	2,757,226	2,726,876	2,726,756
Net non-interest income and income from Islamic banking operation	3,245,198	1,864,543	1,668,879	1,859,907
Overheads	(2,290,474)	(2,402,862)	(2,266,769)	(2,458,844)
Profit before taxation and zakat	2,897,739	1,577,696	332,794	981,249
Net profit attributable to owners of the Parent	2,457,233	1,084,183	(100,593)	854,511
Earning per share (sen)	24.76	10.80	(1.07)	8.37
Dividend per share (sen)	-	10.44	-	12.55

RM'000	2020			
	Q1	Q2	Q3	Q4
Operating revenue	4,075,092	3,832,685	4,414,385	4,665,217
Net interest income (after modification loss)	2,510,221	2,452,973	2,502,031	2,574,160
Net non-interest income and income from Islamic banking operation	1,564,870	1,379,713	1,912,354	2,091,057
Overheads	(2,250,513)	(2,091,811)	(2,154,744)	(2,278,102)
Profit before taxation and zakat	713,964	196,385	453,998	165,982
Net profit attributable to owners of the Parent	507,925	277,079	194,444	214,976
Earning per share (sen)	5.12	2.79	1.96	2.17
Dividend per share (sen)	-	-	-	4.81

KEY INTEREST BEARING ASSETS AND LIABILITIES

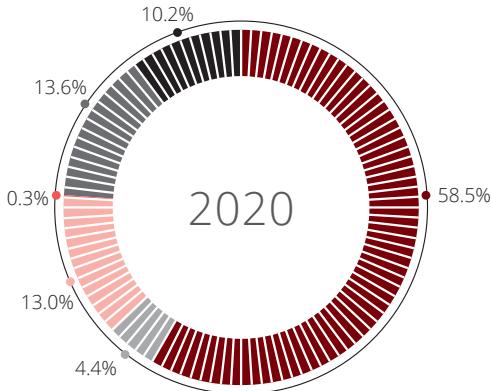
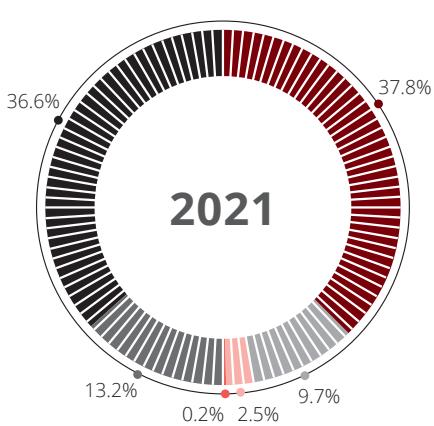
	Financial Year Ended 31 December 2021		
	As at 31 December RM'million	Effective interest rate %	Interest income/ expense RM'million
Interest earning assets:			
Cash and short-term funds and deposits and placements with banks and other financial institutions	50,283	1.31	571
Financial investments at fair value through profit or loss	40,279	1.53	706
Debt instruments at fair value through other comprehensive income	60,119	3.39	1,855
Debt instruments at amortised cost	56,006	3.50	1,966
Loans, advances and financing	364,685	4.46	16,009
Interest bearing liabilities:			
Total deposits*	474,214	1.30	5,982
Bonds, Sukuk, debentures and other borrowings	21,488	2.26	488
Subordinated obligations	10,129	3.74	438

	Financial Year Ended 31 December 2020		
	As at 31 December RM'million	Effective interest rate %	Interest income/ expense RM'million
Interest earning assets:			
Cash and short-term funds and deposits and placements with banks and other financial institutions	43,126	1.52	743
Financial investments at fair value through profit or loss	42,713	1.82	767
Debt instruments at fair value through other comprehensive income	47,726	3.42	1,348
Debt instruments at amortised cost	56,128	3.83	1,922
Loans, advances and financing	353,916	5.03	17,932
Interest bearing liabilities:			
Total deposits*	447,458	1.93	8,641
Bonds, Sukuk, debentures and other borrowings	22,870	2.72	685
Subordinated obligations	12,809	4.12	600

* Total deposits include deposits from customers, investment accounts of customers, deposits and placements of banks and other financial institutions, financial liabilities designated at fair value through profit or loss and structured deposits.

STATEMENT OF VALUE ADDED AND VALUE DISTRIBUTED

	2021 RM'000	2020 RM'000
Value Added		
Net interest income (before modification loss)	10,936,491	10,260,450
Modification loss	(62,078)	(221,065)
Net interest income (after modification loss)	10,874,413	10,039,385
Income from Islamic banking operations	3,533,481	2,915,480
Net non-interest income	5,105,046	4,032,514
Overheads excluding personnel costs, depreciation and amortisation, payments to community and suppliers/vendors	(839,051)	(1,509,276)
Expected credit losses on loans, advances and financing	(2,613,587)	(5,342,209)
Expected credit losses made for commitments and contingencies	(110,222)	(191,520)
Other expected credit losses and impairment allowances made	(433,525)	(1,264,646)
Impairment of goodwill	(1,215,197)	–
Share of results of joint ventures	64,223	118,834
Share of results of associates	3,795	(2,339)
Value added available for distribution	14,369,376	8,796,223
Distribution of Value Added		
To employees:		
Personnel costs	5,428,400	5,144,070
To the Government:		
Taxation and zakat	1,396,853	383,760
To providers of capital:		
Cash dividends paid to shareholders	266,902	1,190,756
Non-controlling interests	97,291	(47,855)
To the community¹:		
Community investments	28,700	29,300
To the suppliers/vendors²:		
Suppliers/Vendors	1,900,000	1,200,000
To reinvest to the Group:		
Dividend reinvestment plan	1,255,874	–
Depreciation and amortisation	1,222,798	892,524
Retained earnings	2,772,558	3,668
Value added available for distribution	14,369,376	8,796,223



- To employees
- To the Government
- To providers of capital
- To the community¹
- To the suppliers/vendors²
- To reinvest to the Group

¹ Community investments include contributions to charities, NGOs and research institutes (unrelated to the organisation's commercial research and development); funds to support community infrastructure, such as recreational facilities; and direct costs of developing and implementing social and environmental programmes, including arts, and educational events – all channelled through CIMB Foundation as well as respective business units.

² Suppliers/Vendors include payment made towards products or services or investments in any supplier education or development programmes.

CAPITAL MANAGEMENT

OVERVIEW

Capital management at CIMB Group ("Group") remains focused on maintaining a healthy capital position through building an efficient capital structure. The capital position and structure of the Group are designed to meet the requirements of the Group's key constituencies i.e. shareholders, customers, regulators, external rating agencies, and others. Guided by CIMB Group's Capital Management Policy and Procedure, the objectives of capital management are as follows:

To maintain a strong and efficient capital base for the Group and its entities to (a) meet regulatory capital requirements at all times; (b) realise returns for shareholders through sustainable return on equity and stable dividend payout; and (c) withstand stressed economic and market conditions.	To allocate capital efficiently across the business units and subsidiaries to (a) support the organic growth generation; (b) take advantage of strategic acquisitions and new businesses when opportunities arise; and (c) optimise the return on capital for the Group.	To maintain capital at optimal levels to meet the requirements of other stakeholders of the Group, including rating agencies and customers through (a) liability management; (b) dividend reinvestment scheme; (c) deployment of capital based on risk-adjusted return on capital (RAROC) performance measurement; (d) risk-weighted assets (RWA) optimisation exercise; and (e) exploring strategic divestments, if any.
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The Group's regulated banking entities have always maintained a set of internal capital targets which provide a strong buffer above the minimum regulatory requirements. The following table shows the relevant capital ratios of each of the regulated banking entities of the Group in comparison to the minimum level required by the respective central banks under the Basel III framework.

Capital Ratios	Common Equity Tier 1 Capital		Tier 1 Capital		Total Capital	
	As at 31 December 2021	Minimum Regulatory Ratio	As at 31 December 2021	Minimum Regulatory Ratio	As at 31 December 2021	Minimum Regulatory Ratio
CIMB Group	14.19%	8.00%	15.08%	9.50%	17.97%	11.50%
CIMB Bank	14.53%	7.00%	15.44%	8.50%	18.66%	10.50%
CIMB Islamic	15.11%	7.00%	15.88%	8.50%	18.85%	10.50%
CIMB Investment Bank Group	88.27%	7.00%	88.27%	8.50%	88.29%	10.50%
CIMB Niaga*	21.22%	10.00%	21.22%	11.50%	22.29%	13.50%
CIMB Thai	15.70%	7.00%	15.70%	8.50%	21.80%	11.00%

* Inclusive of risk profile no 2 and capital surcharge buffer.

The Group also monitors the leverage ratio which stood at 7.29% as at the financial year ended 31 December 2021, which is above the minimum level required of 3%. The leverage ratio is computed by dividing the Tier 1 capital of RM48,046 million with Total Exposures** of RM658,673 million.

** Total Exposures computed in accordance to BNM Basel 3 Leverage ratio guideline.

KEY INITIATIVES

Our goal is to continuously build capital towards the full implementation of Basel III requirements, whilst optimising its use fully. Tools that are employed to achieve this include but not limited to the following:

- (1) liability management via redemption of non-Basel III compliant instruments; and issuance of new Basel III instruments;
- (2) dividend reinvestment scheme (DRS);
- (3) RWA optimisation; and
- (4) Group-wide stress testing and impact assessment.

Key capital management initiatives that were undertaken during the 2021 calendar year include:

- (1) CIMB Group redeemed RM1 billion and RM400 million Basel III AT1 Capital Securities on 25 May 2021 and 16 December 2021 respectively.
- (2) CIMB Group issued RM100 million Basel III Tier 2 Sustainability Sukuk Wakalah on 29 December 2021.
- (3) The continuing RWA optimisation initiatives during the year, largely through active loan portfolio rebalancing, system and data enhancements and model recalibrations.

DIVIDEND POLICY

For the financial year ended 31 December 2021, the first interim single tier dividend of 10.44 sen per ordinary share, on 10,014,184,139 ordinary shares amounted to RM1,045,480,824 was approved by the Board of Directors on 27 August 2021. The dividend consisted of an electable portion of 10.44 sen per ordinary share which shareholders can elect to reinvest in new ordinary shares in accordance with the DRS. Following the completion of the DRS, a total cash dividend of RM156,303,092 was paid on 27 October 2021.

A second interim single tier dividend of 12.55 sen per ordinary share on 10,221,451,675 ordinary shares amounting to RM1,282,792,185 in respect of the financial year ended 2021 was approved by the Board of Directors on 28 January 2022. The second interim single tier dividend will be payable by April 2022 and will consist of an electable portion of 12.55 sen per ordinary share which shareholders can elect to reinvest in new ordinary shares in accordance with the DRS.

DIVIDEND REINVESTMENT SCHEME

The DRS was implemented in 2013 to provide shareholders with an option to reinvest dividends into new ordinary shares of CIMB and at the same time to help preserve the Group's capital. It was first applied to the Group's second interim dividend for the financial year ended 31 December 2012. The dividend reinvestment rate has been encouraging, with an average rate of approximately 79.6% since inception.



* Payout ratio based on PAT excluding CPAM and CPIAM gain.

** Payout ratio based on BAU PAT excluding transformational cost.

*** Payout ratio based on BAU PAT excluding exceptional items.

CREDIT RATINGS

CIMB BANK BERHAD

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	February 2022	1. Long-term Foreign Currency Bank Deposits Rating 2. Short-term Foreign Currency Bank Deposits Rating 3. Long-term Domestic Currency Bank Deposits Rating 4. Short-term Domestic Currency Bank Deposits Rating 5. Senior Unsecured Notes 6. USD1.0 billion Multi-Currency Euro Medium Term Notes Programme 7. USD5.0 billion Euro Medium Term Note Programme (Senior Unsecured/Subordinated)	A3 P-2 A3 P-2 A3 (P)A3 (P)A3/(P)Ba1	Stable
Standard and Poor's Ratings Services (S&P)	December 2021	1. Long-term Foreign Currency Rating 2. Short-term Foreign Currency Rating 3. Long-term Local Currency Rating 4. Short-term Local Currency Rating	A- A-2 A- A-2	Negative
RAM Rating Services Berhad (RAM)	May 2021	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM10.0 billion Tier 2 Basel III Compliant Subordinated Debt Programme a. Issuances prior to 1 January 2016 with non-viability events linked to CIMB Bank Berhad b. Issuances on or after 1 January 2016 with non-viability events linked to CIMB Bank Berhad as well as CIMB Group Holdings Berhad and its subsidiaries 4. RM10.0 billion Additional Tier-1 Capital Securities Programme 5. RM20.0 billion Medium Term Notes Programme 6. Proposed RM15 billion Senior Sukuk Wakalah Programme 7. Proposed RM15 billion Tier-2 Subordinated Sukuk Wakalah Programme 8. Proposed RM15 billion Additional Tier-1 Sukuk Wakalah Programme	AAA P1 AA ₁ AA ₂ A ₁ AAA AAA AA ₂ A ₁	Stable
Malaysian Rating Corporation Berhad (MARC)	August 2021	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM5.0 billion Subordinated Debt and Junior Sukuk Programmes 4. RM10.0 billion Tier 2 Subordinated Debt Programme	AAA MARC-1 AA+/AA+ _{IS} AA+	Stable

CREDIT RATINGS

CIMB GROUP HOLDINGS BERHAD

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	February 2022	1. Long-term Issuer Rating 2. Short-term Issuer Rating	Baa1 P-2	Stable
RAM Rating Services Berhad (RAM)	May 2021	1. Corporate Credit Rating 2. Corporate Credit Rating 3. RM6.0 billion Conventional and Islamic Medium-term Notes Programme 4. RM6.0 billion Conventional Commercial Paper Programme 5. RM10.0 billion Additional Tier-1 Capital Securities Programme	AA ₁ P1 AA ₁	Stable
	November 2021	6. Proposed RM15 billion Senior Sukuk Wakalah Programme 7. Proposed RM15 billion Tier-2 Subordinated Sukuk Wakalah Programme 8. Proposed RM15 billion Additional Tier-1 Sukuk Wakalah Programme	A ₁ AA ₁ AA ₂ A ₁	
Malaysian Rating Corporation Berhad (MARC)	July 2021	1. Long-term Corporate Credit Rating 2. Short-term Corporate Credit Rating 3. RM10.0 billion Tier 2 Basel III Compliant Subordinated Debt Programme	AA+ MARC-1 AA	Stable

CIMB INVESTMENT BANK

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	November 2021	1. Long-term Issuer Rating 2. Short-term Issuer Rating	A3 P-2	Stable
RAM Rating Services Berhad (RAM)	May 2021	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating	AAA P1	Stable

CIMB ISLAMIC BANK

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	November 2021	1. Long-term Foreign Currency Bank Deposits Rating 2. Short-term Foreign Currency Bank Deposits Rating 3. Long-term Domestic Currency Bank Deposits Rating 4. Short-term Domestic Currency Bank Deposits Rating	A3 P-2 A3 P-	Stable
RAM Rating Services Berhad (RAM)	May 2021	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM10.0 billion Sukuk Wakalah Programme	AAA P1 AAA	Stable
Malaysian Rating Corporation Berhad (MARC)	July 2021	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM5.0 billion Tier 2 Junior Sukuk Programme 4. RM10.0 billion senior Sukuk Wakalah Programme	AAA MARC-1 AA+ _{IS} AAA _{IS}	Stable

CIMB THAI

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	January 2022	1. Long-term Issuer Rating 2. Long-term Foreign Currency Bank Deposits Rating 3. Short-term Foreign Currency Bank Deposits Rating 4. Long-term Domestic Currency Bank Deposits Rating 5. Short-term Domestic Currency Bank Deposits Rating	Baa2 Baa2 P-2 Baa2 P-2	Stable
RAM Rating Services Berhad (RAM)	May 2021	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM2.0 billion Tier 2 Subordinated Debt Programme	AA ₂ P1 AA ₃	Stable
Fitch Ratings	November 2021	1. Long-term National Rating 2. Short-term National Rating 3. Long-term Rating on Subordinated Lower Tier 2 4. Short-term Rating for Short-term Debt	AA-(tha) F1+(tha) AA-(tha) F1+(tha)	Stable

CIMB NIAGA

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	September 2021	1. Long-term Issuer Rating 2. Long-term Foreign Currency Bank Deposits Rating 3. Short-term Foreign Currency Bank Deposits Rating 4. Long-term Domestic Currency Bank Deposits Rating 5. Short-term Domestic Currency Bank Deposits Rating	Baa2 Baa2 P-2 Baa2 P-2	Stable
Fitch Ratings	November 2021	1. Long-term Issuer Default Rating 2. Short-term Issuer Default Rating 3. Long-term National Rating 4. Short-term National Rating 5. IDR1.6 trillion Subordinated Debt	BBB- F3 AA+(idn) F1+(idn) AA-(idn)	Stable

BALANCE SHEET MANAGEMENT

The core functions of Balance Sheet Management team include generating balance sheet strategies and providing guidance to business units on sustainable value creation for the Group by optimising structural funding and liquidity profile of the Group's Banking book. The team also maintains a robust and responsive Funds Transfer Pricing (FTP) framework, which is governed by the Group Asset Liability Committee (GALCO). The FTP mechanism is reviewed and calibrated based on best market practices and various regulatory principles while accommodating for balance sheet strategies as approved by the management and the Board of Directors.

The FTP framework promotes an efficient Group-wide allocation of funding costs and benefits to the business units by taking into account the interest rate and liquidity positions of the Bank. In ensuring sustainable balance sheet funding, a liquidity premium is charged to the user of funds based on the tenure of the transactions; and liquidity credit incentivises the provider of funds that generate long-term, stable funding. Presently, we focus on attracting stable retail deposits to provide sustainable funding required to extend long-term retail and SME credit that are beneficial to the economic livelihood of the society.

The Group maintains a robust liquidity profile to comply with internal measures that adhere to the best market practices as guided by the Basel Standards. The Group also observes Basel III Liquidity Framework, namely the Liquidity Coverage Ratio (LCR), with a primary focus on ensuring a sufficient buffer of liquid assets to survive a significant stress scenario lasting 30 calendar days.

Balance Sheet Management team is responsible in implementing the Base Rate (BR) Framework in Malaysia. BR is computed in accordance with the methodology approved under Reference Rate Framework of Bank Negara Malaysia (BNM). The deployment of BR enables the Group to support efficient financial intermediation and monetary policy transmission. BNM has subsequently revised the Reference Rate Framework (RRF) on 11 August 2021. Under the revised framework, the Standardised Base Rate (SBR) will replace the BR where SBR is set at the prevailing Overnight Policy Rate (OPR), this will be effective on 1 August 2022.

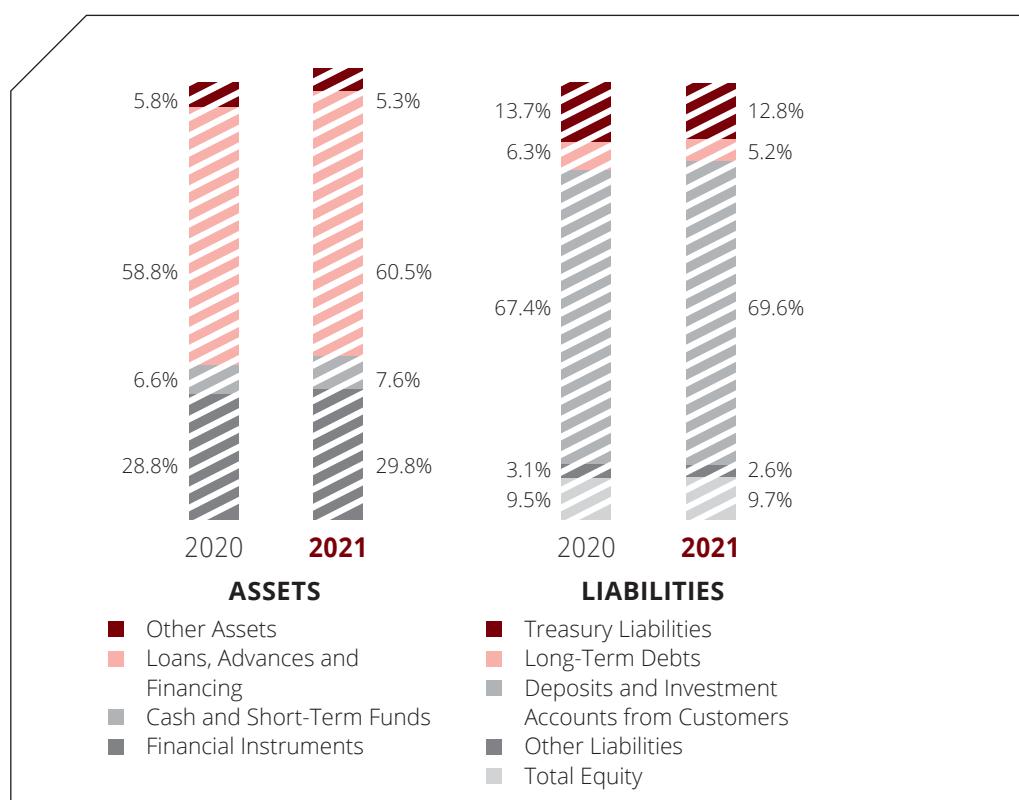
The loans, advances and financing of the Group's assets is funded from a funding mix comprising of customer deposits and investment accounts alongside stable long-term borrowings

such as senior funding, subordinated obligations, as well as securitised assets. Our core source of funding, deposits and investment accounts from customers have shown steady and resilient growth of 6.7% in 2021, with sufficient increase in composition in the overall funding source, reflecting a healthy buffer in funding the loan book. Loans, advances and financing grew by 3.0% in 2021, leading to a sustainable recovery of the net interest income for the Group, as compared to the preceding year.

LCR

The Group maintained a healthy and stable level of liquid assets which is reflected by a Liquidity Coverage Ratio of

125% as at 31 December 2021, which is well above the minimum requirement of 100% for 2021. The bank also observes its level of liquidity using indicators such as loans-to-funding (LTF) which includes debt issuances in addition to deposits while loan-to-fund-and-equity (LTTE) expands the measure with the inclusion of equity. The measure for LTF and LTTE for the Group as at 31 December 2021 is 78% and 69% respectively. Given the introduction of new liquidity measures such as Net Stable Funding Ratio (NSFR) in the recent years, the Group has been focusing on the growth of high quality liquid assets as well as sticky deposits in ensuring a sustainable liquidity buffer not only to survive a significant stress scenario lasting 30 calendar days but also for longer time horizons.



INVESTOR RELATIONS

2021 was the year where the Group's Investor Relations strived to deliver progressive developments from the revised Forward23+ strategic plan to the investment community. As the COVID-19 pandemic continued to play out in the wider arena, the Group bore down and pushed through strategic initiatives across the region. It was the Investor Relations role to ensure that all stakeholders had a firm comprehension of the scale of change which underpinned the success which ultimately ensured that most of the Group's key financial targets for 2021 were either met or exceeded. It was also a year where we affirmed the Group's commitment to the Sustainability agenda with a Sustainability Investor Day which cemented CIMB Group's position amongst the regional financial sector leaders in this space.

Whilst undercurrents remained relatively challenging, the 2021 operating environment saw greater sense of stability as society and governments learned to live and cope with the pandemic, movement restrictions and lockdowns. Economic activity inched upwards gradually as central banks kept interest rates stable, rating agencies adopted good judgement to keep sovereign and corporate ratings unchanged, global equity and fixed income markets recovered, all of which played a part in the brighter operating conditions for the Group. This inadvertently precipitated in a gradual recovery in investor interest in the Malaysian market, financial sector and CIMB Group.

In his first full-year, the Group CEO imbued substantial organisational changes largely from an operational perspective as well as policies and procedures. The Forward23+ program entailed several strategic initiatives including the recalibration of CIMB Niaga's Commercial and Corporate banking business, and the decision to exit the Commercial Banking business in Thailand. The more notable corporate developments in 2021 involved the deconsolidation of Touch 'N Go Digital and the reduction of the Group's interest in CGS-CIMB Securities via disposal of a further 25% interest. In addition, the Group implemented a Long Term Incentive Plan (LTIP) to ensure senior management alignment towards achieving the Forward23+ financial targets. 2021 also witnessed new members of senior management, most notably the appointment of Paul Wong as CEO of

CIMB Thai as well as Lani Darmawan as President Director and CEO of CIMB Niaga. The Investor Relations team ensured that these messages were delivered succinctly to the investment community to ensure clarity on the motivation and financial effects, if any, of the developments.

CIMB Group firmly believes in ensuring maximum disclosure, timeliness and transparency to investors, as legally allowed by regulations, to affirm confidence and trust in management. Through the year, the Investor Relations team provided external stakeholders with consistent updates on the various financial relief assistance plans particularly in Malaysia, as well as the potential effects of the announcement of the Prosperity Tax (Cukai Makmur) by the Malaysian government for companies earning more than RM100 million for FY2022. In tandem with the improved performance over the year, we also presented continual guidance on the Group's key financial targets for FY21, which were progressively raised.

Investor Relations in partnership with CIMB Sustainability conducted the inaugural Sustainability Investor Day in September 2021. This virtual event was extremely well received, attracting a total of 90 domestic and foreign buy- and sell-side professionals. The 1.5-hour presentation by Luanne Sieh the Head of Group Sustainability, and Gurdeep Singh Sidhu, Group Chief Sustainability Officer, included a short presentation on the Board's perspective on sustainability by Teoh Su Yin, a senior

independent director of CIMB Group and Chairperson of the Group Sustainability and Governance Committee. This was followed by an interactive Q&A session along with the Group CEO and CFO. The success of the event culminated in the announcement of several new initiatives including a target to achieve Net Zero operational GHG emissions (Scope 1&2) by 2030 and to achieve Net Zero overall by 2050, as well as increasing CIMB Group's GSSIPS commitment to RM30 billion by 2024 from RM10 billion previously. As the first Malaysian bank to stamp our mark, we are proud that CIMB Group is now viewed as one of the leaders within the Sustainability space in South East Asia.

As the world adapted to work-from-home arrangements and accepted that online meetings are the norm, the CIMB Investor Relations team proactively ensured that domestic and foreign stakeholders were provided consistent access to members of senior management for up-to-date discussions on the Group's operations and outlook. All engagements are now conducted via online video platforms like Webex, Zoom and MS Teams as the best alternative to traditional face-to-face meetings. The Group CFO Khairul Rifaie and CEO Dato' Abdul Rahman Ahmad remained the principal spokespersons with the Investor Relations team providing the necessary support infrastructure. The Sustainability team led by Luanne Sieh also played a more prominent role in Investor Relations activities in 2021, as investors placed increasing emphasis on Environmental, Social and Governance matters.

INVESTOR RELATIONS



The Group CEO and CFO addressing investors at the 3Q21 results analyst briefing

ANALYST BRIEFINGS

In 2021, the Group hosted the regular four quarterly investor conference calls presided by the Group CEO and CFO, who presented the financial performances. In view of the restrictions on travel and live meetings, the briefings were very well attended by regional and domestic equity and debt analysts and fund managers, leading to proactive discussions on the operating environment and outlook. By end 2021, CIMB Investor Relations moved away from dial-up conference calls to the Webex virtual platform, allowing greater interaction and visibility. From 2Q21 onwards, the video recording of the quarterly analyst briefings are also made available on the Group's Investor relations webpage in line with our drive towards greater transparency and governance.

Significant events:

Date	Event	Type
22 January 2021	CIMB Group appoints Paul Wong as President and CEO of CIMB Thai	Bursa Announcement
14 June 2021	CIMB Group announces implementation of a Long Term Incentive Plan (LTIP)	Bursa Announcement
22 October 2021	Resignation of Tigor M. Siahaan, CIMB Niaga President Director and CEO	Bursa Announcement
29 October 2021	Malaysian Government announces one-off Prosperity Tax (Cukai Makmur)	News
7 December 2021	CIMB Group completes sale of 25% shareholding in CGS-CIMB Securities	Bursa Announcement
17 December 2021	CIMB Group appoints Lani Darmawan as President Director and CEO, CIMB Niaga	Bursa Announcement

Press conferences continued to be held on a twice-yearly basis for the half- and full-year results announcements, where the Group CEO and CFO addressed the media on the financial performances and topical issues. It remains the Investor Relations team's responsibility to ensure the timely dissemination of financial statements and press releases to Bursa Malaysia each quarter, as well as emailing the investor packs to internal and external stakeholders. In addition, we upload the pertinent documentation including the analyst presentation and video recording of the analyst briefing onto the Group's Investor Relations webpage.

Announcement of Financial Results:

Date	Event	Type of Meeting
31 May 2021	CIMB Group 1Q21 Results	Conference Call
30 August 2021	CIMB Group 2Q21 Results	Conference Call
30 November 2021	CIMB Group 3Q21 Results	Conference Call
28 February 2022	CIMB Group 4Q21 Results	Conference Call

AGM/EGM

An event that is traditionally a highlight for all shareholders is the Annual General Meeting (AGM). CIMB Group's 64th AGM was an online affair for the second year running, held on 15 April 2021 from its corporate headquarters in Menara CIMB. In light of the continued travel restrictions and stringent social distancing measures, the non-Malaysian members of the Board of Directors were not able to travel and participated via video conference.

The Group CEO Dato' Abdul Rahman Ahmad, addressed shareholders with a comprehensive presentation on the Group's 2020 performance where he proceeded to recount the exceptional challenges faced by customers and the Group over the year. He outlined the weaker financial performance which was severely impacted by payment relief measures and significantly higher provisions brought about by the pandemic. In addition, the CEO put forth the positive progress made under the Forward23+ program which was already delivering results and places the Group on a solid footing towards achieving the 2024 financial targets. Shareholders had the opportunity to ask questions and provide feedback in the virtual Q&A session, where the CEO, Board of Directors and selected members of senior management addressed all material queries. The Minority Shareholders Watchdog Group (MSWG) was provided with an official response by the Group CEO. The principal focus of topics at the 64th AGM was on the operational, asset quality and financial outlook for 2021, the Group's plans for technology and digital investments, and strategic actions like M&A and capital management.

INVESTOR MEETINGS

With travel restrictions firmly in place throughout 2021, it was little surprise that the Group's Investor Relations activities were fully conducted on-line as all corporate access moved to the virtual domain. For a second consecutive year, management were unable to conduct any non-deal roadshows or attend investor conferences in person. Similarly, we did not have any face-to-face meetings with foreign investors who were not able to travel to Malaysia. These meetings are absolutely crucial for institutional investors to directly engage with members of senior management, allowing for more intimate discussions on operational matters and exchange of ideas. Nevertheless, the Group continued to maintain high levels of engagement and stepped up on transparency and disclosure.



For 2021, the Group conducted 60 investor meetings, not too dissimilar to the 63 meetings in the previous year. However, the number of sell- and buy-side analysts and fund managers who have been engaged with jumped by a significant 14% to 653 during the year compared to 561 in 2020. Whilst the higher capacity of virtual meetings translates to increased productivity and efficiency, as compared to the average of 350-400 investors met annually pre-pandemic, it undoubtedly removes the personal and professional touch of traditional face-to-face engagement. Comparatively, CIMB Niaga ramped up its investor engagement in 2021 with a significant increase in number of meetings and investors met.

On the business-as-usual front, the Group conducts investor meetings in conjunction with the release of quarterly financial results, as well as eight pre-closed period meetings with the domestic buy- and sell-side during the year. However, on a non-BAU basis, CIMB Investor Relations moved away from dial-up conference calls to the Webex virtual platform for all meetings including the results investor briefings. This also allowed for the recordings to be made available on the corporate website in line with improved disclosure and transparency.

No. of meetings/No. of fund managers and analysts

	2020		2021	
	Meetings	FM/Analysts	Meetings	FM/Analysts
CIMB Group				
In-house meetings	4	32	-	-
Conferences	14	109	16	200
Non deal roadshows	9	53	-	-
Teleconferences	37	367	44	453
Total	63	561	60	653
CIMB Niaga				
In-house meetings	9	46	24	150
Total	9	46	24	150

INVESTOR RELATIONS

CONFERENCES AND ROADSHOWS

As mentioned above, the inability to travel meant that all investor conferences remained firmly virtual through the year. This remains an unfortunate circumstance as live interaction with external institutional and strategic stakeholders plays an integral role in the Investor Relations initiative, more so during overseas investor conferences and non-deal roadshows (NDRs). As such, the Group participated in 13 regional events online in 2021 where we conducted 16 meetings with a total of 200 buy- and sell-side institutional participants. This compared with 14 conference-related meetings in 2021, where we only had 109 direct engagements.

The Group CFO held center stage in most of the conference engagements, while the Group CEO was available for more strategic meetings. We provided up-to-date developments on the operating environment as it evolved through the year and it was heartening to see the steady improvement in investor sentiment. The Investor Relations team continues to utilise shareholder register analysis for stakeholder engagements to ensure that senior management meet and speak to pertinent buy-side investors.

Conferences and Roadshows

Date	Event	Location	Organiser
4 January 2021	UBS Malaysia Corporate Day	Singapore	UBS
8 January 2021	JPM ASEAN Financial Day	Singapore	JP Morgan
8 January 2021	CGS-CIMB 13th Malaysia Virtual Corporate Day	Kuala Lumpur	CGS-CIMB
2-3 March 2021	Nomura ASEAN Virtual Conference	Kuala Lumpur	Nomura
16 March 2021	UOB KayHian ASEAN E-Conference	Singapore	UOB
22-31 March 2021	Credit Suisse 24th Asian Investment Conference	Hong Kong	Credit Suisse
23-24 March 2021	CLSA Zero-Carbon ASEAN conference	Kuala Lumpur	CLSA
17 June 2021	UBS OneASEAN Virtual Conference	Singapore	UBS
27 July 2021	CGS-CIMB Malaysia Virtual Investor Corporate Day	Kuala Lumpur	CGS-CIMB
11 August 2021	CGS-CIMB Premier Roundtable Engagement Series (PRES)	Kuala Lumpur	CGS-CIMB
7-8 September 2021	UBS APAC Financials and Fintech Virtual Conference	Kuala Lumpur	Credit Suisse
13-17 September 2021	28th Annual CITIC CLSA Flagship Investors' Forum	Kuala Lumpur	CLSA
12-14 October 2021	Nomura ASEAN Virtual Conference	Kuala Lumpur	Nomura

RESEARCH COVERAGE

The investment community continues to track CIMB Group closely given its position among the leading regional financial institutions and being a core component of the FBMKLCI Index. The Group remains the second largest financial institution in Malaysia by total assets and the fifth largest in ASEAN. The stock is under active coverage by a total of 22 analyst and research houses as of end December 2021, and is tracked closely by domestic, regional and global buy-side analysts and fund managers.

No Research House

- 1 Affin Hwang Investment Bank
- 2 AllianceDBS Research
- 3 AmlInvestment Bank
- 4 Bernstein Research
- 5 BofA Global Research
- 6 Citi Investment Research
- 7 CLSA Securities
- 8 Credit Suisse Securities
- 9 Hong Leong Investment Bank
- 10 JP Morgan Securities
- 11 KAF-Seagroatt and Campbell
- 12 Kenanga Investment Bank
- 13 Macquarie Capital Securities
- 14 Maybank Investment Bank
- 15 MIDF Amanah Investment Bank
- 16 Morgan Stanley Research
- 17 Nomura Securities
- 18 Public Investment Bank
- 19 RHB Research
- 20 TA Securities
- 21 UBS Securities
- 22 UOB Kay Hian

CREDIT RATING

Credit ratings are an integral component within the process by which external stakeholders like counterparty financial institutions, institutional investors as well as existing and potential business partners evaluate the Group's financial position, risk management and operational stability. Following a pandemic-impacted 2020, 2021 was an equally important year for financial institutions like CIMB Group to provide reassurance to external stakeholders via independent credit ratings. The Investor Relations team remains the direct conduit between the Group and domestic,

regional and global credit rating agencies in terms of relationship management and communications. The Group maintains solicited and unsolicited arrangements with Moody's Investors Services, RAM Ratings, Malaysian Rating Corporation (MARC), Standard and Poor's (S&P), and Fitch Ratings; which provides local- and foreign-currency credit rating profiles for CIMB Group as well as its licensed banking entities.

The Investor Relations team ensures a sustained and open line of communication with the credit rating agencies throughout the year. Access to senior members of management for CIMB Group and banking entities particularly during the annual rating reviews are essential to ensure strategic messages are delivered accurately. Provision of detailed financial information, data points and up-to-date strategic disclosures allow the rating agencies to form a fair and comprehensive evaluation. A strong relationship consequently provides the Group with updated credit views on regional and global economies and markets.

SHARE PRICE PERFORMANCE AND FOREIGN SHAREHOLDING

The rebound in global equity markets in 2021 coupled with the Group's markedly improved financial performance, underpinned the stronger share price performance for the year. From the adjusted price of RM4.16 as at end-2020, the Group's share price bottomed out at RM3.72 during the year before staging a strong surge to end 2021 at the year-high of RM5.45. The 31% YoY share price uptick over the 12-month period, translated to a 35% outperformance against the FBMKLCI, which had declined by 4% during the year. Similarly, the stock outperformed the FBMKLFin Index by 29%, as the financial sector benefited from a more positive growth outlook and investor confidence. The recovering global economies and capital markets undoubtedly underpinned the all-round improvement in market and investor sentiment as the world learned to live with the COVID-19 pandemic in line with significantly higher vaccination levels.

With a more favourable backdrop of improving operating conditions, the Group had a good 2021 financial performance-wise, meeting and exceeding the targets for ROE, cost-to-income ratio, loan loss charge and CET1 ratio. While gross loan growth came in below expectations, this was driven by a more prudent stance as the Group reshaped its portfolio particularly in Indonesia and Thailand. This stronger performance allowed the Group to announce a more normalised dividend payout ratio of 50% for the year (compared to 40% in 2020), well within its 40-60% payout policy.

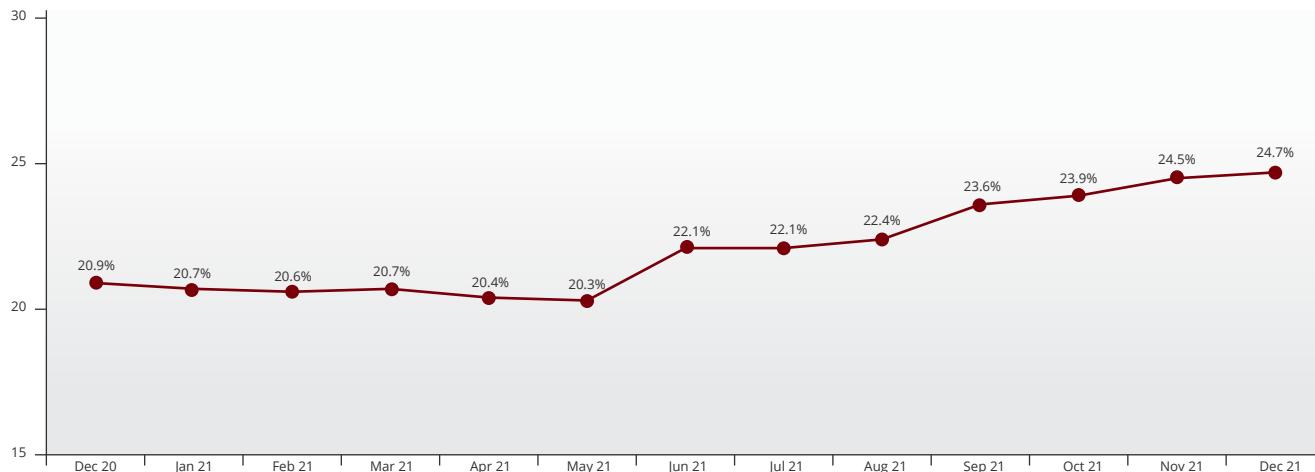
As a consequence of the positive investor sentiment and recovery in financial performance, the Group's foreign shareholding ended the year at a high of 24.7%, a rise of 3.8% YoY compared to 20.9% as at end-2020. Apart from the traditional regional and global funds, the increase over 2021 included the entry of several new foreign investment funds which we are hopeful to establish a long-term mutually beneficial relationship.

CIMB Group Share Price and Volume



INVESTOR RELATIONS

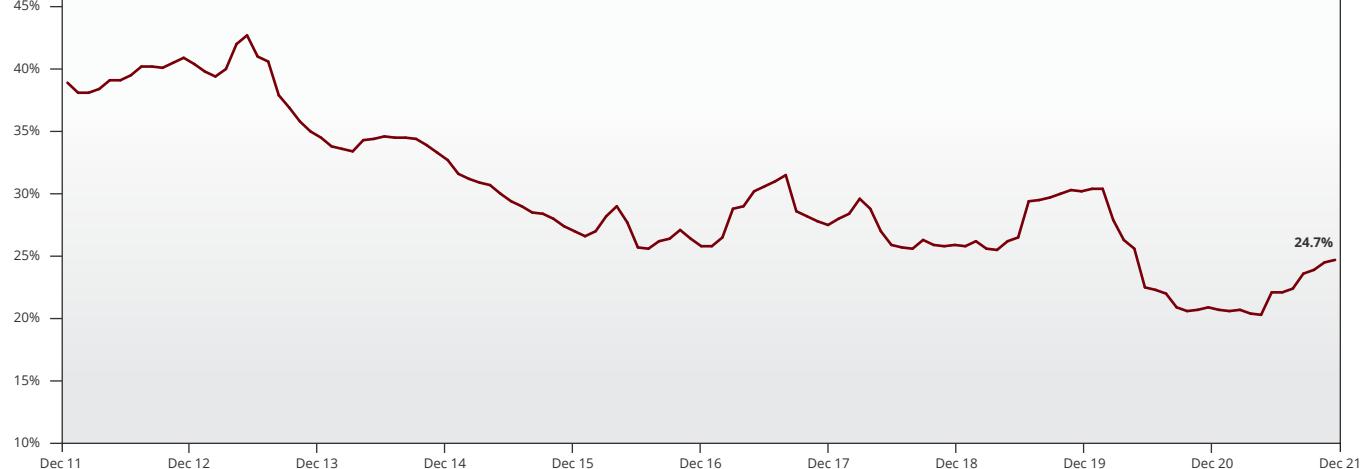
CIMB Group Foreign Shareholding



Shareholders' Returns (6 June 2005* – 31 December 2021)



10-year Foreign Shareholding Trend (December 2011 – December 2021)



FINANCIAL CALENDAR

26 FEBRUARY 2021

Announcement of the unaudited consolidated financial results for the fourth quarter and financial year ended 31 December 2020

18 MARCH 2021

Notice of 64th Annual General Meeting

18 MARCH 2021

Issuance of Annual Report for the financial year ended 31 December 2020

24 MARCH 2021

Notice of book closure for single tier interim dividend of 4.81 sen per share for the financial year ended 31 December 2020

25 MARCH 2021

Date of entitlement for the single tier interim dividend of 4.81 sen per share for the financial year ended 31 December 2020

31 MARCH 2021

Notice of election in relation to the Dividend Reinvestment Scheme. The scheme provides the shareholders with the option to elect to reinvest their cash dividend in new ordinary shares of CIMB

15 APRIL 2021

64th Annual General Meeting

22 APRIL 2021

Payment of the single tier interim dividend of 4.81 sen per share for the financial year ended 31 December 2020

23 APRIL 2021

Additional listing of 91,217,789 new ordinary shares, via the Dividend Reinvestment Scheme

31 MAY 2021

Announcement of the unaudited consolidated financial results for the first quarter ended 31 March 2021

30 AUGUST 2021

Announcement of the unaudited consolidated financial results for the second quarter and half year ended 30 June 2021

28 SEPTEMBER 2021

Notice of book closure for single tier first interim dividend of 10.44 sen per share for the financial year ending 31 December 2021

29 SEPTEMBER 2021

Date of entitlement for the single tier first interim dividend of 10.44 sen per share for the financial year ending 31 December 2021

5 OCTOBER 2021

Notice of election in relation to the Dividend Reinvestment Scheme. The scheme provides the shareholders with the option to elect to reinvest their cash dividend in new ordinary shares of CIMB

27 OCTOBER 2021

Payment of the single tier first interim dividend of 10.44 sen per share for the financial year ending 31 December 2021

28 OCTOBER 2021

Additional listing of 207,267,536 new ordinary shares, via the Dividend Reinvestment Scheme

30 NOVEMBER 2021

Announcement of the unaudited consolidated financial results for the third quarter ended 30 September 2021

28 FEBRUARY 2022

Announcement of the unaudited consolidated financial results for the fourth quarter ended 31 December 2021

2022 TENTATIVE DATES
31 MAY 2022
1Q 2022

Financial Results

30 AUGUST 2022
2Q 2022

Financial Results

30 NOVEMBER 2022
3Q 2022

Financial Results

FEBRUARY 2023
4Q 2022

Financial Results

BUSINESS REVIEW



GROUP CONSUMER BANKING

"During the year, amid a challenging operating environment, exacerbated by COVID-19 risks, our focus has been on extending support to our most vulnerable and in-need customers. Our two-pronged approach included offering various loan relief programmes for them, while internally, making sure of our staff well-being, health and safety. Digital proliferation efforts continued via various enhancements. We leveraged the eKYC process to provide customers greater ease for account opening as well as digital transactions. By delivering value added services, growing customer acquisition and driving efficiency, we achieved strong pre-provision operating profit and PBT growth. Key drivers were balance sheet growth, revenue enhancement from spread optimisation, higher fees from wealth management, expense control and lower provisions."

by Samir Gupta

WHO WE ARE AND WHAT WE DO

We provide conventional and Islamic banking solutions to individual customers and small businesses. Our range of products include deposit accounts; loans; personal financing; credit cards; wealth management and investments; bancassurance; remittance and FX. These offerings can be accessed through multiple delivery channels, i.e., online banking, mobile banking, self-service banking via ATM terminals, phone banking, all of which help facilitate financial transactions 24/7. Our products and services are also accessible over-the-counter in all our branches regionally. By tapping the potential of digital, big data and advanced analytics, and backed by a holistic product proposition as well as our integrated regional banking model, we aim to deliver superior customer experience while advancing customers and society.

WHAT OUR STAKEHOLDERS EXPECTED

SHAREHOLDERS	CUSTOMERS	COMMUNITIES	EMPLOYEES	REGULATORS
Achieve operational stability, swift response to customers' needs, improved efficiency, and delivered resilient and sustainable returns	Strengthen trust by providing support to customers impacted by the pandemic and floods via payment relief programmes	Volunteer to champion various community/sustainability projects	Prioritise employee safety and well-being during the pandemic	Remain nimble to regulations and policies, mainly to support customers impacted by the pandemic

HOW WE CREATED VALUE IN 2021

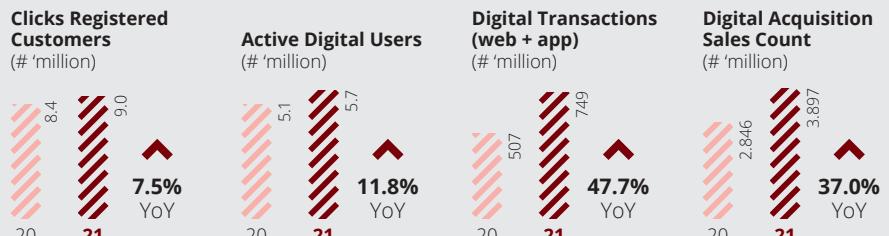
+243.9% YoY PBT growth	>300k accounts assisted with relief programmes across the region	Raised RM10 million via Komuniti Kita Programme providing food and necessities to communities affected by pandemic. Initiated Recyco Project recycling 12,300kg of items	Employees benefitted from split and work-from-home (WFH) measures. Social distancing and crowd control measures implemented for branches, call centres, collections	24.6% of the total loans book granted as relief assistance
FORWARD 23+ Our Strategic Themes	Material Matters • Customer Experience • Technology • Health, Safety and Well-being • Economic Performance	Capitals Affected • Financial Strength • Intellectual Capital • Physical Network • Robust Relationships		

FINANCIAL AND NON-FINANCIAL PERFORMANCE

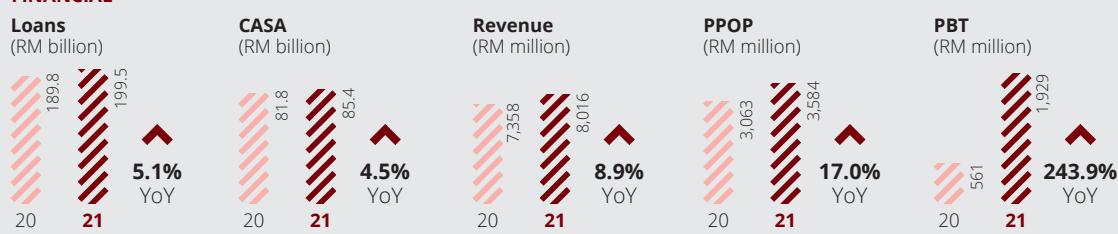
In 2021, despite the challenging operating environment that was exacerbated by prolonged disruptions from the COVID-19 pandemic, we achieved healthy revenue growth of +8.9% YoY. The main contributors were our strong loans growth, spreads optimisation and wealth non-interest income (NOII) growth. Loans grew +5.1% YoY driven mainly by Malaysia, Singapore, Indonesia, due to strong momentum in mortgage. We also delivered healthy CASA growth with Malaysia +11.7% YoY, Indonesia +7.5% YoY and Thailand +10.5% YoY. Spread optimisation efforts along with wealth distribution NOII growth, where investments grew +18% YoY and Banca grew +30% YoY, also contributed to top line growth.

During the year, digital engagement and acquisition continued to accelerate, resulting in a +47.7% increase in digital transactions YoY, +11.8% growth in active digital users and +37.0% growth in digital acquisition count. We achieved positive JAW of +5.7%, with all countries recording positive JAW by operationalising prudent cost management and cost savings initiatives. On credit cost, we continued to strengthen and optimise collection capabilities while enhancing credit risk management practices.

NON-FINANCIAL



FINANCIAL



AWARDS AND RECOGNITION



Dragons of Asia

- Best Product
- Best Small Budget Campaign

Dragons of Malaysia

- Best Use of PR
- Best Small Budget Campaign
- Best Use of Media

Bisnis Indonesia Financial Award (BIFA) 2021

- The Most Innovative Mobile App of the Year

WHAT INFLUENCED OUR ABILITY TO CREATE VALUE

	Drivers of Performance and Growth	Strategies/Approaches Deployed	Value Creation Results and Outcomes
RISK	Credit Risk Management <ul style="list-style-type: none"> - Continuous refinement and seamless execution of regional COVID-19 policy, processes, relief programmes and exit strategies - Enhanced credit policies and customer segmentation criteria - Management and optimisation of credit collection processes 	<ul style="list-style-type: none"> - Monitoring and enhancing performance of scorecards and systems - Rolled-out stringent collection processes and optimised capacity planning and continuous refinement of risk criteria for segments 	<ul style="list-style-type: none"> - Assured critical risk infrastructure for key products regionally - Achieved improving Risk-Adjusted Return on Capital (RAROC) with key strategies in place - Implemented new machine learning application scorecards for Unsecured portfolio and Auto in Malaysia
CHALLENGE	New Normal and New Norms of Business <ul style="list-style-type: none"> - Maintaining optimum business momentum even with disruptions across Malaysia, Indonesia, Singapore, Thailand (MIST) and Cambodia due to the prolonged and/or intermittent lockdowns 	<ul style="list-style-type: none"> - Accelerated profitable growth by: - Intensified digital engagement for transactions and acquisitions - Double-down on Preferred and wealth management - Focused on Current Account and Savings Account (CASA) growth 	<ul style="list-style-type: none"> - Reported strong digital engagement with increased transactions (web+app) - Launched OctoSavers (Malaysia and Indonesia) and operationalised fully online process in Malaysia. Rolled out various enhancements for Thailand digital banking - Achieved strong CASA growth
OPPORTUNITY	Big Data, Advanced Analytics and Personalised Banking <ul style="list-style-type: none"> - Industrialisation of big data and advanced analytics for targeting, profitability - Risk minimisation, cost-cutting, and productivity increase - Cross-selling to increase average product holding and deepen customer relationship 	<ul style="list-style-type: none"> - Introduced comprehensive suite of Machine Learning (ML) Predictive/ Propensity Models and Insights - Focused on personalisation and cross-selling strategies and achieved realtime and near-real-time execution capability to drive higher customer engagement - Embedded ML and Artificial Intelligence (AI) Models in risk, fraud and anti-money laundering 	<ul style="list-style-type: none"> - Reported ~6% revenue contribution by big data and advanced analytics to the MIST revenue via acquisition, portfolio management and personalisation initiatives - Implemented Next-Product-to-Buy-Model in Indonesia and Next-Best-Offer model in Singapore to meet customers' needs - Increased average product holdings in Malaysia and Indonesia - Rolled-out 70 active personalisation programmes with ~20 million communication sent out per month to customers in Malaysia

PROGRESS ON FORWARD23+ THEMES/FOCUS AREAS

FORWARD23+ STRATEGIC THEMES

Delivering Sustainable Financial Returns

Customer Centricity

INITIATIVES

Digitise for Value

- Intensify digital engagement with customers
- Increase digital acquisition via digital sourcing share of select digitally-sourced products over total sales across the countries
- Roll-out various enhancements for Clicks / OCTO
- Leveraging big data and analytics for better targeting and customer experience

Double Down on Preferred and Wealth

- Grow wealth distribution income through sales force optimisation and comprehensive product suite
- Create a differentiated Preferred value proposition

Strengthen Customer Trust

- Support customers impacted by the pandemic and floods through various payment relief programmes
- Improve first-level resolution of customer issues

RESULTS

- Active digital users were up +11.8% YoY and total digital transactions (web and app) were up +47.7% YoY
 - Active users growth: MY +10.8%; ID +19.3%; SG +6.3%
 - Digital transactions growth: MY +41.8%; ID +80.3%; SG +43.0%; TH +81.3%
- Total sales contribution from digital sourcing was up 37% YoY (sales count)
 - In Malaysia, digital sourcing contribution increased to 68% while revenue grew by +29% YoY
 - In Indonesia, digital sourcing contribution was up to 52% while revenue growth was up +48% YoY
 - In Thailand, digital sourcing contribution was at 56% while revenue grew by +11% YoY
- Operationalised eKYC digital onboarding in Malaysia
- Wealth distribution NOLI grew +23% YoY, driven by investment products, which grew +18% YoY and Banca fees, which grew +30% YoY
- Launched Islamic wealth management proposition with enhanced offerings
- Achieved targeted Preferred customers growth in all markets with enhanced proposition of Preferred Customer Relationship Rates, best remittance FX rates and regional benefits
- Launched wealth financing and cross-border wealth financing
- Achieved loans growth +26.0% YoY with revenue growth of +15.3% YoY and PBT growth of +10.6% YoY for Regional Preferred
- >300k customers assisted with relief programmes across the region, with 24.6% of the total loan book under relief assistance
- Continuous refinement on scorecards and systems upgrade, Restructuring and Rescheduling (R&R) management and service level capacity planning
- Improvement in Turnaround Time (TAT) and service excellence, where 85% of our core indicators met established targets and Customer Satisfaction targets were met in 5 out of 6 core channels

2022 OUTLOOK AND PROSPECTS

We are hopeful in 2022 with expectations of meaningful recovery across all our key operating markets on the back of lower infections, increased vaccination rates, gradual reopening of economies, reduced lockdowns and the continued stimulus measures introduced by respective governments. Nevertheless, the current operating environment warrants caution with persisting uncertainties arising from headwinds caused by COVID-19 resurgence of mutant variants developing into new mutations.

At CIMB, our focus remains on executing our Forward23+ strategies, which entail reshaping of our portfolio, focusing our investments in our core growth segments, maintaining stringent cost control and strong risk management as well as undertaking digital transformation. With these, the Bank is optimistic for a strong performance in 2022, driven by loan growth and improved credit conditions.

Across Consumer Banking's core businesses, we will continue to support impacted segments, while driving

sustainable growth through CASA growth, RAROC optimisation, Preferred and wealth management expansion, and enhancing and expanding digital services and acquisition. In summary, we expect to deliver value-added, sustainable growth and improved profitability through innovation, continuous process improvement, efficient cost management, optimisation of credit cost while driving service excellence, as we strive towards our Forward23+ goals and vision of becoming the leading consumer bank in ASEAN.

BUSINESS REVIEW



GROUP COMMERCIAL BANKING

I am truly moved by the extraordinary resilience demonstrated by our customers in managing the prolonged COVID-19 disruptions to their business, and equally important was CIMB's role in assisting them through these difficult times. The year 2021 was an opportunity to redefine the way we engage and deliver value to our customers. We made significant inroads by expanding our digital channels, and promoting various development programs for our SME customers. We believe this is just the beginning of our vision to reinvent ourselves, and there are more exciting things our customers can look forward to in the near future.

by Victor Lee Meng Teck

WHO WE ARE AND WHAT WE DO

We are a regional business dedicated to serving the business community in ASEAN, ranging from small and medium enterprises (SMEs) to mid-corporates. We provide a full suite of financial services and comprehensive financial solutions, tailored for the segments we serve.

We practice an integrated marketing approach in designing and delivering our financial products and services. Our products and solutions, both conventional and Islamic, include credit facilities, cash management solutions, treasury and structured products. We also provide non-financial business solutions and opportunities to assist our customers maintain resilience and adapt to the ever changing business environment. All these are made available to our customers through multiple channels such as online banking, dedicated relationship managers, SME and Business centres, and CIMB's extensive branch network across the region.

Core to our strategy is also the shared Group aspiration to be an ASEAN sustainability leader by 2024, guided by the Green, Social, Sustainable Impact Products and Services (GSSIPS) framework launched in 2021. A host of offerings in the form of products, solutions and programmes are made available to assist customers adopt and transition towards a sustainability-driven operating paradigm.

WHAT OUR STAKEHOLDERS EXPECTED



SHAREHOLDERS

Achieve stability, respond to customers' needs and deliver resilient growth and sustainable returns.



CUSTOMERS

Strengthen trust by extending easy and convenient access to a full range of credit facilities, cash management solutions and value-added services for business resilience and survival.



COMMUNITIES

Grow and build resilience for the business community by providing long-term sustainable solutions, such as sharing of business "know-how".



EMPLOYEES

Foster adaptability and career progression through continuous staff development and upskilling, in addition to creating a safe working environment.



REGULATORS

Demonstrate camaraderie by facilitating and supporting regulatory initiatives, including the support required to cope with the challenges posed by the pandemic.

HOW WE CREATED VALUE IN 2021

6.9% YoY
revenue increase due to positive growth in both loans and deposits in key markets.

Over RM21 billion in repayment assistance accorded to support customers in the region since the start of the COVID-19 pandemic.

Over 7K SMEs benefitted from **over 40** webinar sessions delivered to increase awareness and opportunities to innovate and adapt to the fast changing operating environment.

Over 12K of training hours delivered on Sustainability, and Digital and Data enablement.
Over 70% of the workforce are enabled to work-from-home.

Over RM1.3 billion directed towards financial support, covering both government and CIMB initiated relief measures.

FORWARD 23+

Our Strategic Themes

- Delivering Sustainable Financial Returns
- Customer Centricity
- Purpose-driven Organisation

Material Matters

- Economic Performance
- Governance
- Sustainable Finance
- Talent Attraction, Growth and Retention

Capitals Affected

- Financial Strength
- Robust Relationships
- Valued People

FINANCIAL AND NON-FINANCIAL PERFORMANCE

Commercial Banking business registered positive growth in operating income for the year. This was achieved with cautious and selective sector-based loans growth, as well as prudent and pro-active asset quality management strategy. CIMB also continued to offer repayment assistance, as well as distribution of government funds to aid customers impacted by the COVID-19 pandemic. On the other hand, the pivot towards online and digital offerings continue to bear fruit, and we witnessed strong uptake on our deposits and cash management offerings.

Loans (RM billion)



Deposits (RM billion)



Operating Income (RM billion)



AWARDS AND RECOGNITION



Asiamoney Best Bank Awards 2021

- Best Islamic Bank, Malaysia
- Best Bank for SMEs, Malaysia

Asian Banking and Finance Retail Banking Awards 2021

- Digital Banking Initiative of the Year, Indonesia

Credit Guarantee Corporation Malaysia Berhad (CGC) FI and SME Awards

- Top FI Partners (Islamic Bank Category), Malaysia
- Top FI Partners (Bumiputera Category), Malaysia

Asian Banking and Finance Wholesale Banking Awards 2021

- Singapore International Covid Management Initiative of the Year (SME Segment)

WHAT INFLUENCED OUR ABILITY TO CREATE VALUE

	Drivers of Performance and Growth	Strategies/Approaches Deployed	Value Creation Results and Outcomes
RISK	Cautious and targeted loans growth, as well as active asset quality management and control of credit losses	Targeted sectors that are inherently resilient and were positively impacted by economic disruptions Accelerated digitisation initiatives to engage and support customer's growth aspiration/needs Extended repayment assistance and relief funds to customers beyond supporting regulatory and government relief initiatives	Achieved positive loans growth in key markets >RM21 billion worth of loans were granted repayment assistance to ease monthly repayments and cash flow commitments
CHALLENGE	Digital enablement and expansion of new digital channels for improved customer engagement	Malaysia Leveraged on SME InstaBiz for online straight-through loan applications with approvals and disbursement within 24 hours for micro SMEs Indonesia Optimised OCTO Smart mobile app, enabling a one-stop centre and easy access to SMEs financing needs Partnered with Fintech Batumbu, a peer to peer lending platform to provide invoice financing to Micro, Small and Medium Enterprises	Enabled quick and easy applications for loans up to RM100K through InstaBiz Positioned Eva Chatbot and LUCY as primary channel for COVID-19 related information and access to relief and repayment assistance Registered strong take up rate by customers to utilise OCTO Smart for their financing needs Extended coverage for invoice financing through partnership with Batumbu
OPPORTUNITY	Value added service to drive deposits growth in the region	Developed new deposits propositions regionally with BizSmart CA-i (Malaysia), Giro Normal Cantik, Giro Premium/Xtra, Giro Usaha (Indonesia), BizGo and BizGo Lite (Singapore) Enhanced features and further improved stability of BizChannel, our primary customer engagement channel in the region	Continued growth in customer base, with 10.5% growth in deposits balance YoY Increased online banking penetration, especially amongst new customers, for easy and convenient banking

PROGRESS ON FORWARD23+ THEMES/FOCUS AREAS

FORWARD23+ STRATEGIC THEMES

Delivering Sustainable Financial Returns

INITIATIVES

- Pre-emptive asset quality management, including early identification of distressed customers due to prolonged COVID-19 disruptions
- Proactive lending to targeted sectors
- Pivoting to digital financial services

Customer Centricity

- Personalisation initiatives to increase customer engagement and experience through tailored segment driven solutions
- Service Guarantee Pledge in Singapore as a commitment to provide best level of service

Purpose-driven Organisation

- Concerted effort to focus on Green, Social, Sustainable Impact Products and Services (GSSIPS) solutions across the region
- First and only bank in Singapore to offer Islamic Temporary Bridging Loan (TBL), focused on assisting small enterprises during COVID-19, in line with GSSIPS focus
- Reduction in paper usage through digitisation and migration to e-statements, online loan applications through InstaBiz and simplification of Letter of Offer and Facility Agreements

RESULTS

- More than RM21 billion in loans accorded various repayment assistance programmes across the region
- Positive balance sheet growth for both loans and deposits, even during pandemic period
- Positive Net Interest Income (NII) and Non-Interest Income (NOII), delivering strong YoY operating income growth
- Personalised and impactful sharing of BizChannel features, user guide, webinar trainings, new customer onboarding etc.
- Fraud awareness notification with sharing of "Dos and Don'ts" to securely use online banking
- Donate SGD50 to charity each time we do not meet our Service Guarantee Pledge
- Roll-out of GSSIPS framework at Group-level as a building block to be an ASEAN Sustainability leader, with on-going efforts to build awareness within internal and external stakeholders
- >650 small enterprises benefitted from TBL loans worth SGD208 million
- Full-e-statement approach adopted for all new customers onboarded whilst continuing with conversion of existing customers
- Zero paper policy via digital loan submission with SME InstaBiz, as well as for COVID-19 assistance and other relief applications

2022 OUTLOOK AND PROSPECTS

As we progress into 2022, we recognise that not all our customers have fully recovered from the COVID-19 pandemic. Strengthening our relationships and trust by providing continuous support to at-risk and vulnerable customers, with the right balance of asset quality management will be a key strategy going forward. This essentially means that customer centricity will continue to be the core of everything that we do. We endeavour to improve our ability to deliver superior experience and value to our customers. Convenient, seamless and personalised offerings will give us a competitive edge in the coming years.

We will also continue to drive digitisation as our core strategy to deliver value to our customers. We have created good success and momentum in recent years, and will continue to push the envelope by shifting our primary channels and engagement with customers to digital means. Big data, machine learning, and artificial intelligence will play a crucial role in defining and executing a 'segment of one' strategy for our customers, with needs-based, and personalised offerings directly to customers.

Additionally, the Green, Social, Sustainable Impact Products and Services (GSSIPS) will increasingly become the differentiating factor for Commercial Banking. We strongly believe that these values will become the top-of-the-mind recall for more and more of our customers. In 2022 and beyond, CIMB aspires to lead by example by translating the values of green and positive social and environmental impact into effective and desirable solutions for our customers.

BUSINESS REVIEW



GROUP WHOLESALE BANKING

"Our business continued to demonstrate resilience amid a challenging operating environment, as we saw improvement in both our financial performance and our leadership position in the market. Group Wholesale Banking delivered a positive RM5.2 billion income, a 6.6% YoY growth contributed mainly by Treasury and Markets and Investment Banking. Healthy balance sheet growth, in particular, customer deposits, reported double-digit growth at 14.3% YoY. Loan loss provisions in the year reduced significantly from active management of credit and asset quality. In the spirit of our commitment to promote sustainable financing solutions, we approved close to RM400 million worth of new sustainability-linked loans in 2021, and clinched the world's first ringgit denominated sustainability-linked derivative and Asia's largest ESG-linked derivative transaction by notional value at RM2.45 billion."

by Dato' Abdul Rahman Ahmad

WHO WE ARE AND WHAT WE DO

We are a leading wholesale banking franchise in ASEAN, catering to the banking needs of both corporate and institutional clients. Our regional banking solutions include investment banking services, cash and trade products, financing solutions as well as treasury and markets products. Along with Transaction Banking and Islamic Banking teams, we bring tailored solutions to our customers - from retail and high net-worth individuals to corporates, financial institutions and sovereign entities.

In line with the Group's footprint, our key value proposition is our regional presence, platforms and solutions. Our cross-border regional operating model, which covers international branches beyond Southeast Asia such as Hong Kong, Shanghai and London, equips us with the capabilities to offer insights on regional markets and offer bespoke products with sustainable returns. In doing so, we also deliver a seamless customer experience across all markets.

WHAT OUR STAKEHOLDERS EXPECTED



SHAREHOLDERS

Achieve stability, respond to customers' needs and deliver resilient growth and sustainable returns



CUSTOMERS

Continue to strengthen our capabilities to ensure we provide the best-in-class products and services to our clients



COMMUNITIES

Demonstrate leadership in sustainability and responsible banking



EMPLOYEES

Invest in building capabilities and skills for our employees



REGULATORS

Remain responsive to the changing market regulations and policies and continue to operationalise our robust risk management framework

HOW WE CREATED VALUE IN 2021

RM2.5 billion
in profit before tax

Top 5
ranking for local currency bond dealers in Asia on MarketAxess

~RM400 million
of new sustainability linked loans approved

~100%
of employees in Malaysia alone have completed additional learnings to sharpen both functional and soft skills

100%
completion of transition for IBOR tenures that ceased on 31 December 2021

FORWARD 23⁺

Our Strategic Themes

- Delivering Sustainable Financial Returns
- Customer Centricity
- Transform Fundamentals
- Purpose-driven Organisation



Material Matters

- Economic Performance
- Governance
- Sustainable Finance
- Talent Attraction, Growth and Retention



Capitals Affected

- Financial Strength
- Intellectual Capital
- Robust Relationships
- Strategic Capital

AWARDS AND RECOGNITION



Alpha Southeast Asia Best FI Awards 2021

- Best Investment Bank in Malaysia (13th win in 15 years)

Alpha Southeast Asia Treasury and FX Awards 2021

- Best FX Bank for Interest Rates, FX Research and Market Coverage – Malaysia
- Best FX Bank for Structured Hedging Solutions and Proprietary Trading Ideas – Malaysia

Asiamoney Asia Private Banking Awards 2021

- Best Domestic Private Bank in Malaysia
- Best for Wealth Transfer/ Succession Planning in Malaysia

The Asian Banking and Finance – Corporate and Investment Banking Awards 2021

- Corporate and Investment Bank of the Year – Indonesia
- Syndicated Loan of the Year – Indonesia
- Corporate Client Initiative of the Year – Indonesia

FINANCIAL AND NON-FINANCIAL PERFORMANCE

Wholesale Banking contributed positively to the Group's revenue delivering RM5.2 billion, an increase of 6.6% YoY, primarily from net interest income. Loans grew marginally at 1.6% whilst deposits saw a good 14.3% growth YoY, driven by higher cash management, current and saving account balances. Wholesale Banking reported positive JAW. Direct Cost-to-Income Ratio (CIR) remained healthy at 38.6% and on a downward trend compared to 38.9% in 2020 and 46.7% in 2019. Pre-Provision Operating profit saw a commendable 7.1% YoY growth whilst Loan Loss Provisions lowered significantly by 68.1% YoY to RM813 million, surpassing internal targets. Overall, our business delivered RM2.5 billion of Profit before Tax with positive improvement in Return on Capital as a result of on-going efforts to optimise the utilisation of Risk Weighted Assets (RWA). Both Corporate banking and Treasury and Markets reported notable YoY Profit Before Tax growth from improved credit costs and income growth respectively.

Investment Banking completed close to USD35 billion in aggregation worth of debt capital markets issuances in regional local currencies, USD, and GBP, 21 equity capital markets deals in the region as well as USD690 million of merger and acquisition transactions. In Treasury and Markets, we ranked 5th in Asia for emerging markets local currency bond dealers on MarketAxess platform, the largest trading platform used by global buy-side fund managers whilst our cross border FX volume across key markets in Southeast Asia continued to grow impressively with the institutional fund management segment contributing to significant portion of the growth.

In line with that, our Private Banking business saw a 5.8% YoY growth in assets under management for funds. In aspiring to be ASEAN's sustainability leader by 2024, we approved close to RM400 million of new sustainability linked loans to support environmental and social initiatives. In addition, we are proud to be the lead manager for the government of Malaysia's dual tranche USD1.3 billion Sukuk Wakala offering, where one of the series was the first ever USD sustainability Sukuk offered by a sovereign.



WHAT INFLUENCED OUR ABILITY TO CREATE VALUE

	Drivers of Performance and Growth	Strategies/Approaches Deployed	Value Creation Results and Outcomes
RISK	Credit and asset quality	Planned early actions to manage credit deterioration and asset quality	111 bps improvement in credit cost in 2021 as compared to 2020
CHALLENGE	Compressing margins	Focused on building market share and volume	Close to 30% YoY growth in foreign exchange volumes to cushion eroding margins Rated amongst the top five players globally by buy-side fund managers
OPPORTUNITY	Sustainable finance	Developed new products and services	Closed the world's first Ringgit denominated sustainability-linked derivative and Asia's largest ESG-linked derivative transaction by notional value at RM2.45 billion

PROGRESS ON FORWARD23+ THEMES/FOCUS AREAS

FORWARD23+ STRATEGIC THEMES

Delivering Sustainable Financial Returns

Transform Fundamentals

Customer Centricity

Purpose-driven organisation

INITIATIVES

Leveraging data and analytics to identify areas to optimise RWA utilisation

Set-up of Corporate Coverage and Public Sector Group as a central party for client contact and responsible party in providing seamless client experience across the region

Continuous drive in delivering products and services aligned to the Group's sustainability agenda

RESULTS

Improvement in return on capital as a result of better RWA efficiency

12.9% YoY increase in income from the top nine client groups across the region

RM6.0 billion sustainable finance mobilised to support clients with sustainability related initiatives and causes

2022 OUTLOOK AND PROSPECTS

In 2022, we are optimistic that markets will recover, particularly across ASEAN, which can provide an opportunity for more sustainable growth. We also acknowledge the downside risks that exist due to the outbreak of new COVID-19 variants, inflation pressure from higher commodity prices and supply chain disruptions, and geopolitical uncertainty. As such, we remain cautious and prepared to face further market or operational challenges next year. Our efforts in 2022 will be focusing on the following:

- Accelerate income:** We aim to scale-up our business and offerings across the region as markets recover from the pandemic. While Treasury and Markets and Investment Banking aim to capture greater market share, the newly set-up Corporate Coverage and Public Sector

Group will aim at deepening our wallet share with key clients across our footprint.

- Manage risk and returns:** Effective risk management in line with our strategy will be a key focus. We will continue to seek optimisation opportunities in our portfolio to ensure efficient deployment of RWA in areas of sustainability and growth to achieve greater returns.
- Improve regionalisation:** In an effort to achieve maximum synergy across our footprint, multiple reviews have been initiated in 2021. New initiatives will be rolled-out in 2022 to further streamline and standardise our processes and offerings across businesses and geographies, contributing to consistent and superior customer experience across the region.

- Boost digitalisation:** Further enhancements of our core systems to improve productivity in our day-to-day activities will be implemented. The priority is to drive stability of core systems while improving efficiency with the automation of middle and back-office operations via straight-through-processing.

- Advance customers and society:** Continue to support our clients in the post COVID-19 era, where the rules of business, regulations, and dynamics of the industry will evolve, posing new challenges, but also creating new opportunities to strengthen our client relationships and advance our society through the provision of sustainable financing.

BUSINESS REVIEW



GROUP TRANSACTION BANKING

"Amid the continuing challenges posed by the pandemic, Group Transaction Banking focused on targeted recovery efforts and recorded a healthy growth of 7% in revenue. Key contributing factors included strong growth of Net Interest Income (NII) in both Malaysia and Indonesia. Our Non Interest Income (NOII) grew by 14% YoY across the region supported by our core businesses. We were well-positioned to manage the impacts of COVID-19 in a manner that continued to accelerate encouraging performance. Overall, with resilient leadership, we delivered double-digit deposit growth while on the trade finance side, we saw a positive loan growth of 8% YoY."

by Rafe Haneef

WHO WE ARE AND WHAT WE DO

We offer a wide range of products and services covering cash management, trade finance, supply chain financing solutions, online banking and securities services to best serve our clients from large corporates to small and medium enterprises, as well as institutional clients across the region. We also provide comprehensive end-to-end cash management solutions designed to help our clients manage their cash inflows and outflows safely and effectively. These services are offered through our online banking platform accessible via our website or mobile to facilitate our clients' business needs at their time of convenience.

Our trade finance products cover a comprehensive range that includes both import and export services, buyer and seller financing - from traditional trade products to structured trade and supply chain financing solutions - designed to cater to our clients' diverse business needs in domestic and international trade. We also provide end-to-end securities services solutions via fund accounting, custody, corporate trustee and agency services.

Our key value proposition is our unique ability to fully facilitate transactions, supply chains and trade flows across the ASEAN region and beyond. We are the gateway to ASEAN, empowered by our strong networks, comprehensive digital platforms, best-in-class Shariah expertise as well as strategic alliances across the ecosystems that represent the economic potential of this diverse region.

WHAT OUR STAKEHOLDERS EXPECTED



SHAREHOLDERS

Be responsive to market changes and maintain sustainable business growth and returns



CUSTOMERS

Promote digitisation and facilitate working capital financing for both domestic and cross-border trades



COMMUNITIES

Introduce payment assistance programmes for impacted SME and/or micro-enterprise customers



EMPLOYEES

Adopt hybrid work arrangements for greater flexibility, while prioritising the safety of employees



REGULATORS

Fund projects to adhere with applicable laws and regulations

HOW WE CREATED VALUE IN 2021

0.2%

Improvement in Cost-to-Income (CIR) ratio

21%

BizChannel clients increased YoY

RM1.3 billion

Moratorium financing approved in 2021

43%

Employees adopt the hybrid work option

RM39.7 million

Allocated towards 21 regulatory-related projects

FORWARD 23⁺

Our Strategic Themes

- Delivering Sustainable Financial Returns
- Customer Centricity
- Disciplined Execution
- Purpose-driven Organisation



Material Matters

- Economic Performance
- Health, Safety and Well-being
- Customer Experience
- Technology



Capitals Affected

- Financial Strength
- Intellectual Capital
- Robust Relationships
- Valued People

AWARDS AND RECOGNITION



Digital CX Awards 2021

- Outstanding Transformation in Digital CX During COVID-19

Digital CX Awards 2021

- Outstanding Use of Digital Channels for Improved CX (Winner)

Digital CX Awards 2021

- Outstanding Digital CX in Banking App Platform (Highly Acclaimed)

The Asset Triple-A Awards

- Best Service Providers, Trade Finance

FINANCIAL AND NON-FINANCIAL PERFORMANCE

Transaction Banking recorded a revenue growth of 7% YoY across the region for the financial year 2021, contributed mainly by Malaysia, Indonesia, Thailand and Cambodia. Indonesia in particular registered a commendable growth of 14% YoY, driven by both NI and NOII. Despite the challenging economic environment, exacerbated by the pandemic, our deposits continued to maintain a strong growth rate at 13% YoY, with two largest contributors namely Malaysia and Indonesia driving an increase in our NII by 5%. Meanwhile, with our strong focus, the NOII posted a double-digit growth of 14%, mainly contributed by both cash management and trade finance businesses.

WHAT INFLUENCED OUR ABILITY TO CREATE VALUE

	Drivers of Performance and Growth	Strategies/Approaches Deployed	Value Creation Results and Outcomes
RISK	Strong positioning as customers' preferred partner bank for operating account and working capital financing amid prolonged movement restrictions that impeded loan growth, clients' ability to service loans and credit facilities	Using digitalisation to innovate ways for clients to transact alongside provisioning of working capital support	14% increase in main operating account penetration Double-digit growth in deposits and positive growth in loans
CHALLENGE	Investments in technology and proactive management for high system uptime and stability to avoid service interruptions from technical glitches that could impact customers' business operations	Re-engineering of internal processes and provision of alternative client transaction channels to avoid service disruptions	99.9% system uptime maintained for our online banking platform, BizChannel
OPPORTUNITY	Digitisation of customers' operating processes and cross-border transactions with strong focus on accelerated digital enablement	Adoption of digital onboarding and alternative servicing channels for more seamless process and journey. Improvised fraud management system for BizChannel to offer customers a safe and secure banking experience	21% increase in BizChannel clients

PROGRESS ON FORWARD23+ THEMES/FOCUS AREAS

FORWARD23+ STRATEGIC THEMES

Delivering Sustainable Financial Returns

INITIATIVES

Initiated efforts to diversify our income structure from NII to NOII towards building a sustainable business.

Leveraged on digital and agile processes to remain relevant and meet customers' evolving expectations.

Captured greater share of intra ASEAN trade flow.

Improved client value proposition with real-time payments within the region.

Invested in IT infrastructure, mainly for upgrading online or mobile platforms and supporting the core businesses.

RESULTS

Achieved NOII growth of 14% YoY.

Increased Intra Group Letter of Credits by 92%.

Completed BizChannel's platform technology refresh for Malaysia, Singapore, Thailand and Cambodia to overcome capacity and stability challenges.

2022 OUTLOOK AND PROSPECTS

In 2022, as the domestic and external demand recover, we do expect interest rates to rise and market growth is expected to gain further momentum. In keeping with the Forward23+ strategic themes, our efforts will be towards capturing the potential as market recovers. We will also see an unprecedented growth in digital adoption in the coming years and to optimise opportunities, Transaction Banking will continue to make strategic investments in our core technology platforms. The emphasis will also be to make it easier and seamless for our customers to transact with CIMB as their preferred partner bank.

This will essentially mean, agile processes, improved turn-around time and multiple channels for multiple clients – all to improve customer experience and strengthen customer loyalty.

However, we do remain cautious that the possible emergence of new COVID-19 variants could impede the economy's ongoing recovery. Growing our deposit balances in the region through various enhanced growth strategies continues to be part of our key focus. In trade finance business, we will remain committed to growing our value chain

financing in addition to expanding the SME exposure through trade assets. Overall, we remain positive with the anticipated gradual recovery from the pandemic as well as strive to strengthen our NOII growth to further diversify our income structure.

BUSINESS REVIEW



GROUP ISLAMIC BANKING

“Although 2021 continued to be a challenging year for the industry as a whole, Group Islamic Banking (GIB) gained back significant momentum, learning from 2020 and adapting to our customers’ needs and requirements. We grew strongly despite the challenging environment, through various strategies put in place to tackle market conditions. We continued to remain resilient and firm in our commitment to support the growth of local SMEs and develop financing solutions for the green economy sector. We took strong proactive action to better manage financial and non-financial risks through prudent capital allocation and industry advocacy, while working with the Group to better serve customers during this volatile period.”

by Ahmad Shahriman Mohd Shariff

WHO WE ARE AND WHAT WE DO

We are the Islamic banking and financial services franchise of the Group with an extensive suite of innovative Shariah-compliant products and services. Our solutions include financing, sukuk, investment banking, transaction banking, banca-takaful, and securities services for individual, commercial, corporate and institutional customers across ASEAN.

In conducting Islamic business, we monitor and ensure good Shariah governance and compliance across the Group. With the execution of our Islamic-First strategy, we aim to extend the value proposition of Islamic products to our customers and the wider public. We aspire to provide world-class Islamic banking and finance solutions, which will progressively integrate environmental, social and governance factors via a value-based approach, a hallmark of Islamic finance.

WHAT OUR STAKEHOLDERS EXPECTED



SHAREHOLDERS

Achieve stability, respond to customers’ needs and deliver resilient growth and sustainable returns



CUSTOMERS

Provide adequate financial facilities to support operational and growth plans amidst and post COVID-19



COMMUNITIES

Support the disadvantaged micro businesses by equipping them with relevant skills and providing access to financing



EMPLOYEES

Invest in building capacities and skills of the employees, especially to build digital and technical skillsets that will complement Islamic financing expertise to deliver relevant solutions



REGULATORS

Remain responsive to the changing market regulations and policies to relieve economic burden to customers as a result of the COVID-19 pandemic

HOW WE CREATED VALUE IN 2021

110.7% PBT

contributed by strong growth from financing income and new revenue streams

256,953

customers benefitted under various repayment assistance programmes

2 new

social financing programmes launched, benefitting B40 entrepreneurs and disadvantaged women, Asnaf, and differently-abled

61%

of total GIB staff in Malaysia completed specialised training in either credit, sustainable finance or qualification in Islamic finance as part of competency certification

31 participants

completed CIMB Islamic Rider Entrepreneur Programme, an initiative under the umbrella of BNM’s iTekad, aimed at contributing to the economic empowerment of the asnaf and B40 communities including providing training on micro entrepreneurship as well as an income-generating asset

FORWARD 23⁺

Our Strategic Themes

- Sustainable Financial Returns
- Disciplined Execution
- Purpose-Driven Organisation



Material Matters

- Customer Experience
- Sustainable Finance
- Financial Literacy, Inclusion, and Well-being
- Sustainability Awareness and Participation



Capitals Affected

- Financial Strength
- Robust Relationships
- Valued People
- Natural Capital

AWARDS AND RECOGNITION



IFN Best Banks Poll 2021

- Best Islamic Bank, Malaysia

Asiamoney Best Bank Awards for Malaysia 2021

- Best Islamic Bank

FinanceAsia Achievement Awards 2021

- Best Islamic Finance House

13th Annual Alpha Southeast Asia Best Islamic Finance Awards 2021

- Best Islamic Finance Bank
- Best Global Islamic Finance Sukuk House
- Best Islamic Finance Sukuk House, Malaysia

15th Annual Alpha Southeast Asia Deals and Solutions Awards 2021 (Marquee Awards)

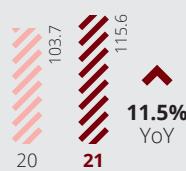
- Best Ringgit Sukuk House, Malaysia
- Best Social Impact Islamic Finance House

FINANCIAL AND NON-FINANCIAL PERFORMANCE

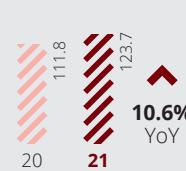
Islamic Banking observed a great financial year despite the challenging economic environment, the Bank continued its risk mitigation practices put in place since 2020 to ensure the safety and well-being of customers and employees, while minimising business disruptions.

On the business front, we have had some new product launches, some landmark deals in sustainable finance and value partnerships to deliver bespoke knowledge and capacity modules to the critical mass of SMEs and B40 entrepreneurs. Overall, regional Islamic financing, including asset under Restricted Agency Investment Account (RAIA), registered financing growth of 11.5% YoY, closing the year at RM115.6 billion gross financing. The growth momentum for financing and deposits continued to be supported by the Islamic First strategy, mainly contributed by the consumer segments. Despite the challenging environment, CIMB Islamic Bank Berhad's operating income grew 24.1% YoY and its cost income ratio went down to 33.8% from 35.6%, a result of strict cost discipline.

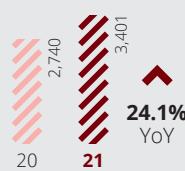
Gross Financing (RM billion)



Deposit & IA (RM billion)



Revenue (RM million)



Note: including RAIA

Regionally, CIMB Niaga Syariah in Indonesia reported accelerated operating income growth of 30.2% and total assets growth of 33.8%, becoming Indonesia's 3rd largest Islamic Bank by assets, as at September 2021.

WHAT INFLUENCED OUR ABILITY TO CREATE VALUE

	Drivers of Performance and Growth	Strategies/Approaches Deployed	Value Creation Results and Outcomes
RISK	Planning better capital allocation as the continued impact of COVID-19 can potentially increase default rates and credit losses in the absence of additional credit provisions	Developed controls and actions in response to the identified risks: credit risk, liquidity risk, negative carry risk and earnings risk	CIMB Islamic Bank's CET1 ratio remained comfortable at 15.1%, enabling the bank to continue extending payment moratorium and assistance to eligible customers and companies
CHALLENGE	Adapting and developing Islamic Financing relief packages and programmes	Adopted Value-based Intermediation (VBI) principles to create positive impact through CSR, community development, and aid as well as environmental conservation projects	RM4 million invested in 21 initiatives, benefitting at least 10,750 individuals
OPPORTUNITY	Stakeholder engagement and advocacy in the sustainability space	Promoted sustainability awareness and participation internally and externally by championing, engaging, building capability and capacity	Provided lead contributions to several market initiatives such as the Transition Sukuk Report to the Securities Commission (SC) and the VBAF (Value-Based Intermediation Assessment Framework) Sectoral Guide for Oil and Gas

PROGRESS ON FORWARD23+ THEMES/FOCUS AREAS

FORWARD23+ STRATEGIC THEMES

Delivering Sustainable Financial Returns

Disciplined Execution

Purpose-driven organisation

INITIATIVES

Continued to build our preferred proposition with the launch of various products such as Sun Enrich-i, a hibah based takaful plan, 5 new Islamic trust funds, a Preferred Visa Infinite-i credit card

Continued to increase our CASA base via various strategies including the launch of Octosavers-i, our first fully digital Islamic account and Preferred Savings-i, our first preferred savings account

Led issuances of landmark Sustainability and Green Sukuks including a RM210 million Green Sukuk by Cenergi SEA, the sustainable energy subsidiary of Khazanah Nasional Berhad.

Offered project leadership for strategising and documenting VBAF's Oil and Gas sectoral guide, in partnership with regulators, industry associations, civil society and peers.

Launched GreenBizReady, a one-stop solution for SMEs to start their green and sustainable journey, and MicroBizReady, a mentorship programme for B40 entrepreneurs.

Promoted EcoSave-I, an environment-linked savings account where 0.2% of average portfolio balance is contributed to support green activities.

Launched PR1MA Home Financing, First Time Home Financing, and My First Home Scheme for B40 segments.

RESULTS

Preferred Islamic customer base grew by 25% YoY in 2021

CASA-I surpassed FY2021 internal targets and grew by 17.2% YoY

Successfully lead managed more than RM8 billion in nominal value of green and sustainability Sukuk

Launched the Oil and Gas sectoral guide, which will provide an in-depth impact-based risk assessment toolkit to guide financial institutions in the implementation of VBAF.

162 disadvantaged micro-entrepreneurs (women, asnaf, differently-abled) benefitted from three cohorts and >10 SMEs participated in the pilot assessments under GreenBizReady.

RM3 million contributed to support five key projects

2022 OUTLOOK AND PROSPECTS

We look forward to a meaningful recovery in 2022 on the back of increasing vaccination rates, gradual reopening economies, with select countries removing pandemic-related restrictions. Due to continuing risk of COVID-19 variants, there could be delayed government actions, and overall, suppress the recovery momentum. At CIMB Islamic, we will continue to advance customers and society, especially those at-risk and most vulnerable, with focus on:

- A stronger and more innovative and digitally-powered approach to helping our customers plan

for the future via our enhanced wealth planning product propositions as well as new distribution initiatives;

- A comprehensive suite of product and services in the Islamic space to ensure we are well-positioned to capture the growth of Islamic finance in Malaysia and Indonesia;
- Well-orchestrated sustainability awareness and participation efforts by championing, engaging, building capability and capacity, both internally and externally in Malaysia, Indonesia and Singapore;

- Facilitating our customers in the Halal and Green sectors, and empower them through financial solutions and incentives, as well as in facilitating certification where needed, to help them to continue navigating through the pandemic with resilience and sustainable growth; and

- Generating profits in a responsible manner, creating a net positive impact through the products and services we provide.

BUSINESS REVIEW



CIMB DIGITAL ASSETS

"2021 was a turbulent year for the most part, but was nonetheless another pivotal year for digital businesses both in terms of growth and innovation. As COVID-19 persisted and lockdowns continued to be enforced, people and businesses alike began shifting from adjustment mode towards building long-term resilience in the face of new realities. Fresh off strong momentum in 2020, we stayed the course in bringing our digital businesses to the next phase of their journeys."

Touch 'n Go pivoted aggressively in line with our vision of transforming it into a valuable technology enterprise. TNG Digital further solidified its position as Malaysia's leading e-wallet and successfully rolled-out financial services as it transitioned into a phase of monetisation. It also underwent a successful fundraising exercise and welcomed two new investors, resulting in a revaluation gain of RM1.156 billion to the Group.

CIMB Philippines grew to 5.1 million customers with RM1.3 billion in total deposits, in addition to triple-digit loan growth. CIMB Vietnam completed its recalibration phase and is now recognised as the most innovative digital bank in Vietnam as it begins shifting gears towards growth mode.

The trajectory of our digital assets remains strong, and we have a clear path going into 2022 off the robust foundation we have built over the last few years."

by Effendy Shahul Hamid

WHO WE ARE AND WHAT WE DO

CIMB Digital Assets (CDA) comprises CIMB's portfolio of digital businesses and ventures, which today includes Touch 'n Go and TNG Digital (collectively Touch 'n Go Group), as well as CIMB's digital banking businesses in the Philippines and Vietnam.

In addition to driving strategy, growth and overseeing the execution of these businesses, our focus extends towards spearheading value creation of CIMB's investments in these franchises through equity and non-equity partnerships.

Touch 'n Go (TNG), Malaysia's first fintech company, has been Malaysia's pioneering cashless payments platform centred on mobility and transportation for over 20 years. TNG Digital (TNGD), our joint venture with Ant Group has allowed the franchise to leapfrog into the retail payments space, and today operates Malaysia's leading e-wallet.

Also within the ambit of CDA is the Group's digital banking businesses in the Philippines (CIMB PH) and Vietnam (CIMB VN). CIMB PH continues to lead the way as one of the fastest growing banks in ASEAN, whilst CIMB VN continues growing from strength to strength as one of Vietnam's most innovative and emerging digital banks.

We also maintain general oversight in the digital bank space for the Group, in addition to platform-centric and ecosystem-based developments, collaborations and trends in financial services.

WHAT OUR STAKEHOLDERS EXPECTED



SHAREHOLDERS

Long-term value and proliferation of high-growth digital businesses



CUSTOMERS

Differentiated propositions and best-in-class digital platform experiences



COMMUNITIES

Financial inclusivity, accessibility and alternative digital platforms for financial services



EMPLOYEES

Exposure to leading-edge digital business model, financial technology and forging of strategic partnerships



REGULATORS

Innovation, digital adoption and future-proofing of financial services delivery

HOW WE CREATED VALUE IN 2021

RM1.156 billion
revaluation gain
through TNGD's
fundraising exercise

Introduced new video eKYC capability
for consumer credit product in Vietnam

Launched digital financial services
on the TNG eWallet (investment and insurance)

Multi award-winning bank
in the Philippines in recognition of its innovative financial solutions and digital business model

Acquired 1.96 million
GO+ users on the
TNG eWallet, paving
the way for financial inclusivity

FORWARD 23⁺

Our Strategic Themes

- Delivering Sustainable Financial Returns
- Customer Centricity
- Purpose-Driven Organisation

Material Matters

- Economic Performance
- Technology
- Customer Experience
- Financial Literacy, Inclusion and Well-being

Capitals Affected

- Financial Strength
- Intellectual Capital
- Robust Relationships

AWARDS AND RECOGNITION



The European

- Innovative Digital Bank of the Year (CIMB PH)
- Best Digital Bank (CIMB PH)

CFI.co

- Best Digital Banking Solutions (CIMB PH)

The Asset Triple A Digital Awards

- Best Retail Social-Media Banking Experience (CIMB PH)

Asian Banking and Finance Retail Banking Awards

- Virtual Bank of the Year – Philippines (CIMB PH)
- Strategic Partnership of the Year – Philippines (CIMB PH)

Global Banking and Finance Review

- Fastest Growing Digital Bank Vietnam 2021 (CIMB VN)

International Finance

- Most Innovative Digital Bank Vietnam 2021 (CIMB VN)

12th RBI Asia Trailblazer Award

- Best New Digital Bank Vietnam 2021 (CIMB VN)

FINANCIAL AND NON-FINANCIAL PERFORMANCE

Having achieved scale, TNGD's focus in 2021 shifted from acquisition towards monetisation via the rollout of financial services. Launched on 29 March 2021 in partnership with Principal Asset Management, Go+ surpassed 1 million users in just over two months and continued to grow steadily the rest of the year. We continued to record growth in our overall user base, and our merchant base almost doubled in 2021 driven by robust on-boarding and enablement efforts.

CIMB PH continued to acquire at scale, surpassing 5 million customers in 2021 and RM1.3 billion in deposits. We have successfully rolled out a new digital lending proposition with our partner GCash, which contributed to a marked increase in our loan book Y-o-Y.



WHAT INFLUENCED OUR ABILITY TO CREATE VALUE

	Drivers of Performance and Growth	Strategies/Approaches Deployed	Value Creation Results and Outcomes
RISK	Pandemic-driven movement restrictions <ul style="list-style-type: none">- Impacted volumes in mobility, transit and parking, as well as general retail transactions	TNG <ul style="list-style-type: none">- Shifted focus towards executing pivots, product development, improving operational efficiencies and enhancing customer value	TNG <ul style="list-style-type: none">- Completed integration works for nationwide toll RFID coverage. Successfully executed RFID fuelling pilot programme, commercialisation plans expected next- Reconfigured parking model and removed TNG surcharge for all sites
CHALLENGE	Decelerated business activities <ul style="list-style-type: none">- Disrupted economic growth deprioritised expansion agendas, shift in focus towards resilience and sustainability	CIMB PH <ul style="list-style-type: none">- Rolled-out new fully-digital lending proposition as a follow-up to already successful digital deposit product CIMB VN <ul style="list-style-type: none">- Intensified partnership efforts with digital platforms in rolling out differentiated use cases	CIMB PH <ul style="list-style-type: none">- Loan book grew by 231.2%- Deposit book surpassed RM1.2 billion- Cash-in rate improved to 67.6%, signalling increasing adoption of digital deposits CIMB VN <ul style="list-style-type: none">- Successfully launched new lending product featuring first-in-market video eKYC solution
OPPORTUNITY	Accelerated digital adoption <ul style="list-style-type: none">- Shift in consumer behaviour towards digital payment, supported by government initiatives	TNGD <ul style="list-style-type: none">- Introduced financial services on the TNG eWallet- Continued to focus on merchant on-boarding and enablement	TNGD <ul style="list-style-type: none">- Acquired 1.96 million GO+ users, with AUM reaching RM492 million at year-end- Also launched two insurance products – CarInsure and WalletSafe- Merchant base exceeded half a million, Mini Program has taken off with multiple landmark brands

PROGRESS ON FORWARD23+ THEMES/FOCUS AREAS

FORWARD23+ STRATEGIC THEMES

Delivering Sustainable Financial Returns

INITIATIVES

Selective Digital Investments

Proliferate focused investments in key digital businesses and grow these ventures as attacker franchises, leveraging on equity and non-equity partnerships.

Technology, Analytics and Digital Plays

Through our digital ventures, pursue new capabilities in tech, data and analytics to deliver differentiated services, value propositions and customer experience that are accretive to the Group.

Sustainable Returns, Value-driven

Focused on long-term growth and creating strategic hedges for the future in terms of platform economics, new revenue streams, and valuation upside.

RESULTS

- CIMB Digital Assets' portfolio of digital ventures (TNG, TNGD, CIMB PH and CIMB VN) continued to progress strongly on multiple fronts, outperforming growth targets and capturing value for the Group.
- Successfully launched Malaysia's first e-wallet Money Market Fund product (GO+), as well as insurance products (CarInsure and WalletSafe)
- Introduced new video eKYC capability for consumer credit product in Vietnam.
- Successful TNGD fundraising exercise recorded RM1.156 billion revaluation gain for the Group.

2022 OUTLOOK AND PROSPECTS

As we continue on the path of COVID recovery, we believe the stage is set for digital businesses to solidify their positions for a "new" era. 2022 will be a vital year in ensuring that we are ready for the next phase.

- On the **TNG** front, significant progress has been made in transforming our baselines and we now have the right levers identified where strategy, product, technology and operational efficiencies are concerned. 2022 will be about executing and delivering on these plans as we gear the company towards realising its full potential as a leading technology enterprise in the near future.

• **TNGD** remains the market leader in Malaysia's e-wallet space, and we have made strong progress in our efforts to proliferate digital financial services in 2021. We will continue to pursue this in 2022 and expand our financial services suite beyond investment and insurance, with plans to move into the lending space.

• **CIMB PH** is expected to continue operating on a robust growth trajectory as a challenger bank in the Philippines. A key objective in 2022 is to scale-up our digital lending portfolio as we chart the path to profitability in the coming years. We expect to see

strong balance sheet growth as well as enhanced propositions as we continue working with partners to strengthen the advantage we have in the market.

• **CIMB VN** has crystallised the foundations required to scale as a digital bank in Vietnam. 2022's focus will see us switch into growth mode as we execute plans around key partnerships and customer acquisition. We will continue to look at strategic opportunities that can allow us to accelerate our ambitions.

BOARD OF DIRECTORS



DATUK MOHD NASIR AHMAD

Chairperson/
Independent Director



**DATO' ABDUL
RAHMAN AHMAD**

Group Chief Executive Officer/
Executive Director



SERENA TAN MEI SHWEN

Non-Independent Director



**DATO' MOHAMED
ROSS MOHD DIN**

Independent Director



ROBERT NEIL COOMBE

Independent Director



TEOH SU YIN
Senior Independent Director



DIDI SYAFRUDDIN YAHYA
Independent Director



DATO' LEE KOK KWAN
Non-Independent Director

AFZAL ABDUL RAHIM
Independent Director



SHULAMITE N K KHOO
Independent Director



BOARD OF DIRECTORS' PROFILE

DATUK MOHD NASIR AHMAD

Chairperson/Independent Director

Nationality | Malaysian

Age | 67

Gender | Male

Date of Appointment

| 20 July 2015

Length of Tenure | 6 years

MEMBERSHIP OF BOARD COMMITTEES

- Member of Board Risk and Compliance Committee and Group Sustainability and Governance Committee

QUALIFICATION

- Fellow, Association of Chartered Certified Accountants (ACCA), United Kingdom
- Chartered Accountant, Malaysian Institute of Accountants (MIA), Malaysia
- Masters in Business Administration (Finance), Universiti Kebangsaan Malaysia, Malaysia

AREAS OF EXPERTISE

- Accounting and Finance, Operations, Governance, Strategy Development and Implementation

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

• Nil

Public Companies

- Chairperson/Independent Director of CIMB Bank Berhad
- Chairperson/Independent Director of CIMB Bank PLC (Cambodia)

RELEVANT EXPERIENCE

Datuk Mohd Nasir Ahmad was appointed as Chairperson/Independent Director of CIMB on 20 October 2018. He was the President of Malaysian Institute of Accountants (MIA) from August 2011 to July 2013. In September 2013 he was elected to the Council of the Association of Chartered Certified Accountants (ACCA) in the United Kingdom and re-elected in September 2016 and November 2019.

On 1 May 2021, he was appointed a member of the Financial Reporting Foundation and Chairman of the Malaysian Accounting Standards Board (MASB).

He brings with him vast experience in the areas of leadership, management, finance and accounting which spans over 40 years, having started his career as a Trainee Accountant with Tenaga Nasional Berhad (TNB) in 1979 and moving on to hold various positions in the Finance Division.

In January 1993, Datuk Mohd Nasir was seconded to TNB's subsidiary company, Malaysia Transformer Manufacturing Sdn Bhd as Financial Controller before being appointed its Chief Executive Officer (CEO) in June 1994.

In January 2000, he joined Sharikat Permodalan Kebangsaan Berhad as its CEO. On 1 June 2001, he was appointed CEO of Perbadanan Usahawan Nasional Berhad, a position he held until his retirement on 1 June 2011.

Datuk Mohd Nasir also holds directorships in private companies namely Prokhas Sdn Bhd, CIMB EOP Management Sdn Bhd and Touch n' Go Sdn. Bhd.

In addition, he is also a Trustee of Yayasan Canselor UNITEN, Perdana Leadership Foundation and Chairperson of CIMB Foundation.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Chairperson 17/17	Member 11/11	Member 7/7	Member 11/11	Member 1/1

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

DATO' ABDUL RAHMAN AHMAD

Group Chief Executive Officer/Executive Director

Nationality | Malaysian

Age | 52

Gender | Male

Date of Appointment

| 10 June 2020

Length of Tenure | More than 1 year

MEMBERSHIP OF BOARD COMMITTEES

- Nil

QUALIFICATION

- Chartered Accountant, Malaysian Institute of Accountants, Malaysia
- Chartered Accountant, Institute of Chartered Accountants England and Wales, United Kingdom
- Master of Arts (Economics), University of Cambridge, England

AREAS OF EXPERTISE

- Corporate Leadership, Strategy Development and Execution, Asset Management, Private Equity, Corporate Advisory, Accounting and Audit

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Commissioner of PT Bank CIMB Niaga Tbk
- Non-Independent Director of CIMB Thai Bank PCL

Public Companies

- Chief Executive Officer/Executive Director of CIMB Bank Berhad

RELEVANT EXPERIENCE

Dato' Abdul Rahman Ahmad was appointed Executive Director and Group Chief Executive Officer of CIMB and Chief Executive Officer of CIMB Bank Berhad on 10 June 2020.

He has more than 20 years of leadership experience across multiple industries where he held Chief Executive Officer positions in well-established organisations such as Malaysian Resources Corporation Berhad, Media Prima Berhad, Ekuiti Nasional Berhad and Permodalan Nasional Berhad. Prior to joining CIMB, Dato' Abdul Rahman was with Sime Darby Berhad and Velesto Energy Berhad as Non-Executive Non-Independent Chairman.

Dato' Abdul Rahman is currently a panel member of Kumpulan Wang Amanah Negara, Malaysia's natural resource fund managed by Bank Negara Malaysia. Besides being a member of Association of Banks in Malaysia (ABM), he also sits on the Board of Finance Industry Collective Outreach (FINCO) and is a committee member of the Joint Committee on Climate Change (JC3).

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 17/17	-	-	-	-

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

TEOH SU YIN

Senior Independent Director

Nationality | Malaysian**Age** | 51**Gender** | Female**Date of Appointment** | 8 October 2014**Length of Tenure** | 7 years**MEMBERSHIP OF BOARD COMMITTEES**

- Chairperson of the Group Nomination and Remuneration Committee and Group Sustainability and Governance Committee
- Member of the Audit Committee

QUALIFICATION

- Bachelor of Arts (Hons) Business Studies, Sheffield Hallam University, United Kingdom
- Business and Technology Education (BTEC) Higher National Diploma (HND) in Business Studies, Sheffield Hallam University, United Kingdom
- Diploma, Chartered Institute of Marketing, United Kingdom

AREAS OF EXPERTISE

- Banking, Finance and Sustainability

DIRECTORSHIP/RELEVANT APPOINTMENTS**Listed Entities (Other than CIMB)**

- Nil

Public Companies

- Nil

RELEVANT EXPERIENCE

Ms. Teoh Su Yin is the Senior Independent Director of CIMB since 20 October 2018. She has almost 20 years' experience in equity research and investments.

Ms. Teoh began her career with JP Morgan Malaysia as a Junior Analyst in 1994. In 2000, she became Head of Research with sector coverage experience in infrastructure, plantations, power, gaming, real estate and conglomerates.

In 2002, she left JP Morgan to join Deutsche Bank Malaysia Berhad, initially as a Senior Analyst and later as Managing Director, Head of Malaysia and ASEAN Equity Research. As individual analyst, Ms. Teoh was ranked Top 3 by Asiamoney in 2008 and 2009.

She currently serves on the Board of Albizia ASEAN Opportunities Fund in Singapore, the Board of World Wildlife Fund-Malaysia and holds directorships in various other private companies.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 17/17	Member 14/14	Member 5/6	Chairperson 13/13	Chairperson 1/1

Declaration

- She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- She has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

ROBERT NEIL COOMBE

Independent Director

Nationality | Australian**Age** | 58**Gender** | Male**Date of Appointment** | 16 April 2014**Length of Tenure** | 7 years**MEMBERSHIP OF BOARD COMMITTEES**

- Member of the Group Sustainability and Governance Committee

QUALIFICATION

- Bachelor of Laws (Hons), University of Technology, Sydney, Australia

AREAS OF EXPERTISE

- Accounting and Audit, Banking and Finance, Operations, Consumer Marketing and Human Resource and Sustainability

DIRECTORSHIP/RELEVANT APPOINTMENTS**Listed Entities (Other than CIMB)**

- Non-Executive Chairperson of Generation Development Group, Australia

Public Companies

- Nil

RELEVANT EXPERIENCE

Mr. Robert Neil Coombe is currently the Non-Executive Chairperson of the Generation Development Group, a financial services business focused on generational financial solutions.

He was previously a Chairperson of Craveable Brands, the largest Australian owned Quick Service Restaurant business and was the CEO of Craveable Brands between 2013 and April 2017. Before joining Craveable Brands, Mr. Coombe was responsible for all of Westpac's Retail, Business and Agri banking operations throughout Australia. Prior to this role, Mr. Coombe spent six years as the CEO of BT Financial Group, responsible for all of Westpac's funds management, financial planning, insurance, private banking, broking, platform and superannuation businesses in Australia. In total, he has over 35 years' corporate experience in both Australia and Asia.

In addition to the above, Mr. Coombe is a Director of Tibra Capital Pty Ltd, Surfing Australia Inc and the Australian Indigenous Education Foundation.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 16/17	-	Chairperson 3/3	Member 5/5	Member 1/1

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

BOARD OF DIRECTORS' PROFILE

DATO' MOHAMED ROSS MOHD DIN

Independent Director

Nationality | Malaysian

Age | 69

Gender | Male

Date of Appointment | 19 April 2016
Length of Tenure | 5 years

MEMBERSHIP OF BOARD COMMITTEES

- Chairperson of the Audit Committee
- Member of the Board Risk and Compliance Committee and Group Nomination and Remuneration Committee

QUALIFICATION

- Banking Diploma (Part 1), Institute of Bankers, United Kingdom

AREAS OF EXPERTISE

- Banking and Finance, Operations and International Experience

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Chairperson/Independent Director of CIMB Islamic Bank Berhad

RELEVANT EXPERIENCE

Dato' Mohamed Ross joined HSBC Bank Malaysia Berhad (HSBC) in early 1972 and served in various capacities ranging from Corporate and Retail Banking and Branch Management. He also served as Head of Treasury Malaysia and Head of Group Audit Malaysia between 1987 and 1996. During this period, he also worked for a year in Hong Kong, London and New York in areas of Foreign Exchange and Treasury. As the Managing Director in 2003, he was responsible for HSBC Amanah's Islamic onshore business franchise in Malaysia until he retired on 31 December 2007.

Upon retirement, Dato' Mohamed Ross was appointed as an Executive Director and Senior Advisor of HSBC Amanah Takaful Malaysia Sdn Bhd until December 2008. At the same time and until April 2016, he was an Independent Director of HSBC Amanah Malaysia Berhad, where he sat as Chairman of the Risk Committee and was a member of the Audit Committee and Nominations Committee.

Dato' Mohamed Ross currently also sits on two Advisory Boards overseeing a Private Equity Fund (Ekuinas OFM Programme) as an Independent Member. Additionally, he is also a Trustee on the Board of Lembaga Zakat Selangor and also serves as an Independent Director on the Board of an Asset Management company. Earlier in 2021, he was appointed as a member of the Investment Panel of Kumpulan Wang Persaraan (Diperbadankan) (KWAP).

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 17/17	Chairperson 14/14	Member 7/7	Member 13/13	-

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

DATO' LEE KOK KWAN

Non-Independent Director

Nationality | Malaysian

Age | 56

Gender | Male

Date of Appointment | 20 July 2015
Length of Tenure | 6 years

MEMBERSHIP OF BOARD COMMITTEES

- Member of the Board Risk and Compliance Committee

QUALIFICATION

- Master in Business Administration, Simon Fraser University, Canada
- Bachelor of Business Administration (First Class Joint Honours in Economics), Simon Fraser University, Canada

AREAS OF EXPERTISE

- Banking and Finance and Capital Market

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Non-Independent Director of CIMB Bank Berhad
- Non-Executive Director of Cagamas Holdings Berhad
- Independent Director of RAM Rating Services Berhad

RELEVANT EXPERIENCE

Dato' Lee Kok Kwan was the Deputy Chief Executive Officer (CEO) of CIMB prior to his Board appointments. His areas of responsibilities included Corporate Banking, Transaction Banking and Sales and Trading businesses in interest rates, credit, foreign exchange, bonds, equity, commodities and their derivatives, treasury and funding for the Group, fixed income investments and debt capital markets which he developed since joining CIMB in 1996, and has since grown the businesses to be one of the largest global markets operations in ASEAN.

Prior to joining CIMB in 1996, Dato' Lee had more than seven years of markets and treasury experience in the Canadian banking industry. He was the Treasury Portfolio Manager responsible for interest rates and optionality risk and return for a leading Canadian bank and a member of its Senior Asset-Liability Management Committee.

Dato' Lee is also a member of the Board of Trustees of the Capital Markets Development Fund (CMDF) and Chairperson of the Bond and Sukuk Information Platform Sdn Bhd with effect from 3 November 2017 and 22 November 2017, respectively. He also holds directorships in various other private companies.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 17/17	-	Member 7/7	-	-

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

AFZAL ABDUL RAHIM

Independent Director

Nationality | Malaysian**Age** | 44**Gender** | Male**Date of Appointment** | 31 January 2019**Length of Tenure** | 3 years**MEMBERSHIP OF BOARD COMMITTEES**

- Member of the Group Nomination and Remuneration Committee

QUALIFICATION

- Bachelor in Mechanical Engineering with Electronics, University of Sussex at Brighton, United Kingdom

AREAS OF EXPERTISE

- Operations, Information Technology, Human Resource, Strategy Development and Implementation, Innovation and Transformation

DIRECTORSHIP/RELEVANT APPOINTMENTS**Listed Entities (Other than CIMB)**

- Chief Executive Officer of TimedotCom Berhad
- Non-Independent Director of Symphony Communication Public Company Limited

Public Companies

- Nil

RELEVANT EXPERIENCE

Encik Afzal Abdul Rahim is a technology entrepreneur who currently serves as Commander-In-Chief of TIME dotCom Berhad, an ASEAN based telecommunications operator encompassing Fixed Line, Data Centres and Global Submarine Cable Systems. He joined TIME in 2008 after establishing The AIMS Asia Group and Global Transit International in 2006.

Encik Afzal founded the non-profit Malaysian Internet Exchange (MyIX) in 2006 and also serves as a Board Member of Endeavor Malaysia, an organisation that is devoted to nurturing high-impact entrepreneurs.

He began his career in the automotive sector, initially as a Chassis Development Engineer and thereafter managing clients on the engineering consultancy side of the business at Group Lotus PLC. He is also a Licensed Commercial Pilot.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 17/17	-	-	Member 4/4	-

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

DIDI SYAFRUDDIN YAHYA

Independent Director

Nationality | Indonesian**Age** | 54**Gender** | Male**Date of Appointment** | 7 May 2019**Length of Tenure** | 2 years**MEMBERSHIP OF BOARD COMMITTEES**

- Chairperson of the Board Risk and Compliance Committee
- Member of the Group Nomination and Remuneration Committee, Audit Committee and Group Sustainability and Governance Committee

QUALIFICATION

- Fellow Chartered Accountant, Institute of Chartered Accountants in England and Wales, United Kingdom
- Master of Arts, University of Cambridge, United Kingdom
- Bachelor of Arts, University of Cambridge, United Kingdom

AREAS OF EXPERTISE

- Capital Market, Banking and Finance, Accounting and Audit and International Experience

DIRECTORSHIP/RELEVANT APPOINTMENTS**Listed Entities (Other than CIMB)**

- President Commissioner of PT Bank CIMB Niaga Tbk

Public Companies

- Independent Director of CIMB Investment Bank Berhad

RELEVANT EXPERIENCE

Encik Didi Syafruddin Yahya previously worked for J.P. Morgan for more than 20 years based in Indonesia and subsequently Malaysia, where he was the Managing Director and Head of Investment Banking.

At J.P. Morgan, Encik Didi Syafruddin was responsible for client coverage and providing advice on mergers and acquisitions, equity and debt capital markets transactions. He started his banking career with Morgan Grenfell and Co. in London after qualifying as a Chartered Accountant. He is currently Chairman of Investment Panel of Urusharta Jamaah Sdn Bhd.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 17/17	Member 3/3	Chairperson 4/4	Member 13/13	Member 1/1

Declaration

- He does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- He has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

BOARD OF DIRECTORS' PROFILE

SHULAMITE N K KHOO

Independent Director

Nationality | Singaporean

Age | 60

Gender | Female

Date of Appointment | 15 May 2020

Length of Tenure | More than 1 year

MEMBERSHIP OF BOARD COMMITTEES

- Member of the Group Nomination and Remuneration Committee and Group Sustainability and Governance Committee

QUALIFICATION

- Chartered Fellow, Chartered Institute of Personnel and Development, United Kingdom
- Bachelor of Science (Statistics and Actuarial Science), University of Toronto, Canada

AREAS OF EXPERTISE

- Human Resource and International Experience

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Independent Director of Shangri-La Asia Limited

Public Companies

- Nil

RELEVANT EXPERIENCE

Ms. Shulamite Khoo was the Group Human Resources Director and Executive Vice President of AIA Group, the largest public listed pan-Asian life insurance group based in Hong Kong. This was a position she held from 2011.

Prior to this, she held several senior executive positions on AXA, a French multi-national insurance firm that engages in global insurance, investment management and other financial services.

She was previously an International Advisory Panel Member of the Singapore Civil Service. She also served on the Board of AIA Malaysia from 2018 up until her resignation in February 2020.

SERENA TAN MEI SHWEN

Non-Independent Director

Nationality | Malaysian

Age | 43

Gender | Female

Date of Appointment | 30 September 2020

Length of Tenure | More than 1 year

MEMBERSHIP OF BOARD COMMITTEES

- Member of the Board Risk and Compliance Committee and Group Nomination and Remuneration Committee

QUALIFICATION

- Master of Business Administration, MIT Sloan School of Management, USA
- Bachelor of Commerce, Accounting and Finance, Macquarie University, Australia
- Aspen Institute's Finance Leaders Fellowship (class of 2018)

AREAS OF EXPERTISE

- Banking and Finance and International Experience

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Non-Independent Director of CIMB Bank Berhad
- Non-Independent Director of Farm Fresh Berhad

RELEVANT EXPERIENCE

Ms. Serena Tan joined Khazanah Nasional Berhad in 2005 and is currently an Executive Director of Investments where she heads Private Markets and Financial Services. She has over 20 years of experience covering the financial sector including secondments to Khazanah investee companies such as Bank Lippo (now PT Bank CIMB Niaga Tbk) in Indonesia. She currently sits on the Board of CIMB Bank Berhad, Farm Fresh Berhad and a Director of various other private companies.

Prior to Khazanah, Ms. Serena Tan was with Boston Consulting Group and McKinsey and Company.

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 16/17	-	-	Member 13/13	Member 1/1

Declaration

- She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- She has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

BOARD AND BOARD COMMITTEE ATTENDANCE

BOD	AC	BRCC	GNRC	GSGC
Member 15/17	-	-	Member 6/7	Member 13/13

Declaration

- She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- She has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

GROUP COMPANY SECRETARY'S PROFILE



DATIN ROSSAYA MOHD NASHIR

Group Company Secretary

Nationality | Malaysian

Age | 53

Gender | Female

Date of Appointment | 2002

Length of Tenure | 20 years

QUALIFICATION

- Bachelor of Laws (majoring in Business Law), Coventry University, United Kingdom
- Licensed Secretary, Companies Commission of Malaysia
- Affiliate, Malaysian Institute of Chartered Secretaries and Administrators

AREAS OF EXPERTISE

- Company Law, Corporate Secretarial Practice, Corporate Governance and Conflicts Management

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Nil

RELEVANT EXPERIENCE

Datin Rossaya Mohd Nashir is the Group Company Secretary, and she has worked at the Bank since joining the Corporate Legal Services Unit in 2002. She was instrumental in setting up the Company Secretarial Department in 2004 and was appointed as Group Company Secretary in 2006.

In her role, Datin Rossaya is responsible for providing counsel and advice on Board duties and responsibilities, to ensure that CIMB complies with relevant laws and regulatory requirements. She also plays a liaison role between the Board and its key stakeholders both in Malaysia and in the Group's regional operations, ensuring that a corporate governance framework is deployed in a manner that supports the Group's vision and aspirations.

She has extensive industry knowledge, with over 25 years of experience in corporate secretarial practice. Previously, she was with Permodalan Nasional Berhad where she assumed the position of Joint Company Secretary for several of its subsidiaries. She began her career with the Time Engineering Group.

Datin Rossaya serves as a member of the Companies Commission of Malaysia's Corporate Practice Consultative Forum and is a Director of several subsidiaries in the CIMB group. She is a CIMB Sustainability Champion and has initiated several projects to encourage sustainability in the workplace for #teamCIMB. She actively advocates greater participation of women in the boardroom and has been involved in various networking initiatives to promote this agenda.

Datin Rossaya holds a Bachelor of Laws, majoring in Business Law, from Coventry University, United Kingdom. She is a licensed secretary awarded by Companies Commission of Malaysia, and she is also an affiliate of Malaysian Institute of Chartered Secretaries and Administrators.

Declaration

- She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- She has not been convicted for any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021

BOARDS OF MAJOR SUBSIDIARIES



CIMB BANK BERHAD

CHAIRPERSON

Datuk Mohd Nasir Ahmad
Independent Director

MEMBERS

Dato' Abdul Rahman Ahmad
Chief Executive Officer/
Executive Director

Datin Grace Yeoh Cheng Geok
Independent Director

Dato' Lee Kok Kwan
Non-Independent Director

Serena Tan Mei Shwen
Non-Independent Director

Chu Hong Keong
Independent Director

Sukanta Kumar Dutt
Independent Director

Nadzirah Abd Rashid
Independent Director

SECRETARY
Datin Rossaya Mohd Nashir



CIMB INVESTMENT BANK BERHAD

CHAIRPERSON

Teoh Su Yin
Independent Director
(Appointed on 1 July 2021)

Dato' Robert Cheim Dau Meng
Non-Independent Director
(Retired on 1 July 2021)

MEMBERS

Jefferi Mahmud Hashim
Chief Executive Officer/
Executive Director

Nadzirah Abd Rashid
Independent Director

Manu Bhaskaran
Independent Director

Didi Syafruddin Yahya
Independent Director

Surina Shukri
Independent Director
(Appointed on 1 January 2022)

SECRETARY
Datin Rossaya Mohd Nashir



PT BANK CIMB NIAGA TBK

PRESIDENT COMMISSIONER

Didi Syafruddin Yahya
President Commissioner

MEMBERS

Glenn Muhammad Surya Yusuf
Vice President Commissioner

Jeffrey Kairupan
Senior Independent Commissioner

Sri Widowati
Independent Commissioner

Dato' Abdul Rahman Ahmad
Non-Independent Commissioner

Vera Handajani
Non-Independent Commissioner
(Appointed on 17 December 2021)

David Richard Thomas
Non-Independent Commissioner
(Resigned on 30 May 2021)

CORPORATE SECRETARY
Fransiska Oei



CIMB ISLAMIC BANK BERHAD

CHAIRPERSON

Dato' Mohamed Ross Mohd Din
Independent Director

MEMBERS

**Ahmad Shahriman
Mohd Shariff**
Chief Executive Officer/
Executive Director

Ahmed Baqar Rehman
Independent Director

Jalalullail Othman
Independent Director

SECRETARY

**Datin Rossaya Mohd
Nashir**

Ho Yuet Mee
Independent Director

Dr. Azura Othman
Independent Director
(Appointed on 1 July 2021)



CIMB THAI BANK PUBLIC COMPANY LIMITED

CHAIRPERSON

Dato' Robert Cheim Dau Meng

Non-Independent Director

MEMBERS

Paul Wong Chee Kin

President and Chief Executive Officer/
Executive Director

Anon Sirisaengtaksin

Independent Director

Oranuch Apisaksirikul

Independent Director

Chanmanu Sumawong

Independent Director

Dr. Rom Hiranpruk

Independent Director

Niti Jungnitnirundr

Independent Director

Natasak Rodjanapiches

Independent Director

Dato' Abdul Rahman Ahmad

Non-Independent Director

Hafriz Abdul Rahman

Non-Independent Director

Omar Siddiq

Non-Independent Director
(Resigned on 11 January 2022)

SECRETARY

Patima Jumpasut



CIMB BANK PLC

CHAIRPERSON

Datuk Mohd Nasir Ahmad

Independent Director

MEMBERS

Bun Yin

Chief Executive Officer/
Executive Director

Dr. Mey Kalyan

Independent Director

Aisyah Lam Abdullah

Independent Director

Ahmad Shazli Kamarulzaman

Non-Independent Director

Cheong Weng Teong

Non-Independent Director
(Appointed on 20 May 2021)

Omar Siddiq

Non-Independent Director
(Resigned on 20 May 2021)

JOINT SECRETARIES

Ly Sophea

Datin Rossaya Mhd Nashir



CIMB BANK (VIETNAM) LIMITED

CHAIRPERSON

Effendy Shahul Hamid

Non-Independent Director

MEMBERS

Thomson Fam Siew Kat

Chief Executive Officer/Executive
Director

Aisyah Lam Abdullah

Independent Director

Le Le Thuy

Independent Director

Gurdip Singh Sidhu

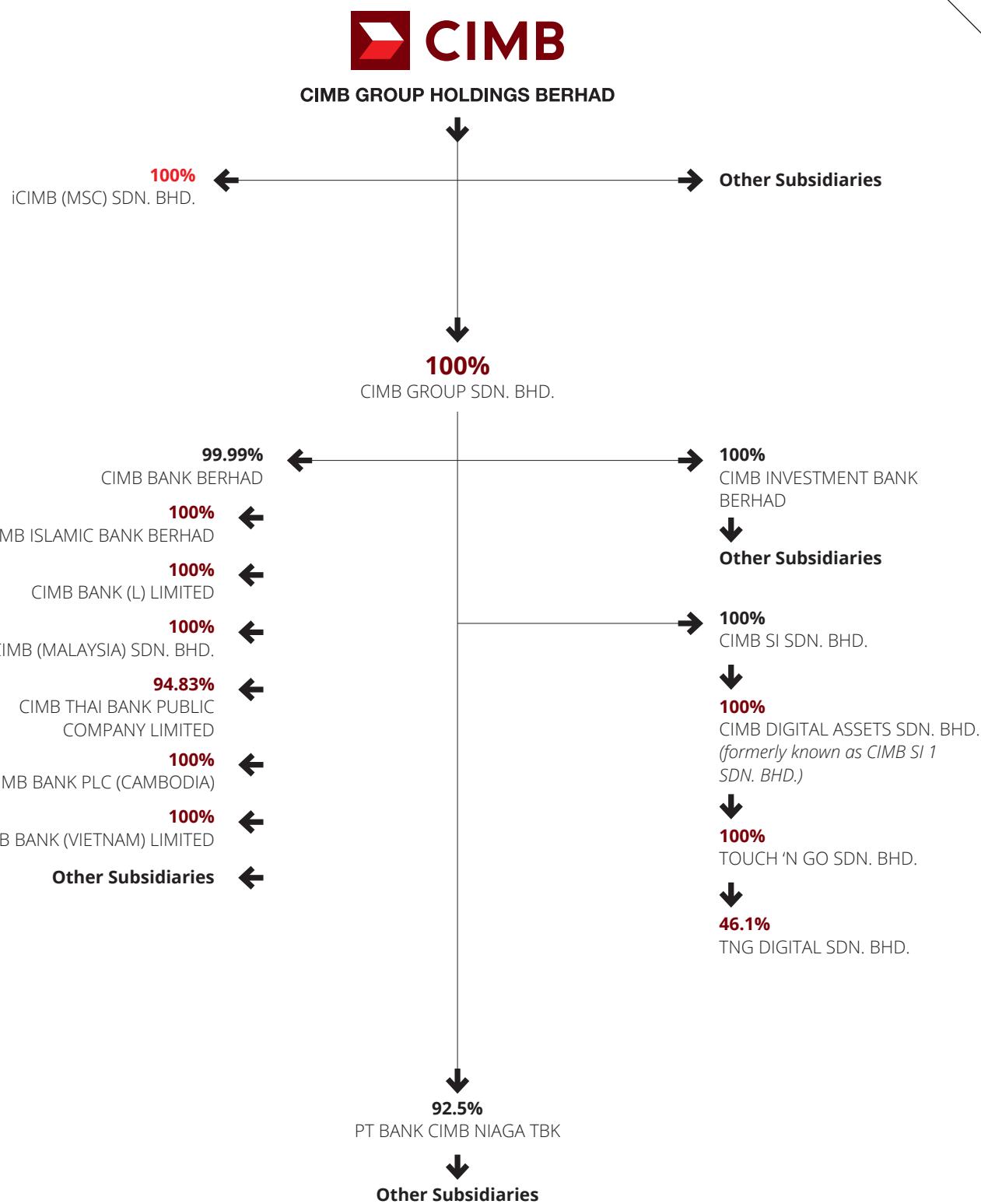
Non-Independent Director

JOINT SECRETARIES

Tran Hai Long

Datin Rossaya Mhd Nashir

CORPORATE STRUCTURE



GROUP SHARIAH COMMITTEE PROFILE

1. DR. SHAFAAI MUSA



Nationality/Age/Gender: Malaysian/55/Male **Date of Appointment:** 9 January 2006 **Length of Tenure:** 15 Years

Qualification:

- PhD, Glasgow Caledonian University, UK
- Master's degree in Comparative Laws, IIUM
- Degree in Shariah, Al-Azhar University, Egypt

Directorship/ Relevant Appointments:

- Chairman of Shariah Advisory Council of RGA Retakaful
- Member of Advisory Board Malaysia Financial Planning Council
- Member of Shariah Committee Agrobank
- Former Chairman of the Shariah Committee at Sun Life Malaysia Takaful Berhad
- Former member of Shariah Expert Panel of Department of Islamic Development Malaysia (JAKIM)

Relevant Experience:

- Former Associate Professor at the Ahmad Ibrahim Kulliyah of Laws at the International Islamic University Malaysia (IIUM)
- Former Chief Executive Officer of the Johor Institute of Integrity, Leadership and Training
- Former Executive Director of IIUM's Centre for Continuing Education
- Former Chief Executive Officer of the International Islamic College cum Chief Executive Officer, International Islamic University Malaysia Higher Education Sdn Bhd

2. SHEIKH PROFESSOR DR. YOUSEF ABDULLAH AL SHUBAILY



Nationality/Age/Gender: Saudi Arabian/51/Male **Date of Appointment:** 28 October 2008 **Length of Tenure:** 13 Years

Qualification:

- PhD in Islamic Jurisprudence from Imam Muhammad ibn Saud Islamic University
- Master's degree from the Department of Comparative Jurisprudence at Imam Muhammad ibn Saud Islamic University
- Bachelor's degree from Faculty of Shariah and Fundamentals of Islam, Department of Comparative Jurisprudence at Imam Muhammad ibn Saud Islamic University

Directorship/ Relevant Appointments:

- Member of Shariah Board of AAOIFI
- Member of Shariah Board of IIFM (Islamic International Finance Market)
- Member of Shariah Board of Albilad Bank in Saudi Arabia
- Member of Shariah Board of Arcapita Investment Group in Bahrain
- Member of Shariah Board of Alinma Investment company in Saudi Arabia

Relevant Experience:

- Currently lectures in the Department of Comparative Jurisprudence, High Institute of Judiciary at Saudi Arabia's Imam Muhammad ibn Saud Islamic University in Riyadh
- Expert of International Islamic Fiqh Academy
- Chairperson and member of a number of commercial arbitration committees
- Written many books, academic papers and articles on Islamic jurisprudence and commercial law
- Participated in numerous seminars and international conventions in Islamic finance

GROUP SHARIAH COMMITTEE PROFILE

3. ASSOCIATE PROFESSOR DR AISHATH MUNEEZA



Nationality/Age/Gender: Maldivian/37/Female **Date of Appointment:** 13 April 2018

Length of Tenure:
3 Years

Qualification:

- PhD in Law – International Islamic University Malaysia
- LLM (Banking) – International Islamic University Malaysia
- Bachelor of Laws (Hons) – International Islamic University Malaysia

Directorship/ Relevant Appointments:

- Chairman, Shariah Advisory Council of Capital Market Development Authority, Maldives
- Chairman of Shariah Board at Alia Investment Pvt Ltd, Maldives
- Member, Munich Re, Malaysia
- Member, Shariah Committee at Ayady Takaful-Allied Insurance Company, Maldives
- Member, Shariah Committee at Housing Development Corporation Ltd., Maldives
- Member, Public Interest Monitoring Consultative Committee of Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), Bahrain

Relevant Experience:

- Former Deputy Minister – Ministry of Finance and Treasury, Republic of Maldives
- Former Deputy Minister – Ministry of Islamic Affairs, Republic of Maldives
- Former Chairman, Board of Directors, Maldives Center for Islamic Finance Ltd
- Former Chairman, Board of Directors, Maldives Hajj Corporation Ltd. (Tabung Haji of Maldives)
- Former Member, Shariah Committee, Housing Development Finance Corporation Plc, Maldives
- Shariah Adviser, Sukuk No.1-4 issued by Housing Development Finance Corporation Plc, Maldives
- Former member of Islamic Fiqh Academy (National Fatawa Council of Maldives)

4. AHMED BAQAR REHMAN



Nationality/Age/Gender: Pakistan/63/Male **Date of Appointment:** 1 June 2019

Length of Tenure:
2 Years

Qualification:

- Bachelor of Arts-Economics – University of Michigan, USA

Directorship/ Relevant Appointments:

Independent Board Director – CIMB Islamic Bank Berhad – Malaysia

- Chairman Board Risk Committee
- Member Board Shariah Committee

Independent Board Director – Al Baraka Bank (Pakistan) Limited – Pakistan

- Chairman Board Human Resource and Remuneration Committee
- Member Board Risk Committee

IFC/World Bank Nominee Director – Asean Financial Innovation Network – Singapore

Relevant Experience:

- Mr. Ahmed Rehman has over 30 years of experience with multinational banks in senior management roles, such as Chief Executive as well as direct responsibility for wholesale bank and risk. He was also involved in the Corporate Banking integration of Standard Chartered Bank Pakistan with Grindlays Bank Pakistan
- His experience covers different geographies in Asia, Middle East and Africa, with American Express Bank, Standard Chartered Bank and Al Rajhi Bank
- Former CEO of Al Rajhi Bank Malaysia

5. DR. AHMAD SUFIAN CHE ABDULLAH



Nationality/Age/Gender: Malaysian/43/Male

Date of Appointment: 1 November 2019

Length of Tenure: 2 Years

Qualification:

- PhD in Islamic Economy and Banking – University of Yarmouk, Jordan
- Master's Degree in Shariah (Islamic Finance) – University of Malaya, Malaysia
- Bachelor Degree in Shariah and Management – University of Malaya, Malaysia

Directorship/ Relevant Appointments:

- Member, Shariah Committee, Small Medium Enterprise Development Bank Malaysia Berhad
- Member, Shariah Advisory Board, Syarikat Takaful Malaysia Keluarga Berhad
- Member, Fatwa Committee, Jabatan Mufti Negeri Perlis
- Member, Islamic Legal Consultative Committee, Federal Territories
- Member, Waqaf Committee, Majlis Agama Islam dan Adat Istiadat Negeri Kelantan (MAIK)
- Member, Shariah Advisor Committee, Sabnuha Jewellery PLT
- Shariah Adviser, KAB Goldynamics Sdn Bhd

Relevant Experience:

- Currently a Senior Lecturer at the Department of Shariah and Management, Academy of Islamic Studies of University Malaya
- Previously Shariah Committee, Kenanga Investment Bank Berhad
- Previously Muamalat Expert Panel of Jabatan Kemajuan Islam Malaysia (JAKIM)
- He has produced numerous publications such as book and research papers in Islamic legal theories (usul fiqh), Islamic commercial laws, Islamic banking and finance, Takaful and Shariah Fintech
- He is the founder and administrator of "muamalat.my", a social media platform that strives to become a medium of education in enhancing public awareness with regards to Islamic Finance and Takaful since 2013

6. ASSOCIATE PROFESSOR DR. MUHAMED FAIROOZ ABDUL KHIR



Nationality/Age/Gender: Malaysian/46/Male

Date of Appointment: 16 August 2020

Length of Tenure: 1 Year

Qualification:

- PhD in Shariah – University of Malaya
- Masters of Shariah – University of Malaya
- Degree in Islamic Revealed Knowledge and Human Sciences (Islamic Jurisprudence) – International Islamic University Malaysia

Directorship/ Relevant Appointments:

- Member, Shariah Advisory Council (SAC) of Securities Commission Malaysia
- Member, Shariah Committee Co-opbank Pertama Malaysia Berhad
- Independent Non-Executive Director, Zurich Takaful Malaysia Berhad (Chairman of Nomination and Remuneration Committee, Member of Audit Committee, Member of Risk Management and Sustainability Committee)
- Chairman, Shariah Committee, Zurich Takaful Malaysia Berhad
- Member, Perak Islamic Religious Council and Malay Customs (MAIPk)
- Member, Fatwa Committee of Perak, Jabatan Mufti Negeri Perak

Relevant Experience:

- Associate Professor, International Centre for Education in Islamic Finance (INCEIF)
- Former Shariah Committee, Maybank Islamic Berhad
- Former Chairman of Shariah Committee, Agrobank
- Former Shariah Committee, Group Shariah Committee, MNRB Holdings Berhad
- Former Shariah Committee, Malaysian Industrial Development Finance Berhad (MIDF)
- Former Researcher and Head of Islamic Banking Unit, International Shari'ah Research Academy for Islamic Finance (ISRA)

GROUP MANAGEMENT

**DATO' ABDUL RAHMAN AHMAD**

Group Chief Executive Officer/
Executive Director, CIMB;
Country Head, Malaysia;
Chief Executive Officer/Executive
Director, CIMB Bank Berhad; and
Acting Chief Executive Officer,
Group Wholesale Banking

**AHMAD SHAHRIMAN MOHD SHARIFF**

Chief Executive Officer/Executive
Director, CIMB Islamic Bank; and
Chief Executive Officer,
Group Islamic Banking

**HANIZ NAZLAN**

Group Chief Strategy Officer

**KHAIRUL RIFAIIE**

Group Chief Financial Officer

**RAFE HANEEF**

Chief Executive Officer,
Group Transaction Banking; and
Chief Executive Officer,
CIMB Foundation

**SAMIR GUPTA**

Chief Executive Officer,
Group Consumer Banking

**EFFENDY SHAHUL HAMID**

Chief Executive Officer,
CIMB Digital Assets; and
Group Chief Executive Officer,
Touch 'n Go Group

**GURDIP SINGH SIDHU**

Group Chief People Officer;
and Group Chief Sustainability
Officer

**KWAN KEEN YEW**

Group Chief Legal and
Compliance Officer; and
Group Chief Integrity
and Governance Officer

**LANI DARMAWAN**

Country Head, Indonesia;
and President Director
and Chief Executive
Officer, PT Bank CIMB
Niaga Tbk

**PAUL WONG
CHEE KIN**

Country Head,
Thailand; and
President and Chief
Executive Officer,
CIMB Thai Bank PCL

**VERA HANDAJANI**

Group Chief Risk Officer

**VICTOR LEE MENG TECK**

Country Head, Singapore;
Chief Executive Officer,
CIMB Bank, Singapore; and
Chief Executive Officer,
Group Commercial Banking

GROUP MANAGEMENT PROFILE

LANI DARMAWAN

Country Head, Indonesia
President Director and Chief Executive Officer,
PT Bank CIMB Niaga Tbk

Nationality | Indonesian

Age | 59

Gender | Female

QUALIFICATION

- Bachelor of Dentistry from Trisakti University, Jakarta, Indonesia

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Member of Banking Sector – Monetary Policy and Financial Services Agency, Indonesian Chambers of Commerce and Industry (KADIN)
- Deputy Head of Institutional Relations – Indonesian Bank Association (PERBANAS)
- Member of Banking Committee – The Indonesian Employers Association (APINDO)

RELEVANT EXPERIENCE

- Appointed as President Director of PT Bank CIMB Niaga Tbk based on the EGM Resolution on 17 December 2021. Lani joined CIMB Niaga on April 2016 as Consumer Banking Director.
- Concurrently also holds role as President Commissioner in PT Bank CIMB Niaga Tbk Finance, a subsidiary of PT Bank CIMB Niaga Tbk.
- She has more than 30 years of experience with various positions in consumer banking with major banks such as Maybank, Bank Permata, Citibank, Standard Chartered, Lippo Bank, Bank Central Asia, Danamon, and American Express.

PAUL WONG CHEE KIN

Country Head, Thailand
President and Chief Executive Officer, CIMB Thai Bank PCL

Nationality | Malaysian

Age | 52

Gender | Male

QUALIFICATION

- Bachelor of Business (Major in Banking and Finance), Monash University, Melbourne, Australia

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Director, CIMB Thai Bank Public Company Limited

RELEVANT EXPERIENCE

- Over 25 years of experience in banking and finance in ASEAN.
- He joined CIMB Group in 2007 as Senior Vice President, Head of Sales Management – Consumer Sales and Distribution of CIMB Bank Berhad. He has been assigned to various positions within the Group, including stints in the Philippines and was subsequently appointed President and CEO of CIMB Thai Bank PCL in February 2021.
- He has a strong track record in strategic projects regionally, in digitalisation and transformation, and brings in depth functional experience in operations, having successfully led and transformed Group Operations.
- He also served as the Board of Directors for Principal Asset Management Berhad from September 2016 to January 2021.
- Prior to CIMB, he served in various capacities in several financial institutions in Malaysia and Singapore.

VICTOR LEE MENG TECK

Country Head, Singapore
Chief Executive Officer, CIMB Bank, Singapore
Chief Executive Officer, Group Commercial Banking

Nationality | Singaporean

Age | 51

Gender | Male

QUALIFICATION

- Bachelor of Applied Science (Materials Engineering), Nanyang Technological University, Singapore
- Alumni of ASIAN Financial Leaders Programme (AFLP), mandated by Monetary Authority of Singapore

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Nil

RELEVANT EXPERIENCE

- Responsible to grow and drive innovation for the SME and Mid-Corporate segments in the region. Champions customer centricity, digital enablement, as well as CIMB's sustainability agenda for the entire Commercial Banking business.
- Responsible for Singapore's banking business and strategic positioning, and to deepen its foothold in ASEAN region.
- Over 25 years of experience in Retail banking, Channels/Distribution Management, Microfinance and Business Banking with markets coverage in ASEAN, North Asia, Africa and the Middle East.
- At Fullerton Financial Holdings, he was responsible for managing its investments in banks and financial services firms. This includes driving its strategy and implementations, leading several digital initiatives across Asia and delivering strong operational risk governance and performance excellence. He also held various board directorships within the Fullerton Group.
- Was Managing Director at United Overseas Bank (UOB) and led the Small Business banking segment at UOB.
- A member of the SME Banking management committee in Standard Chartered where he was responsible for its global liability, treasury business and lending businesses in Singapore, Taiwan and China.
- At Citibank, he was responsible for the strategic positioning of business banking within the Global Consumer Group in Singapore and for driving key initiatives for CitiGold and CitiBanking.
- Awarded "Top 50 Most Promising Young Leaders" award in 2008 by The Asian Banker for bankers aged below 40 in Asia Pacific and the Middle East region".

SAMIR GUPTA

Chief Executive Officer,
Group Consumer Banking

Nationality | Singaporean

Age | 59

Gender | Male

QUALIFICATION

- Bachelor of Technology in Mechanical Engineering, Indian Institute of Technology, India
- Master of Management Studies, University of Bombay, India

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Nil

RELEVANT EXPERIENCE

- Over 30 years' experience in the banking industry including digital, retail, wealth management, consumer finance, cards, risk, operations and audit.
- Senior Manager with track record of building consumer banking franchises in Asia, Africa and the Middle East.
- Started his working career with Citibank, India and moved to Singapore in 1990.
- Managed various roles in Citibank and Barclays and PT Bank CIMB Niaga Tbk based out of Singapore, Thailand, United Arab Emirates, Turkey and Indonesia.
- Joined CIMB Group as Consumer Banking Director of PT Bank CIMB Niaga Tbk in 2010.

GROUP MANAGEMENT PROFILE

RAFE HANEEF

Chief Executive Officer, Group Transaction Banking
Chief Executive Officer, CIMB Foundation

Nationality | Malaysian

Age | 52

Gender | Male

QUALIFICATION

- Master of Laws (LL.M), Harvard Law School
- Bachelor of Laws (LL.B), International Islamic University Malaysia
- Qualified for the New York State Bar in 1997
- Admitted to the Malaysian Bar in 1995

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Nil

RELEVANT EXPERIENCE

- CEO of Group Transaction Banking overseeing transaction banking business which consists of four main product pillars namely Trade Finance, Cash Management, Securities Services and Financial Institution serving the Group's Non Retail customers across CIMB franchise in ASEAN. Transaction Banking drives annuity business and relationship stickiness; thus pivotal to the growth of CIMB Group.
- CEO, CIMB Foundation, to spearhead CSR in community development, sports and education initiatives with diversity and inclusion as the guiding principles.
- Previously, Chief Sustainability Officer, responsible for driving sustainable financing and social responsibility initiatives across the CIMB Group.
- Previously, CEO of CIMB Islamic Bank Berhad in charge of the Group's Islamic banking and finance franchise. CIMB Islamic operates as a parallel franchise to the Group's conventional operations and covers Islamic wholesale banking, Islamic consumer banking, Islamic commercial banking and Islamic asset management and investments.
- Instrumental in the inclusion of CIMB Islamic in the Value-based Intermediation (VBI) Community of Practitioners, working to develop VBI together with the central bank to contextualise and drive sustainability with Islamic finance institutions in Malaysia.
- Instrumental in CIMB Group being a member of RFI as well as a founding member to the UNEP FI Principles for Responsible Banking.
- 20 years of experience covering a range of businesses and functional roles gained from three global banks, an international asset management company and a legal firm, at various financial centres including London, Dubai and Kuala Lumpur.
- CEO, Malaysia, and Managing Director of Global Markets, ASP, HSBC Amanah in 2010.
- Regional Head for Islamic banking, Asia Pacific, Citigroup Asia in 2006.
- Global Head of Islamic Finance business at ABN AMRO Dubai in 2004 covering both consumer and corporate businesses.
- Joined HSBC Investment Bank plc, London in 1999 and thereafter HSBC Financial Services Middle East, Dubai where he set up the global sukuk business in 2001.

EFFENDY SHAHUL HAMID

Chief Executive Officer, CIMB Digital Assets
Group Chief Executive Officer, Touch 'n Go Group

Nationality | Malaysian

Age | 48

Gender | Male

QUALIFICATION

- Honours in Electronic Engineering with Optoelectronics, University College London
- CIMB-INSEAD Leadership Programme, INSEAD
- Digital Business Leadership Programme, Columbia Business School, Columbia University

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Chairman, TNG Digital Sdn Bhd
- Chairman, CIMB Bank (Vietnam) Limited
- Director, Touch 'n Go Sdn Bhd
- Director, Principal Asset Management Berhad

RELEVANT EXPERIENCE

- As CEO, CIMB Digital Assets, Effendy oversees all of the Group's investments, partnerships and value creation activities in the digital space. Also responsible for CIMB's portfolio of digital businesses and ventures, which today includes Touch 'n Go and TNG Digital (collectively known as Touch 'n Go Group), as well as CIMB's digital banking franchises in Philippines and Vietnam. He also serves as Group CEO of Touch 'n Go Group where he oversees all day-to-day functions of the franchise.
- Most recently CEO, Group Ventures and Partnerships, responsible for the development of the Group's new and disruptive revenue and value creation streams, with a focus on cultivating platform partnerships, strategic investments in platform-based businesses, and steering CIMB's approach and practices in terms of financial technology trends and digital plays.
- Prior to that, was CEO, Group Asset Management and Investments, responsible for the Group's investments businesses across both public and private markets, including the regional asset management franchise, its private equity fund management business and the equity investments portfolio.
- Prior to that, was CEO, Group Commercial Banking, managing the Group's regional banking businesses for the small and medium enterprise and mid-sized corporate segment, with a key focus on creating differentiated propositions and executing long term growth strategies.
- Preceding that, he was Group Chief Marketing and Communications Officer, managing the Group's entire marketing and communications initiatives and lead franchise-wide efforts to ensure a consistent and differentiated CIMB brand for all of the Group's businesses across the region.
- Before that, he served as a Director in the Group's Investment Banking Division, primarily focusing on corporate advisory and origination.
- Prior to joining the Group in 2004, spent the early years of his career in several international companies in a corporate development capacity, mostly involved in private equity, merger and acquisition activities across Asia Pacific and general business expansion initiatives.
- Regional business experience having worked and lived in Malaysia, Hong Kong and Singapore.

AHMAD SHAHRIMAN MOHD SHARIFF

Chief Executive Officer/Executive Director,
CIMB Islamic Bank Berhad
Chief Executive Officer, Group Islamic Banking

Nationality | Malaysian

Age | 45

Gender | Male

QUALIFICATION

- Bachelor of Arts in Accounting and Finance, Lancaster University, United Kingdom
- Malaysian Financial Markets Certificate, Persatuan Pasaran Kewangan Malaysia dan Institut Bank-Bank Malaysia, Malaysia
- Chartered Professional in Islamic Finance, Chartered Institute of Islamic Finance Professionals, Malaysia

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Board Member, CIMB Islamic Bank Berhad
- Vice President and Council Member, Association of Islamic Banking and Financial Institutions Malaysia (AIBIM)
- Member, Standing Committee on Islamic Financial Reporting, Malaysian Accounting Standards Board (MASB)
- Honorary Senior Fellow, Centre for Islamic Economics, IIUM, Malaysia

RELEVANT EXPERIENCE

- Ahmad Shahriman Mohd Shariff was appointed Chief Executive Officer of CIMB Islamic Bank on 1 October 2019 and heads the Group Islamic Banking business of CIMB Group that includes Islamic wholesale banking, Islamic consumer banking, Islamic commercial banking and Islamic asset management and investment across the key markets of Malaysia, Singapore and Indonesia.
- Shahriman has over two decades of experience in the corporate sector, of which 16 years were in Islamic Banking and Finance-related leadership roles. He played an active role in the development of Malaysia's Islamic banking industry, with a longstanding role in the Treasury committee of the Association of Islamic Banks in Malaysia (AIBIM). In this capacity, he was involved in instrumental industry initiatives such as developing, amongst others, a commodity exchange for Islamic finance purposes, Islamic structured products, documentation standards for Islamic derivatives as well as an Islamic credit support mechanism.
- He previously headed the Wholesale Banking at HSBC Amanah Malaysia Berhad as Director, and served as the Head of Islamic Banking at Citibank Berhad prior to that. Under these leadership roles, he has been an instrumental contributor towards the growth of the Islamic banking and finance industry with the introduction of global award-winning capital markets and treasury solutions. Shahriman has strong leadership, technical, legal and risk management expertise gained from his stint in these cross-border institutions.
- He started his career as a management associate with Citibank before being selected to undertake the leadership development programmes both regionally and globally in his time with Citigroup.

KHAIRUL RIFAI

Group Chief Financial Officer

Nationality | Malaysian

Age | 41

Gender | Male

QUALIFICATION

- First Class Honours degree in Accounting and Finance from University of Warwick, United Kingdom
- MSc in Finance from Imperial College, United Kingdom
- Member of the Institute of Chartered Accountants in England and Wales (ICAEW)
- Member of the Chartered Banker Institute (MCBI)
- Member of Malaysian Institute of Accountants (MIA), Malaysia

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Director of SIBB Berhad
- Director of Perdana Nominees Sdn Bhd
- Director of S.B Properties Sdn Bhd
- Director of S.B. Venture Capital Corporation Sdn Bhd
- Director of Premier Fidelity Sdn Bhd
- Director of SBB Berhad
- Director of CIMB Berhad
- Director of CIMB Real Estate Sdn Bhd
- Director of CIMB Group Sdn Bhd
- Director of Southeast Asia Special Asset Vehicle Limited (SEASAV)
- Director of CIMB Holdings Sdn Bhd
- Director of Commerce MGI Sdn Bhd
- Director of CSI Investments Limited

RELEVANT EXPERIENCE

- Khairul assumed his current role in 2019 and prior to that he held the position of CFO, Malaysia and Regional Head, Financial Control with responsibility for tax, regulatory reporting, financial accounting, management reporting, business finance advisory, product control and financial planning.
- Khairul started his career with KPMG, London focusing on the financial services industry.
- In 2006, he joined Goldman Sachs, London as an equity analyst covering the European Insurance Sector. He then joined UBS, Malaysia in 2009 to cover the Malaysian Banking Sector and later on also covered the Singapore Banking sector.
- Prior to joining CIMB Group, Khairul was working at RHB Group, Malaysia as the Head of Finance of RHB Islamic Bank and Head of Investor Relations.

GROUP MANAGEMENT PROFILE

GURDIP SINGH SIDHU

Group Chief People Officer,
Group Chief Sustainability Officer

Nationality | Malaysian

Age | 48

Gender | Male

QUALIFICATION

- Honours in Accounting and Finance, the London School of Economics and Political Science, University of London, United Kingdom
- Chartered Financial Analyst (CFA)
- Alumni of the CIMB-INSEAD Leadership Programme

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Director, CIMB Bancom Capital Corporation
- Director, CIMB Bank (Vietnam) Limited

RELEVANT EXPERIENCE

- Gurdip has over 25 years of experience in financial services and management consulting, and has been with CIMB Group for over 15 years. He currently helms two functions within the organisation, Group Human Resource and Group Sustainability.
- As Group Chief People Officer, he is responsible for setting the human capital direction and strategy of the Group, in alignment with the Group's overall strategy and priorities. He oversees organisation design, performance management, talent acquisition and management, employee experience and learning.
- Meanwhile, in his role as Group Chief Sustainability Officer, Gurdip leads the development and execution of CIMB's sustainability strategy, in line with the priorities and target outcomes set by the Board and the Group Chief Executive Officer. The division comprises the Sustainability and Corporate Responsibility teams.
- Prior to his current roles, Gurdip held the position of Group Chief Strategy and Design Officer, overseeing and supporting the execution of transformation and growth initiatives under T18 and Forward23+. During this stint, he had helped shape and steer the Group through various strategic phases and initiatives, including setting up the sustainability function.
- Before joining CIMB Group, Gurdip spent a decade in an international management consulting firm advising banks, telecommunications companies and Governments across ASEAN, India, South Korea and Spain.

HANIZ NAZLAN

Group Chief Strategy Officer

Nationality | Malaysian

Age | 39

Gender | Male

QUALIFICATION

- Bachelor of Science (Hons) Degree in Actuarial Science, London School of Economics and Political Science, University of London
- Masters Degree and Postgraduate Diploma in Applied Finance and Investment, Financial Services Institute of Australasia
- Certified Financial Technician (CFTe) and had also attended the Program for Leadership Development at the Harvard Business School

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Principal Asset Management Berhad
- Principal Islamic Asset Management Sdn Bhd
- CIMB Strategic Assets Sdn Bhd
- Commerce Asset Ventures Sdn Bhd
- CIMB Private Equity Sdn Bhd
- CIMB SI II Sdn Bhd
- CIG Berhad
- Proton Commerce Sdn Bhd
- Renggis Ventures Sdn Bhd
- Financial Park (Labuan) Sdn Bhd
- CGS-CIMB Holdings Sdn Bhd
- CIMB Group Sdn Bhd

RELEVANT EXPERIENCE

- Haniz is Group Chief Strategy Officer at CIMB, where he oversees Group Strategy, Performance and Programme Management, Group Customer Experience, Transforming Customer Journeys, Group Corporate Finance and Investment Management as well as the Group CEO's Office.
- Haniz has over 15 years of experience in areas of corporate strategy, corporate finance, mergers and acquisitions, project management, portfolio and asset management, global equities and real estate investments.
- Prior to joining CIMB in April 2021, Haniz was the Chief Investment Officer of Lembaga Tabung Angkatan Tentera (LTAT) from August 2019 where he was accountable for all investment functions and activities in the management of LTAT's investment portfolio. He played a key role in setting LTAT's turnaround plan in motion. This included the execution of restructuring plans for the investment portfolio, reorganisation of the investment team as well as the strengthening of key investment policies and processes, one of which included the establishment of LTAT's long term Strategic Asset Allocation (SAA) Framework. Prior to LTAT, Haniz spent the larger part of his career at Permodalan Nasional Berhad (PNB). He served PNB in various capacities, including leading roles in the Group Chief Executive's Office, International Department, Strategic Asset Allocation Department and Investment Division.
- He played a key part in driving the establishment of PNB's SAA and Fixed Income Frameworks, planning PNB's new global operating model, setting up the unit trust funds' expansion into global markets and in leading key M&A transactions for the PNB Group, both locally and abroad.

VERA HANDAJANI

Group Chief Risk Officer

Nationality | Indonesian

Age | 50

Gender | Female

QUALIFICATION

- Master of Business Administration, Kellogg – Hong Kong University of Science and Technology, USA & Hong Kong
- Bachelor of Arts (Economics), Trisakti University, Indonesia

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Board of Commissioner of PT Bank CIMB Niaga Tbk

RELEVANT EXPERIENCE

- Vera was appointed as Group Chief Risk Officer on 1 August 2021, where in her role she oversees all aspects of risk management across the CIMB Group.
- Vera has over 25 years of banking experience with a holistic exposure to business (relationship management, business development and transformation), risk management and loan restructuring and recovery within wholesale and retail/SME banking. She brings with her a wealth of experience covering emerging market countries across Asia and leading multi-regional teams based out of Hong Kong, Singapore and Indonesia.
- She joined CIMB Group in May 2013 as Chief Risk Officer of PT Bank CIMB Niaga Tbk.
- Prior to joining CIMB, she held roles with a few global banks, including The Royal Bank of Scotland and ABN AMRO Bank where her remit spanned Financial Institutions Credit, Trading Credit Risk Management, Operational Risk Management and Financial Restructuring and Recovery.

KWAN KEEN YEW

Group Chief Legal and Compliance Officer
Group Chief Integrity and Governance Officer

Nationality | Malaysian

Age | 48

Gender | Male

QUALIFICATION

- Bachelor of Laws (Hons), University of Sheffield, United Kingdom

DIRECTORSHIP/RELEVANT APPOINTMENTS

- Nil

RELEVANT EXPERIENCE

- Oversees the Group Legal and Compliance function which is responsible for the management of regulatory, legal and compliance risks across CIMB Group.
- Appointed as Group Chief Integrity and Governance Officer in September 2020, to oversee and manage Bribery and Corruption issues across CIMB Group.
- Held various roles in a foreign bank which included Regional Head of Compliance for Malaysia, Australia, Brunei, and Vietnam, Head of Wholesale Banking Compliance for Hong Kong, and Head of Legal and Compliance for Malaysia.
- Prior to joining the banking industry, Keen Yew was in private practice at a regional law firm and was advising clients on projects, as well as banking and finance.

GROUP MANAGEMENT PROFILE

AMRAN MOHAMAD

Group Chief Internal Auditor

Nationality | Malaysian

Age | 45

Gender | Male

QUALIFICATION

- Bachelor of Science (Hons) in Accountancy from the University of East Anglia, Norwich, United Kingdom
- Fellow member of the Association of Chartered Certified Accountants (ACCA)
- Member of the Malaysian Institute of Accountants (MIA)
- Member of Institute of Internal Auditors Malaysia (IIA)

DIRECTORSHIP/RELEVANT APPOINTMENTS

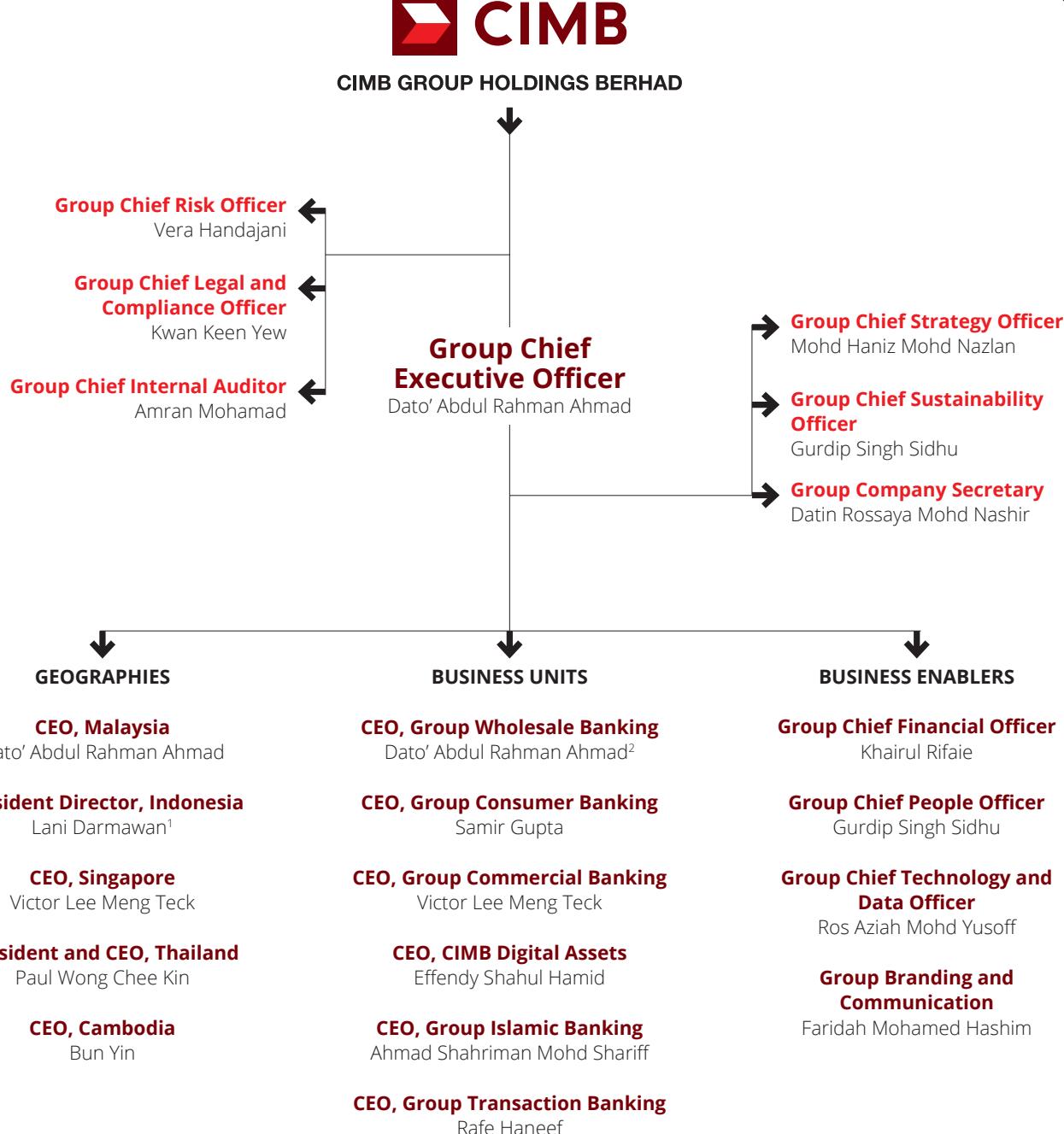
- Chairman of Board of Controllers, CIMB Bank (Vietnam) Limited

RELEVANT EXPERIENCE

- Ensures that the Group Corporate Assurance Division supports the CIMB Group Audit Committee, CIMB Banking Group Audit Committee and other relevant Audit Committees of Group's subsidiaries in discharging their responsibilities, as well as managing their respective governance, risk and control functions. He oversees the Internal Audit functions across the entire Group.
- Amran has over 20 years of audit experience in the areas of capital market, corporate and retail banking gained working in Malaysia and the United Kingdom. Amran's last held position before joining CIMB was Senior Vice President, Internal Audit with Royal Bank of Scotland in London. He had also previously worked with PricewaterhouseCoopers, KPMG, UniCredit Bank and Barclays Capital.

GROUP ORGANISATION STRUCTURE

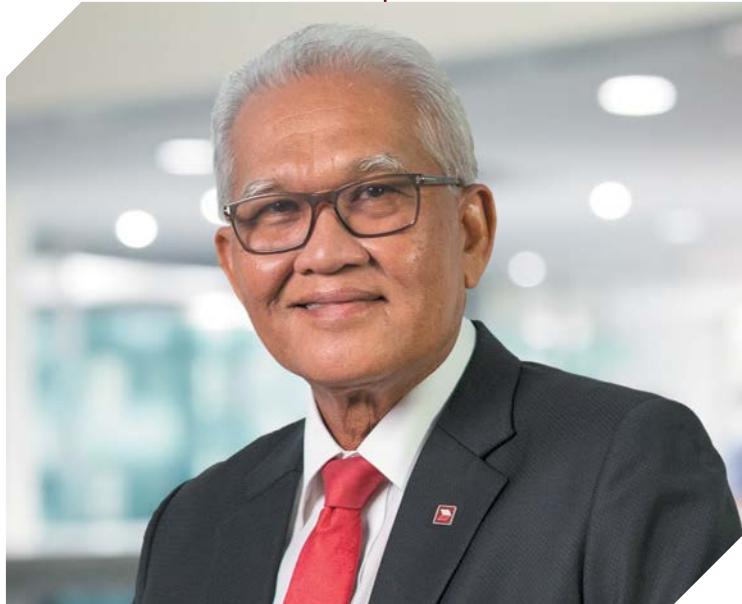
1 March 2022



¹ subject to OJK approval

² acting

CHAIRMAN'S STATEMENT ON CORPORATE GOVERNANCE



**Datuk Mohd
Nasir Ahmad**
Chairman

DEAR STAKEHOLDERS,

I am honoured to present the CIMB 2021 Corporate Governance Overview Statement.

At CIMB, corporate governance rests on our principles of sustainability, where we recognise the relationship between business, society and environment. We very well understand the systemic linkages between what we do as a responsible financial institution and the various social and environmental influences (positive and negative) in the ecosystems where we operate. We also acknowledge the possibilities where such influences affect our business and competitive environment, compromising the well-being of our people and our ability to create value for them.

Corporate Governance has morphed in its meaning and application. COVID-19 has exposed the complex ecosystems where we operate. The inter-dependencies and potential drivers of impact in the midst of a lot of uncertainty continue to baffle businesses. The function of the Board of Directors is no more as straight forward as it used to be. In the pre-pandemic world, for many business leaders, good governance was all about compliance, transparency, and aggressive pursuit of shareholders' interests and returns. In 2021, when COVID-19 continued to decimate the socio-economic fabric of our society, corporate boards recognised the new reality. And the new reality is that Boards' decisions must be based on multiple factors or considerations that drive stakeholder value, beyond shareholders' returns. The new reality is for the Boards to demonstrate resilient leadership that preserves as well as enhances the value for both shareholders and stakeholders.

With this mindset, in 2021, we institutionalised the Group Sustainability and Governance Committee (GSGC) on the Board, chaired and led by a Senior Independent Non-Executive Director. The primary objective of GSGC is to provide an oversight, advice and direction in the development, implementation and monitoring of strategies, frameworks and policies that regulate CIMB Group's approaches to managing critical risks associated with stakeholder governance, sustainability and climate change, integrity and corporate responsibility. In short, GSGC will not only advocate but also foster ethical conduct, a culture of integrity and sustainability DNA across the Group as well as be responsible for management of the related breaches and consequences to business and stakeholders.

During the year, the stress test of corporate governance systems continued, where leadership, organisational resilience, and risk management were challenged by the unprecedented circumstances created by the pandemic. Governments over the world were quick to extend policy support for businesses at risk of insolvency through monetary policies, liquidity relief, job retention programmes, moratoria, credit guarantee schemes, business aid relief, and changes to legal rules on bankruptcy. On the back of such measures, the rate of insolvencies during the COVID-19-induced downturn remained relatively stable in contrast with the 2008-2009 financial crisis during which insolvencies spiked sharply.

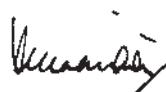
The push by institutional investors for ESG compliance and ESG integration into business recovery and growth models has never been greater. For the first time, management of ESG risks and opportunities were incorporated into the Malaysian Code on Corporate Governance (MCCG) by the Securities Commission Malaysia. The MCCG 2021 update calls for sustainability considerations in corporate strategies and plans in an integrated manner that supports the long-term success of the company. This includes incorporating sustainability risk management in the performance evaluations of senior leadership and appointing a dedicated person to oversee sustainability at the management level. The update also makes note of a 'net-zero economy' as an advantage to companies that are supporting the transition. Similar revisions to corporate governance were echoed elsewhere such as the Stock Exchange of Hong Kong Limited and Japan's Corporate Governance Code.

Such developments call for greater accountability of the Board of Directors in ESG governance, which reinforces investors' confidence and protects shareholders' interests. In other words, corporate governance through a holistic ESG lens serves to strengthen risk management frameworks and prepare an organisation for opportunities in a transitioning economy.

At CIMB, in 2021, we have linked top management compensation to sustainability KPIs. This essentially means, we have included specific responsibilities and KPIs for managing material EES&G issues or matters into the performance scorecards of the Group Chief Executive Officer and Senior Management. We have also announced our commitment towards mitigating climate change, including Net zero GHG Scope 1 and 2 emissions in our operations by 2030 and overall Net Zero GHG by 2050 (including scope 3 and financed emissions).

However, during the year, considering the extraordinary circumstances created by the pandemic, our emphasis has been on mobilising, monitoring and managing our business continuity and crisis management plans. The Board's focus has been on facilitating decisions that would assure safety of employees and customers, while minimising disruptions to productivity and our ability to serve customers efficiently. Financial risks were reviewed for resilience in the uncertain economy and management strategies were adapted with priority to business continuity.

In conclusion, I would like to re-emphasise our strong belief that social and environmental issues should be legitimate concerns discussed and addressed at Board-level. Our immediate responsibilities and action therefore are and will be motivated by our stakeholders' expectations, business resilience and long-term value creation that goes beyond our balance sheets. The Board will remain alert to the volatile circumstances of the present and near future. Our endeavour will be to strengthen our corporate governance mechanisms that drive our ability to not just survive, but thrive as a leading ASEAN banking group, committed to our purpose of advancing customers and society.



Datuk Mohd Nasir Ahmad
Chairman

CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR CORPORATE GOVERNANCE FRAMEWORK

Our Board faced new challenges as a result of the continuous COVID-19 pandemic throughout the FYE 2021. Heightened expectations from regulators, demands from various stakeholder groups and uncertainty about the future has made the Board's decision making process more complex.

Our existing corporate governance framework, which is anchored on competent leadership, operative internal controls, a sound risk culture and accountability and robust reporting structure, has however alleviated our Board in the deliberation and consideration of not ordinarily straightforward issues since the onset of the COVID-19 pandemic.

Our Board is steadfast to ensure that our corporate governance framework, which is subject to a comprehensive regulatory regime, remains updated and resilient to adapt to operating challenges and that good corporate governance practices contribute towards value creation for all CIMB stakeholders. Our corporate governance framework is based on the following key statutory provisions, best practices, policies and guidelines:

- (i) Companies Act 2016;
- (ii) Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements);
- (iii) Policy on Corporate Governance issued by Bank Negara Malaysia (BNM Corporate Governance Policy);
- (iv) Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia (the Code);
- (v) Corporate Governance Guide 3rd Edition published by Bursa Malaysia;
- (vi) Minority Shareholder Watch Group Malaysia (MSWG)- ASEAN Corporate Governance Scorecard;
- (vii) Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries published by the Securities Commission; and
- (viii) Developments in market practice and regulations

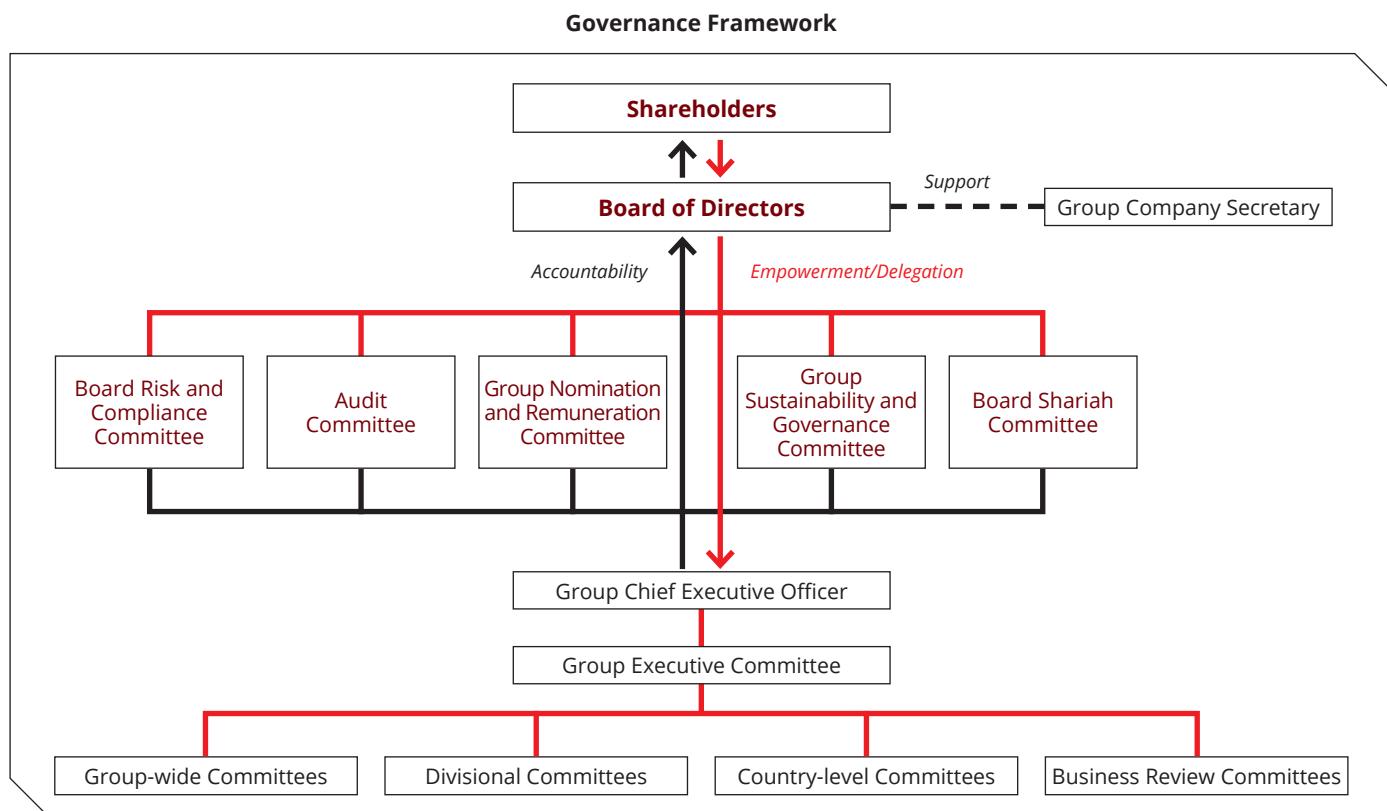
In 2021, CIMB received the following awards for corporate governance:

- (i) Excellence Award for Corporate Governance Disclosure 2020 by MSWG
- (ii) Industry Excellence Award under Financial Services 2020 by MSWG
- (iii) Top 5 Public Listed Companies in Malaysia for Corporate Governance Disclosure 2020 by MSWG
- (iv) Excellence Award (Platinum) by National Annual Corporate Report Awards

This Corporate Governance Overview seeks to provide insights into the corporate governance practices of CIMB for FYE 2021 based on the three (3) key corporate governance principles as set out in the Code:

- A. Board leadership and effectiveness (27 practices, 3 step-ups)
- B. Effective audit and risk management (8 practices, 2 step-ups)
- C. Integrity in corporate reporting and meaningful relationship with stakeholders (8 practices)

This Corporate Governance Overview is prepared in compliance with the Listing Requirements and it is to be read together with the Corporate Governance Report 2021 of CIMB which is available on CIMB's website at www.cimb.com. The Corporate Governance Report provides the details on how CIMB has applied each practice as set out in the Code during FYE 2021.



CIMB has in place the Group Entity Governance Policy (EGP) that categorises the entities based on a set of criteria. The EGP clarifies the relationship between the various entities in the Group and sets out the minimum governance requirements depending on the category of the entity.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

THE ROLES AND RESPONSIBILITIES OF OUR BOARD

The Board Charter sets out seven principal roles and responsibilities of the Board:

- Reviewing and adopting a strategic plan;
- Overseeing the conduct of the Group's business;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- Succession planning of the Board and senior management;
- Overseeing the development and implementation of a Communications Policy; and
- Overseeing the implementation of the Group's governance framework and internal control framework, and periodically reviewing the adequacy and the integrity of the management information and internal controls system to ensure they remain appropriate in light of material changes to the size, nature and complexity of the Group's operations
- Overseeing the development and implementation of a sustainability framework for the Group.

The Board has a formal schedule of matters specifically reserved for its decision and delegated matters, details of which can be found in our Board Charter which is available on CIMB's corporate website at www.cimb.com. To ensure that it remains relevant, the Board Charter is reviewed every three years or as change arises to ensure CIMB remains at the forefront of best practices in governance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During FYE 2021, our Board spent a considerable amount of time reviewing and discussing with Management, the impact of COVID-19 on our business operations, including the actions taken to safeguard the health and safety of our employees, fortify the financial performance, ensure uninterrupted services to customers and lend measures to assist deserving customers. Other matters discussed are set out below:

Main Areas of Oversight in FYE 2021	Key Matters Reviewed/Deliberated/Approved
<ul style="list-style-type: none"> • Strategic/business plans and Management's performance in implementing the strategies and plans • Annual budget • Principal risks, appropriate internal controls and mitigation measures • Succession planning • Communications Policy • Governance and Integrity framework • Group CEO's and Directors' appointments and their emoluments and benefits • Annual effectiveness and performance of the Board Committees • Financial statements and interim dividend • Corporate organisation structure • Controls and systems to measure implementation of policies • Internal control systems and management information systems • Plans/strategies for a sustainable organisation, taking into account environmental, economic and social aspects 	<p>17 meetings held to deliberate, amongst others, on the following:</p> <ul style="list-style-type: none"> • Budget • Group CEO's Quarterly Report • Quarterly Capital Management Update • Quarterly Shareholder Statistics Update • Quarterly Report on Directors' Training, Directorships and Summary of Dealings outside of Closed Period • Reports from Board Committees • Group Risk Posture • Financial Statements • Interim Dividends • Formalisation of/Updates to Group policies • Re-appointment of external auditors for FYE 2021 • Business Units updates and projects • Basel II/Pillar 3 Disclosures • Performance assessment and proposed compensation for Executive Director • Revision terms of references of Board or Board Committees • Compliance Work Plan • Annual evaluation exercise for Board and Key Responsible Persons • Forward23+ Strategy • Annual insurance programme renewal • Touch 'n Go related matters • Sustainability framework, policy and progress • COVID-19 impact analysis and risk updates • Proposed Sukuk Programme • Business and strategic plan • Corporate structure streamlining • Group Technology Blueprint • Composite risk rating • Regulatory updates • Brand Strategy Framework • Related Party Transactions

SEPARATION OF ROLES OF THE CHAIRPERSON AND GROUP CEO

The Board is helmed by Datuk Mohd Nasir Ahmad, an Independent Director, who plays a key role in ensuring the Board operates effectively and fully discharges its legal and regulatory responsibilities. As the Chairperson, he 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. Notwithstanding that Datuk Mohd Nasir is an Independent Chairperson, the Board nevertheless retained the role of Senior Independent Director (SID) on the Board, whose role is to serve as a sounding board to the Chairperson, a representative of the Non-Executive Directors and also act as an additional point of contact for all stakeholders who wish to convey any concerns in relation to CIMB Group. The Board has designated Teoh Su Yin as the SID.

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 roles of the Chairperson, SID and Group CEO are specified in the Board Charter.

DELEGATION BY THE BOARD TO GROUP CEO

The Board delegates responsibility for the overall business and day-to-day management of CIMB to the Group CEO, Dato' Abdul Rahman Ahmad. The Group CEO is responsible for leading the management and for making and implementing operational decisions, and is assisted by the Group Executive Committee and other Management Committees. In FYE 2021, Business Review Committees for Countries and Business Divisions continued to provide a platform for the Group CEO to review the performance and key strategic matters of the respective countries' entities and business divisions. These Business Review Committees allow the Group CEO to track and measure the performance of core programmes against the agreed strategies and roadmap and provide regular feedback to management and ensure timely corrections.

DELEGATION BY THE BOARD TO THE BOARD COMMITTEES

The Board has delegated authority to various Board committees to enable them to oversee certain specific responsibilities based on their terms of reference. The terms of reference of each Board committee set out the responsibilities of the Board committee, conduct of meetings including quorum, voting requirements and Board committee membership. All our Board committees comprise Non-Executive Directors only. Any change to the terms of reference for any Board committee requires Board approval. The minutes of Board Committee meetings, which records the key deliberations and decisions taken during these meetings, are circulated to all Board members for their information. During every Board meeting, the Chairperson of each Board committee provides an update on significant matters discussed at the Board committee meetings which are typically scheduled before the Board meeting.

On 15 September 2021, CIMB formalised the set-up of a new Board committee, namely Group Sustainability and Governance Committee (GSGC) to provide the Board with greater oversight and stewardship over the Group's sustainability aspirations. The GSGC's primary purpose is to assist our Board in fulfilling its responsibilities in advocating and fostering a culture/DNA of sustainability, ethical conduct, and integrity across the CIMB Group. The GSGC provides oversight and input to the Management's implementation, operation and assurance of policies and standards in alignment with the CIMB's sustainability and climate change strategy. It takes a proactive approach to create a net positive impact on environmental, social and governance material matters arising from the Group's capacity as a lender/financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer. The GSGC also oversees the management of bribery, corruption and other related risks and the consequence management of these breaches. The GSGC convenes on a quarterly basis.

In compliance with the Code, the Chairperson ceased to be the member of the Audit Committee and Group Nomination and Remuneration Committee effective from 1 November 2021.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Committee and Composition	Main areas of oversight in FYE 2021	Key Matters Discussed
Audit Committee (AC) <ul style="list-style-type: none"> Comprises three Members, all of whom are Independent Non-Executive Directors 	<ul style="list-style-type: none"> Financial Reporting Internal controls Internal audit function External audit reports Related Party Transactions* Corporate Governance disclosures Board's conflicts of interest policy Sustainability audit <p>*CIMB has in place the Group Related Party Transactions Policy and Procedures. As stated therein, the AC's roles are to review the related party transactions to ensure that they are carried out at fair and arms-length commercial terms and to also review the adequacy of the Group's policy and procedures in identifying, monitoring and reporting related party transactions. AC also keeps the Board informed of such transactions, and the findings and conclusions from its review. The related party transactions are disclosed in the Financial Statement.</p>	<ul style="list-style-type: none"> Matters relating to CIMB, the three Malaysia banking entities and regional subsidiaries Matters relating to other non-banking subsidiaries of the Group Review of Financial Results and approval of Financial Statements Related Party Transactions MFRS/IFRS 9 Updates Audit and Non-audit Services provided by External Auditors Audit Committee Report and Internal Controls Report for FYE 31 December 2020 Amendments to Group External Audit Policy Documents pertaining to Annual Report 2020 Annual Performance Review of Group Corporate Assurance Division (GCAD) and Group Chief Internal Auditor (GCIA) Review of Performance Management System Technology Audit Strategy and Transformation Journey from 2020 to 2022 Corporate Assurance Singapore's Audit Plan Strategy for Audit of Outsourcing Service Providers Credit Related Control Issues – Management's Action Plans Section 17A Malaysian Anti-Corruption Commission Act Program – Update on Integrity Governance Unit Structure and Framework CIMB Singapore Branch: Auditor's Long Form Report for FYE 31 December 2020 Audit Committee Report for FYE 30 June 2021 PwC: Independence Charter Prohibited and Permitted Non-Audit Services for Group External Auditors Audit Plan for 2021 CIMB Sustainability and Risk Framework GCAD Forward23+ Strategy and Milestones Updates to Investigation Process Flow on Whistleblowing Cases GCAD Data Analytics Journey and Roadmap Red Team Exercise report Early Warning Report for FYE 31 December 2021 Reappointment of External Auditors External Quality Assurance Review Report on GCAD GCAD Annual Audit Plan GCAD 2022 Financial Budget AC Evaluation on GCAD for Year 2021

Board Committee and Composition	Main areas of oversight in FYE 2021	Key Matters Discussed
Board Risk and Compliance Committee (BRCC) <ul style="list-style-type: none"> • Comprises five Members of whom three (including the BRCC Chairperson) are Independent Directors • All Members are Non-Executive Directors 	<ul style="list-style-type: none"> • Risk appetite • Risk governance • Risk frameworks • Risk management practices and policies • Risk strategy • Compliance Risk • Risk and Compliance Culture • Oversight on IT Risks • Compliance Framework • Anti-Money Laundering/Counter Financing Terrorism Risk Appetite • Compliance and Anti-Money Laundering/Counter Financing Terrorism Strategy 	<ul style="list-style-type: none"> • CIMB's Risk Appetite • Economic Outlook • Group Risk Report: <ul style="list-style-type: none"> – Material and Emerging Risk – Risk Appetite Dashboard – International Offices Risk Appetite Dashboard – Non-Financial Risk and Business Continuity Management Update – Sustainability Risk Overview – 2021 Risk Posture Compliance Checking – Compliance to 2021 Risk Posture – Asset Quality Heatmap – Risk Hotspots and Emerging Risks Framework: A Forward Looking Assessment of Risk • Group Legal and Compliance Report • 2021 Risk Appetite Statement for CIMB Group • FYE 2020 Annual Review and Compensation for Group Chief Risk Officer and Group Chief Legal and Compliance Officer • 2021 Individual Scorecards for Group Chief Risk Officer and Group Chief Legal and Compliance Officer • 2021 Compliance Work Plan • Basel II Pillar 3 Disclosure Policy and Basel II Pillar 3 Disclosure Procedures Manual • Proposed Appointment of Group Chief Risk Officer • CIMB's EXCO Diagnostics • Permanent Delegated Authority to CIMB Niaga Sekuritas

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Committee and Composition	Main areas of oversight in FYE 2021	Key Matters Discussed
Group Nomination and Remuneration Committee <ul style="list-style-type: none"> • Comprises six Members of whom five Members (including the GNRC Chairperson), are Independent Directors • All Members are Non-Executive Directors 	<ul style="list-style-type: none"> • Boards' and Board Committees' Composition by undertaking the process of identifying, among others, the experience and quality of directors aligned with CIMB's strategic direction. • Annual Evaluation exercise comprising: <ul style="list-style-type: none"> – Board Effectiveness Assessment – Fit and Proper Assessment of Directors, Chief Executive Officers/Executive Directors (CEOs/EDs), Group Shariah Committee Members and Company Secretary • Succession planning for Boards, Board Committees and CEOs/EDs and Senior Management • Remuneration packages based on the Group's existing remuneration guidelines and framework for <ul style="list-style-type: none"> – Directors – Members of the Board Committees – CEOs/EDs – Senior Officers (SOs) – Material Risk Takers (MRTs) • Governance matters in relation to the Board and Directors • Directors' Development Plans 	<ul style="list-style-type: none"> • 2020 Review by Control Functions • Long-Term Incentive Plan • Board and Board Committees' Composition • Annual Evaluation exercise • Remuneration of Board, Group CEO/EDs, SOs and MRTs • Setting of KPIs for Group CEO/ED and SOs • Policies and updates on corporate governance of the Group • Directors' Development Plan • Renewal of Appointment of Directors with Bank Negara Malaysia • Renewal of Appointment of Board Shariah Committee Members • Streamlining of Boards and Board Committees of CIMB Group • Board and Committee succession planning • Diversity on the Board and Senior Management • Succession Planning for SOs • Appointment of new SOs • Fit and proper assessment of Key Responsible Persons • Board Effectiveness Assessment Results • Assessment of the potential candidates for the position of Country CEO and SOs • Review of Framework for reduction of Board-related costs for FYE 2021 • Leadership Changes for CIMB Group • Establishment of Terms of Reference for Group Sustainability and Governance Committee • Appointment of Board Search Firm • Establishment of Board Charter for subsidiary • Review of Compensation Framework • Reappointment of Retiring Directors at Annual General Meeting and Renewal of Directors Appointment with Bank Negara Malaysia for Tenures Expiring in 2022/2023 • Review of Board Remuneration and Benefits to Directors • Group Remuneration Policy and Remuneration Disclosures • FlexMyCareer Review

Board Committee and Composition	Main areas of oversight in FYE 2021	Key Matters Discussed
Group Sustainability and Governance Committee (established on 15 September 2021) <ul style="list-style-type: none"> Comprises five Members, all of whom are Independent Non-Executive Directors 	<ul style="list-style-type: none"> Advocates and fosters a culture/DNA of sustainability, ethical conduct, and integrity across the Group. Provides oversight and input to the Management's implementation, operation and assurance of policies and standards in alignment with the CIMB Group's sustainability and climate change strategy. Takes a proactive approach to create a net positive impact on Environmental, Social and Governance material matters arising from the Group's capacity as a lender/financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer. Oversees the management of bribery, corruption and other related risks and the consequence management of breaches thereof. 	<ul style="list-style-type: none"> Adoption of Terms of Reference of GSGC Review of Sustainability Strategy and Roadmap and Sustainability Commitments, including Net Zero 2050 commitment and No Deforestation, No Peat and No Exploitation requirements Overview of Integrity and Governance Unit Function

The roles and responsibilities of the Board Shariah Committee are stated under the Statement on Risk Management and Internal Control. The terms of reference of the Board Committees can be found on CIMB's corporate website at www.cimb.com.

BOARD SUPPORT

The Board has appointed the Group Company Secretary who, under the direction of the Chairperson, is accountable for all matters with regard to the proper functioning of the Board as well as to facilitate effective information flows within the Board and Board Committees and between Senior Management and Non-Executive Directors. Directors have independent access to the Group Company Secretary. The Group Company Secretary attends all Board meetings and minutes are prepared to record key deliberations and decisions taken during the meetings. The Group Company Secretary facilitates communication between the Board, its committees and management, and generally assists Directors in the discharge of their duties. The Group Company Secretary helps with the induction of new Directors and, the appointment and removal of the Group Company Secretary require the approval of the Board (is also tasked to facilitate the ongoing professional development of all Directors). Datin Rossaya Mohd Nashir is currently the Group Company Secretary and has been with the Group since 2002. The roles of the Group Company Secretary are specified in the Board Charter.

The Board Charter provides that Directors should receive meeting materials five days prior to the Board meeting to allow sufficient time for Directors to review and analyse relevant information. From 2Q to 3Q of FYE 2021, 96% of the papers/materials were circulated to the Board within the stipulated timeline. Any departure from the said timeline will be reported to the Group Executive Committee on a quarterly basis for improvement. The deliberations and decisions arrived at during Board meetings are clearly minuted in a timely manner and action items for Management will be communicated to the relevant parties within 24 hours after the Board meetings. The draft minutes are then tabled at the following meeting for confirmation and thereafter signed by the Chairperson.

The Board meets on a regular basis, with a minimum of six scheduled meetings in a financial year or at least once every two months or more frequently as circumstances dictate. The dates of these scheduled meetings are determined well in advance before the start of the new financial year to enable the Directors to plan ahead. In addition to the scheduled meetings, Special Meetings may be convened as and when required. All Directors attended more than 75% of all Board meetings held in FYE 2021. Based on the Standard Operating Procedures for COVID-19 set under the Movement Control Order issued by the regulators, CIMB's Board meetings were held virtually during the MCO period to allow Directors to attend meetings in a safe and responsible manner. Members of Senior Management have also been invited to attend selected Board meetings to support the Board with further information on the matters being deliberated.

In addition to the scheduled meetings, the Non-Executive Directors have a framework and forum to meet separately to discuss specific matters without the presence of any Executive Director or Senior Management. There was one 1 session held during the FYE 2021.

BOARD MEETINGS

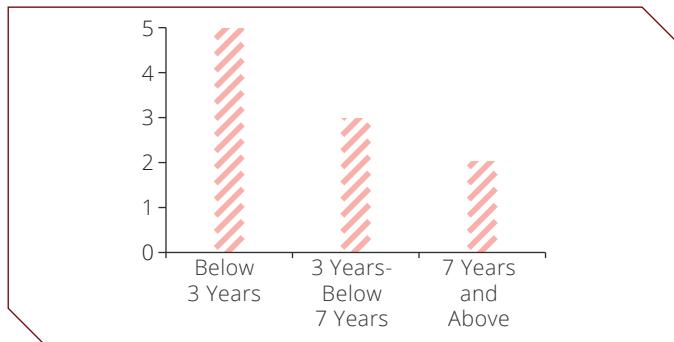
Before each Board meeting, the Chairperson oversees the setting of the agenda of Board meetings, in consultation with the Group CEO, to ensure that there is sufficient information and time to address all agenda items. The agenda also allows for flexibility when needed. All materials for Board and Board committee meetings are uploaded onto a secure portal which can be accessed on tablet devices provided to the Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Number of meetings convened by the Board and each Board Committee

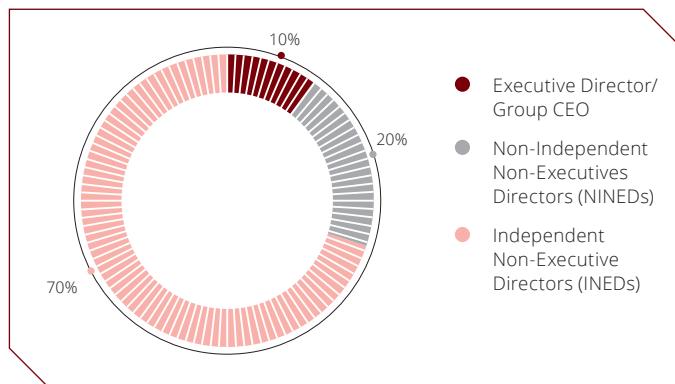
	Number of meetings in 2021
Board	17
Audit Committee	14
Board Risk and Compliance Committee	7
Group Nomination and Remuneration Committee	13
Group Sustainability and Governance Committee	1
Board Shariah Committee	9

Board Member's Tenure



Board Size, Composition and Diversity

As at 31 December 2021, the Board consisted of 10 members:



The Group CEO is the Executive Director. Of the 2 NINEDs, one had previously served in various executive positions in CIMB while the other NINED is the nominee of Khazanah Nasional Berhad, who is the largest major shareholder of CIMB.

The Board had, as part of the Fit and Proper assessment for an appointment of a new Director, evaluated and was satisfied that all the 7 INEDs met the independence criteria and were able to act in an independent and objective manner. During the Fit and Proper assessment, all the 7 INEDs also declared and affirmed their independence based on the independence criteria set out in the Board Charter, which is crafted pursuant to the Code and BNM Corporate Governance Policy. Additionally, all the INEDs had, during the annual evaluation of the Fit and Proper, undertaken that there has been no change in circumstances since the last annual undertaking that may affect his or her independence. Each INED also has an ongoing obligation to inform the Board of any circumstances which could impair his or her independence.

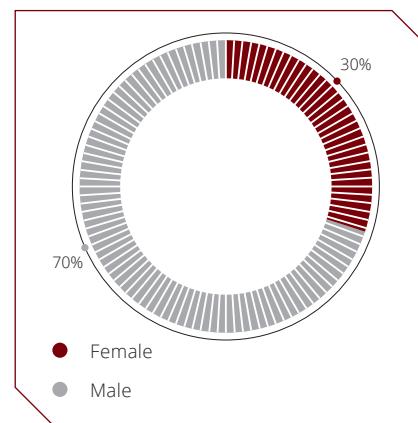
During FYE 2021, no Independent Director had served on the Board for more than 9 years from the date of his/her first appointment. This is in adherence to CIMB's Board Charter that limits an Independent Director's tenure of service to a maximum of nine years. As at 31 December 2021, 50% of the Board Member had served less than 3 years, 30% had served between 3 and 7 years and 20% are long serving directors having served 7 years or more. The average tenure of appointment was 4.3 years as at 31 December 2021.

Board Member Experience

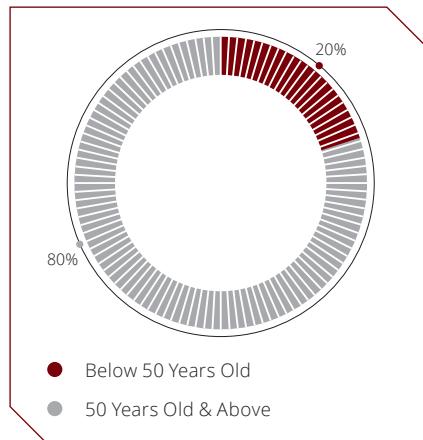


The Board continuously strives to ensure that Directors have a collective mix of skills, experience, expertise and diversity to add value to Board processes and decisions. Based on the Directors' profile, a majority of the Board members have Banking and Finance experience, with more than one-third being seasoned bankers, while the rest have extensive experience in other related industries.

Gender



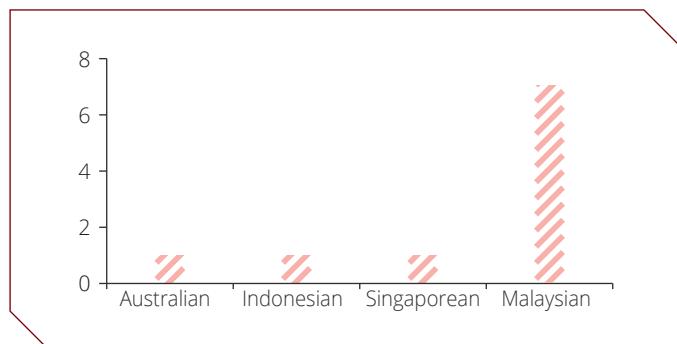
The Board has embraced the recommendation of the Code of having at least 30% women representation on the Board.

Age

The Board takes cognisance that 80% of its current members are 50 years old and more, and will strive to onboard younger generational talents with fresh, innovative and constructive ideas and perspective.

In addition, the behaviours likely to be demonstrated by potential Non-Executive Directors will also be considered by the GNRC during interview sessions for new appointments to ensure that an environment in which challenge is expected, achieved and maintained in the boardroom.

Based on these criteria, suitable candidates will be identified to fill vacancies on the Board and Board Committees as and when they arise. The GNRC has access to a wide pool of candidates which includes recommendations by existing Board Members or Management and through external sources such as the Directors' Register by FIDE FORUM, BNM and PIDM; professional associations and also from independent search firms.

Nationality

Foreign nationals make 30% of the Board composition. They are Robert Neil Coombe, an Australian; Didi Syafruddin, an Indonesian and Shulamite Khoo, a Singaporean – all of whom bring with them vast international experience.

The oversight on the overall composition of the Board and Board Committees resides within the GNRC. The GNRC comprises six Members of whom five Members (including Teoh Su Yin, the Chairperson) are Independent Directors. The GNRC is guided by the following quantitative and qualitative criteria when assessing the suitability of Directors for nomination:

- appropriate size and the balance between Independent Directors, Non-Independent Directors and Executive Directors,
- skills, background and experience,
- diversity in terms of gender, nationality, ethnicity and geography, and
- commitment to sustainability.

The Board has also established the Board Diversity Framework that is applicable to all the Directors of CIMB Group. The Framework sets out the principles on diversity on the Boards that can be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. The five key principles considered are independence, skills and experience, gender, cultural background and age, to ensure that CIMB Group may benefit from all available talent. The Policy is available on CIMB's website.

BOARD EFFECTIVENESS EVALUATION

GNRC makes an assessment once a year to determine whether the Board and Board committees are performing effectively and identify steps for improvement. Once every three years, GNRC obtains an independent perspective on the Board's effectiveness to gain insights on the Board's performance against peer boards and best practices. An external firm was last engaged to conduct the Board performance evaluation for FYE 2019.

The GNRC considered to use substantially the same evaluation questionnaires for benchmarking purposes. The questionnaire included questions on corporate strategy and directors setting, Board governance and oversight, Board composition, Boardroom conduct and dynamics, Board management and operation. Each Director was asked to complete the questionnaire and submit it directly to the Group Secretary who collated the responses and produced a summary report for the GNRC. The GNRC analysed the report and submitted its findings and action plans to the Board.

The exercise for board evaluation for FYE 2020 which was undertaken in 1Q 2021 had identified the following areas for improvement:

- (i) Sustainability considerations to be sufficiently evaluated and integrated by the Board in deliberating Management's proposed strategic decisions, acquisitions, divestments, budgets, etc.
- (ii) Effectiveness of the Board Investment Committee in discharging its roles in accordance with its Terms of Reference in assisting the Board in performing the oversight function and provide recommendations in respect of the investment strategies, management and performance of the investment account.
- (iii) Well-defined leadership succession plan that is aligned to the Bank's strategic goals, direction and sustainability priorities.
- (iv) Structure of meeting Agenda to allow sufficient time to constructively challenge and deliberate on complex and critical decisions.
- (v) Quality of Board papers to facilitate informed decision making and not distributed timely.
- (vi) Effectiveness of Chairpersons of the Board Committees in interfacing with Management for a more appropriate and conducive environment for the effective operation of the Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTOR'S TRAINING

In FYE 2021, Directors attended various training programs to ensure that they are well equipped with the necessary skills and knowledge to perform their duties and meet the challenges facing the Board.

	Mode of Training	Day(s)
Accounting and Audit		
ACCA Council Workshop	Workshop	1
The International Accounting Standards Board IASB's Business Combinations under Common Control Discussion Paper	Workshop	1
BNM-FIDE Forum – MFRS Dialogue on MFRS 17 Insurance Contracts	Forum	1
Financial Reporting Council (UK) Webinar by ACCA	Seminar	1
ACCA Technical Symposium 2021	Conference	1
Capital Markets & Financial Industry		
15th Asia-Pacific High Level Virtual Meeting on Banking Supervision by Bank for International Settlements	Seminar	2
Fifty Shades of QE: Conflict of Interest in Economic Research by Asia School of Business	Seminar	1
Malaysia Path to an Economic Recovery by The Oxford & Cambridge Society Malaysia	Workshop	1
Rise of Market Disruption through Short sellers by Ernst & Young HK	Workshop	1
FIDE/BNM Forum: The future of Malaysia's financial sector	Forum	1
The JC3 Flagship Conference 2021: #financeforchange by Bank Negara Malaysia & Securities Commission Malaysia	Conference	3
Webinar: BlackRock Asia Corporate Directors Forum	Seminar	1
28th Annual CITIC CLSA Flagship Investors' Forum 2021 by CLSA	Forum	1
World Standard-Setters Virtual Conference 2021 by IFRS	Conference	1
BNM-FIDE Forum: Annual Dialogue with Governor of Bank Negara Malaysia	Dialogue	1
Features of adaptation and how it impacts financing and capital allocation by McKinsey	Conference	2
SC-Fide Forum Dialogue on Capital Market Plan 3	Dialogue	1
Securities Commission Industry Dialogue	Dialogue	1
The transition journey for the real economy: how do you get companies to transition?	Workshop	1
Governance		
Effektivitas Pengawasan Dekom dalam menjaga kepatuhan Bank dalam menuju era Pengaturan Principle Based by OJK	Workshop	1
FIDE FORUM's Board Effectiveness Project	Forum	1
Manfaat UU Cipta Kerja Kluster Investasi by Lembaga Komisaris Direktur Indonesia	Forum	1
Board Effectiveness Evaluation framework by FIDE Forum	Forum	1
Board Role in the Changing World of Work by Asia School of Business	Conference	2
Corporate Governance Regulatory Updates for the Capital Markets by Asia School of Business	Conference	2
FIDE Forum – Briefing on Implementing Amendments In The Malaysian Code On Corporate Governance (MCCG) by Dr Elsa Satkunasingam	Forum	1
Global Business Services (GBS) Summit 2021 – Reimagining Business Services by Outsourcing Malaysia/Pikom	Workshop	1
Implementing Amendments in the Malaysian Code on Corporate Governance by Asia School of Business	Workshop	1
Webinar: Governance Pada Perusahaan Holding by Lembaga Komisaris dan Direktor Indonesia (LKDI)	Seminar	1
FIDE FORUM's Webinar: "The Board's Role and Responsibilities in Crisis Communications"	Seminar	1

	Mode of Training	Day(s)
Information Technology		
Rethinking Our Approach to Cyber Defence in FIs by FIDE Forum	Forum	1
CIMB – 2021 Digital Leadership Series by Digital & Data Academy Turning Data into Gold with Data Science	Seminar	1
Data Trust & Privacy Pilot	Workshop	1
eKYC – Cybersecurity in a Neo/Digital Bank Era by Share/Guide Association – Malaysian IT Users Group	Workshop	1
Future of Cybersecurity Summit by Pikom	Conference	1
Pikom Digital Summit – Technology Leadership	Conference	1
KPMG Board Leadership Center Exclusive the New Reality of Cyber Hygiene	Seminar	1
TED Talk by CIMB Group Tech & Data	Seminar	1
How Intelligent Automation will Power the New Realm of Digital Business by Malaysia IT Users Association/SGAM	Seminar	1
Malaysia Cyber Security Landscape & Data Breach Case Study by SGAM, CyberSecurity Malaysia & Center for Advanced Computing & Telecoms	Workshop	1
SCxSC FinTech Conference 2021 by Securities Commission Malaysia	Conference	3
Security Awareness by CIMB Thai	Workshop	1
Islamic Banking		
16th Kuala Lumpur Islamic Finance Forum 2021	Forum	1
Shariah Investing Dialogue with Public Listed Companies 2021 by Securities Commission	Dialogue	1
Islamic Finance for Board Programme (IF4BOD) by ISRA International Consulting	Conference	2
Chartered Institute of Islamic Finance Professionals Series: Alternative Fundraising Channels eating Banker's Lunch? Transforming Work to Worship	Seminar	1
Islamic Finance for Board of Directors Programme by ISRA International Consulting	Conference	2
Islamic Finch Leaders Forum: Envisioning Tomorrow – Pioneering The Islamic Fintech Wave	Forum	2
IFD2021: Sustainability and Inclusivity through Islamic Fintech by ISRA and INCEIF	Seminar	1
Islamic Finance for Board of Directors Programme by ISRA International Consulting	Conference	2
Shariah Capacity Building by CIMB Islamic	Conference	2
Shariah Governance Updates and Insights by CIMB	Conference	2
Webinar Islamic Family Office by Wassiyah Family Office	Seminar	1
Leadership & Strategy		
FIDE Core Programme – Module A	Workshop	2
FIDE Core Programme – Module B	Workshop	5
KPMG INED Forum by KPMG HK	Forum	1
Managing Human Rights: Why is it important to corporations? By KPMG Board Leadership Center	Seminar	1
Power-X: Building the Mindsets of Tomorrow by ICDM	Seminar	1
Rewiring Leadership for High Impact by University of Cambridge Institute for Sustainability Leadership	Conference	2
Workforce of the Future by HK Institute of Directors	Seminar	1
BNM-FIDE FORUM Dialogue on The Role of Independent Director in Embracing Present and Future Challenges	Forum	1
CIMB Leadership Forum	Forum	1
AML Culture Leadership Communication Plan by Oliver Wyman	Workshop	1
CIMB Strategy Immersion Workshop #1 by CIMB and McKinsey	Workshop	1
FIDE FORUM's Engagement Session on Board Leadership Framework: Shaping the Future of FI Board Leadership	Forum	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

	Mode of Training	Day(s)
Leadership & Strategy (continued)		
Permodalan Nasional Berhad Knowledge Forum 2021: Rising Above COVID-19: Reimagining Work In Malaysia & Beyond	Forum	1
KPMG Asia Pacific Board Leadership & Assurance Summit 2021	Conference	1
Perdana Leadership Foundation: CEO Forum 2021	Forum	2
Risk Management		
AML training for Senior Management Group	Workshop	1
CIMB: Managing Conduct Risk in Investment Banking	Workshop	1
Raising Defences: Section 17A, MACC Act by Asia School of Business	Conference	2
Anti-Money Laundering/Counter Financing of Terrorism (C0121) by CIMB	Workshop	1
BNM-FIDE Forum Dialogue on Risk Management in Technology (RMIT)	Dialogue	1
CIMB Risk Posture 2022	Workshop	1
Risk Management Committee – Banking Sector by Asia School of Business	Conference	2
Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 by CIMB/ Wong & Partners	Workshop	1
AICB Cyber Risks in a Digital Ecosystem – Cyber Risk Management in the New Normal	Workshop	1
Conflict of Interest by KWAP	Seminar	1
Sustainability		
Climate Governance Initiative Global Summit by Climate Governance Malaysia	Conference	4
Climate Governance Initiative Summit : Life Below Water – Conservation Efforts in Malaysia	Conference	1
Climate Governance Malaysia – Aligning Executive Compensation with Climate Targets	Seminar	1
JC3's 2nd Workshop on Climate Change by Bank Negara Malaysia	Workshop	3
Looking at ESG – Why it Matters by Deloitte	Seminar	1
Online Webinar: Joint Committee on Climate Change and Sub-Committee 4 ("JC3 SC4")'s Engagement & Capacity Building	Seminar	1
The Heart of the Matter: Inspiring Climate Action Through Culture and Art by New Development Bank	Seminar	1
TIME dotcom Berhad's Board Members' Sustainability Awareness Training	Workshop	1
Green Finance and Central Banking by Asia School of Business	Seminar	1
ICAEW Industry Insights #1: ESG in Malaysia – Priority or Fad?	Seminar	1
Let's Discuss Climate: The Essential Guide to Bank-Client Engagement by University of Cambridge Institute for Sustainability Leadership	Workshop	1
SRI 2021 – Paving the Way For Profitability through Sustainability by SIDC	Conference	2
Sustainability Training Program for Leaders by CIMB Niaga	Workshop	1
Cambridge Sustainability Leadership ESG by University of Cambridge	Conference	2
National OGSE Sustainability Forum by Economic Planning Unit, Prime Minister's Department and Malaysia Petroleum Resources Corporation	Forum	1
Sustainability Leadership Programme for Financial Institutions by IBFIM-CISL	Conference	2
The Cooler Earth Sustainability Summit 2021 by CIMB	Conference	3
WWF-BCG Roundtable on Net Zero Emissions Pathways Study by CEO Action Network	Forum	1
2050 Net Zero Carbon Emission Target – Finance's Role by FIDE	Seminar	1
Bursa-FIDE Forum Dialogue on Sustainability	Dialogue	1
CA ANZ Asia Webinar – How to drive 'Sustainability' in face of profitability and growth by Chartered Accountants Australia and New Zealand	Seminar	1
CIMB Expert Talk Series: Peat Conservation & Management	Workshop	1

	Mode of Training	Day(s)
Sustainability (continued)		
CIMB Private Banking Webinar: Building a Sustainable Future	Seminar	1
Decarbonizing transport by Mckinsey	Seminar	1
How to deliver investment in nature by Mckinsey	Seminar	1
Net-Zero Banking Alliance by CIMB	Seminar	1
Reflections on COP26 by Mckinsey	Seminar	1
Road to Glasgow and Kunming: Combating Climate Change and Biodiversity Loss in Malaysia by Mckinsey	Seminar	1
Securing Our Future: Net Zero Pathways for Malaysia report by WWF	Seminar	1
Solving the net zero equation by Mckinsey	Seminar	1
The decisive decade: Accelerating action for urban sustainability and resilience by Mckinsey	Seminar	1
The next wave of climate technology and innovation and green business growth by Mckinsey	Seminar	1
Training on Sustainability for Board by CIMB: Human Rights Risk Management and Implications for Financial Institutions	Workshop	1
Others – Banking & Finance Related		
Wealth Management Strategy Workshop #1 by CIMB	Workshop	1
Beyond Pandemic & Politics: Behold Southeast Asia and the World by Rajah & Tann Asia	Seminar	1
Deloitte Seminar on “Future of Assurance”	Seminar	1
Finance for non-finance professional training by Deloitte	Workshop	1

Time spent on training during FYE 2021:**Directors**

	Time Spent in day(s)
Datuk Mohd Nasir Ahmad	34
Teoh Su Yin	38
Robert Neil Coombe	3
Dato' Mohamed Ross Mohd Din	21
Dato' Lee Kok Kwan	6
Afzal bin Abdul Rahim	8
Didi Syafruddin Yahya	27
Shulamite Khoo	19
Serena Tan Mei Shwen	10
Dato' Abdul Rahman Ahmad	31

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CODE OF CONDUCT AND WHISTLE BLOWING POLICY

The Board has also established a Code of Conduct which is underpinned by the core philosophy of "Creating Value, Enabling Our People and Acting with Integrity". The Code of Conduct sets out the standards of behaviour that are expected of all employees of CIMB as well as the Board in terms of engagement with customers, business associates, regulators, colleagues and other stakeholders. Further, the Code of Conduct provides guidance in areas where employees may need to make personal and ethical decisions. In addition to providing guidance, the Code of Conduct makes references to specific Group Policies and Procedures relating to conflicts of interest, bribery, corruption, money laundering/counter-financing of terrorism, customer management, whistle blowing and fraud management. In addition, the Board has also adopted a Code of Conduct for Directors that sets out the fundamental guiding principles and standards for Directors to carry out their duties. This Code applies to all the Directors of CIMB Group and is primarily based on the five fundamental principles of competence, integrity, fairness, confidentiality and objectivity as recommended by the Code of Ethics for the Financial Services Industry published by Financial Services Professional Board.

CIMB's Whistle Blowing Policy sets out avenues for legitimate concerns to be objectively investigated and addressed. Under this Policy, individuals will be able to raise concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal. CIMB Whistle Blowing Policy is applicable to all employees, suppliers, vendors, associated stakeholders and CIMB's customers.

REMUNERATION

The Board delegates to the GNRC the responsibility to set the overarching principles, parameters and governance framework relating to the Group's remuneration matters. These have been documented in the CIMB Group Directors' Remuneration Framework and CIMB Group Remuneration Policy.

CIMB Group Directors' Remuneration Framework:

The CIMB Group Directors' Remuneration Framework (Framework) sets out the methodology and formula on how Retainer Fees, Chairperson's Premium and Meeting Fees of the Board are derived, as follows:

- Comparison against CIMB's industry peers;
- BNM FIDE Forum Directors' Remuneration Report 2015 formula; and
- Back testing the data against closest peers.

The implementation of the Framework has been approved by the Shareholders at the 60th Annual General Meeting which was held in 2017 and is reviewed every 3 years by the Board through the GNRC. In FYE 2021, the Board undertook an extensive review of the Framework, taking into consideration the remuneration and benefits of Directors of other peer banks and benchmarking it to industry as well as market standards.

The Framework is designed to recognise the contribution of the Directors in relation to its fiduciary and statutory duties, risks and time commitment. The Framework also serves to attract and retain Directors who have the desired experience and skills from various sectors.

CIMB has established the Framework as follows:

CIMB		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)
		Chairperson*	Member	
Board	Chairperson*	170,000	510,000	5,000
	Member	170,000	N/A	5,000
Audit Committee	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000
Board Risk and Compliance Committee	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000
Group Nomination and Remuneration Committee	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000

* Benefits-in-kind for the Chairperson of the Board include, amongst others, a driver, corporate club membership subscription and leave passage.

In a show of solidarity with the nation and our stakeholders during the COVID-19 pandemic, the Board had reduced the Directors' remuneration which was implemented throughout FYE 2021 as follows.

CIMB		Chairperson's Retainer Fees (RM per annum)		
		Premium (RM per annum)	Meeting Fees (RM per meeting)	
Board	Chairperson*	150,000	450,000	4,000
	Member	150,000	N/A	4,000
Audit Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000
Board Risk and Compliance Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000
Group Nomination and Remuneration Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000

Effective 1 January 2022, the Board reinstated the original remuneration framework for Board fees and meeting allowance in view of the improving condition surrounding the COVID-19 pandemic and in line with the increasing expectation by the stakeholders for the Directors to discharge their duties and responsibilities effectively given the challenging economic situation.

The remuneration payable to the Directors by CIMB Group in FYE 2021, is as follows:

CIMB

Directors	Fees (RM'000)	Chairperson's Premium (RM'000)	Meeting Allowance (RM'000)	Benefits- in-kind (RM'000)	Salary and Remuneration (RM'000)	Total (RM'000)
Non-Executive Directors						
Datuk Mohd Nasir Ahmad	150	450	194	35	–	829
Teoh Su Yin	150	120	208	–	–	478
Robert Neil Coombe	150	23	108	–	–	281
Dato' Lee Kok Kwan	150	–	100	–	–	250
Dato' Mohamed Ross Mohd Din	150	90	210	–	–	450
Afzal bin Abdul Rahim	–	–	–	–	–	–
Didi Syafruddin Yahya	150	68	158	–	–	376
Shulamite N K Khoo	150	–	128	–	–	278
Serena Tan Mei Shwen	150	–	140	–	–	290
Executive Directors						
Dato' Abdul Rahman Ahmad	–	–	–	–	–	–

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CIMB GROUP

Directors	Fees (RM'000)	Chairperson's Premium (RM'000)	Meeting Allowance (RM'000)	Benefits- in-kind (RM'000)	Salary and Remuneration (RM'000)	Total (RM'000)
Non-Executive Directors						
Datuk Mohd Nasir Ahmad	333	645	361	35	-	1,374
Teoh Su Yin	212	182	228	-	-	622
Robert Neil Coombe	150	23	108	-	-	281
Dato' Lee Kok Kwan	285	-	202	-	-	487
Dato' Mohamed Ross Mohd Din	275	215	342	46	-	878
Afzal bin Abdul Rahim	-	-	-	-	-	-
Didi Syafruddin Yahya	748	67	613	-	-	1,428
Shulamite N K Khoo	150	-	128	-	-	278
Serena Tan Mei Shwen	285	-	246	-	-	531
Executive Directors						
Dato' Abdul Rahman Ahmad	-	-	-	30	5,009	5,039

The Directors and Officers of CIMB are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the FYE 2021 amounted to RM1,481,872.

CIMB GROUP REMUNERATION POLICY

The CIMB Group Remuneration Policy, which has been reviewed by the GNRC and approved by the Board, applies to all subsidiaries and overseas offices within CIMB and acts as a guiding principle in relation to the design and management of CIMB's remuneration programmes. Three key principles of CIMB's Remuneration Policy are as follows:

Principle	Purpose	Approach
Strong governance	To ensure strong and independent oversight of the remuneration system	<ul style="list-style-type: none"> Oversight and review by GNRC Guided by input from control functions, AC and BRCC
Appropriate assessment of performance	To support a performance based culture which promotes prudent risk-taking and long-term sustainability	<ul style="list-style-type: none"> Performance measurement through balanced scorecard which includes both financial and non-financial goals, short-term and long-term perspectives and incorporates measures related to risk, compliance and process controls Financial goals include profitability and return on equity (ROE). Additional risk-adjusted metrics i.e. risk-adjusted return on capital (RAROC) and economic profit are also measured and tracked Deferral and claw back arrangements in variable remuneration schemes
Market competitiveness	To offer rewards that allow CIMB to attract, motivate and retain the right talent	<ul style="list-style-type: none"> Benchmarking against similar organisations in the geographies and industries in which CIMB operate

COMPONENTS OF REMUNERATION

Employee remuneration is composed of two main components – fixed and variable:

Principle	Purpose	Approach
Fixed	Consists of base salary and fixed allowances	<ul style="list-style-type: none"> Determined based on skills, competencies, responsibilities and performance of the employee, taking into consideration market competitive levels.
Variable	Payable through annual cash bonus and share-based plans (through participation in the Equity Ownership Plan and/or Long Term Incentive Plan, as described below)	<ul style="list-style-type: none"> Purpose of motivating, rewarding and retaining high performing employees who generate shareholder value and contribute to the success of the Group. Performance-based and not guaranteed, reflecting the individual employee's performance, and business unit or function performance as well as the Group's results. Portions of cash bonus may be subject to deferral. Based on a selection criterion, shares and/or share options may be awarded to employees through participation in the Group's Equity Ownership Plan and/or Long Term Incentive Plan.

The Equity Ownership Plan (EOP) and Long Term Incentive Plan (LTIP) serves as the Group's share-based plans, with the intent of:

- aligning the interests of key personnel to that of shareholders;
- mitigating a short-term mindset and cultivating a focus towards long-term sustainability; and
- retaining key personnel with the Group.

Shares under EOP are released progressively to the participants over 3 years. Over the last 5 years, 58 million shares (0.6% of issued ordinary shares of the Group) have been transferred to senior management employees via EOP.

The LTIP is a 7-year plan where shares and share options are vested in 2024 and 2025, and are subject to performance conditions set in line with the Group's strategy and targets. In FYE 2021, LTIP grants consisting of shares and share options (2.3% of issued ordinary shares) were awarded to top executives and key leaders of the Group, as disclosed in the financial statements.

Any deferred variable remuneration (cash bonus, shares and/or share options) that has not been paid to or vested to the employee is subject to forfeiture or adjustment in the event of:

- Resignation or cessation of employment with the Group
- Misconduct
- Material restatement of financial results

The mean annual compensation of all employees is broadly RM160,000.

MEASUREMENT OF PERFORMANCE

The Group's performance is determined in accordance with a balanced scorecard which includes key measures on profitability, cost, capital, medium to long-term strategic initiatives, sustainability performance and initiatives, as well as risk, audit and compliance positions. Additional risk-adjusted metrics i.e. RAROC and economic profit are also measured and tracked.

The Group's key measures are cascaded to the collective scorecards of business units and enabler functions accordingly and subsequently to individual goals.

For each employee, performance is tracked through a set of balanced goals. In addition to financial targets, goals in the scorecard usually include measures on customer experience, long-term initiatives (where progress of milestones or ROI may be

monitored), risk management and process controls, audit and compliance findings, as well as people-related measures. At the end of the year, performance of each individual is then assessed through the Group's performance management framework which is based on the meeting of individual goals in the scorecard and qualitative feedback.

For the Group CEO, performance is likewise measured through a scorecard which covers measures on ROE, cost, risk and controls, customer experience and strategic initiatives – the assessment of the scorecard forms the basis of the Group CEO's variable compensation.

DETERMINATION OF VARIABLE REMUNERATION

Based on CIMB's performance, the GNRC will determine the overall variable remuneration pool taking into consideration key performance measures in the corporate scorecard and ensuring that CIMB does not pay variable remuneration at a level that would affect shareholders' interest. The GNRC has the discretion to adjust the pool where required, based on poor performance, capital requirements, economic conditions, competitive landscape and retention needs.

The Group pool will be allocated to the business units and functions based on their respective performance, measured through balanced collective scorecards and guided by the Group CEO. The allocation will also take into consideration inputs from the control functions such as Audit, Compliance and Risk.

Variable remuneration of each individual employee is then determined based on individual assessment and collective scorecard performance of the business unit/function to which the individual belongs, subject to adequacy of the allocated bonus pool. Variable remuneration of the individual may also be adjusted based on accountability of audit and compliance findings, or disciplinary action.

The control functions of Audit, Compliance and Risk operate independently from the business units in CIMB, and have appropriate authority to carry out their individual functions without intervention from the business units. To prevent conflict of interest, remuneration of employees in these control functions are not dictated by business units that they support. Remuneration of the Group Chief Risk Officer, Group Chief Legal & Compliance Officer and the Group Chief Internal Auditor are determined and approved by the BRCC and the AC.

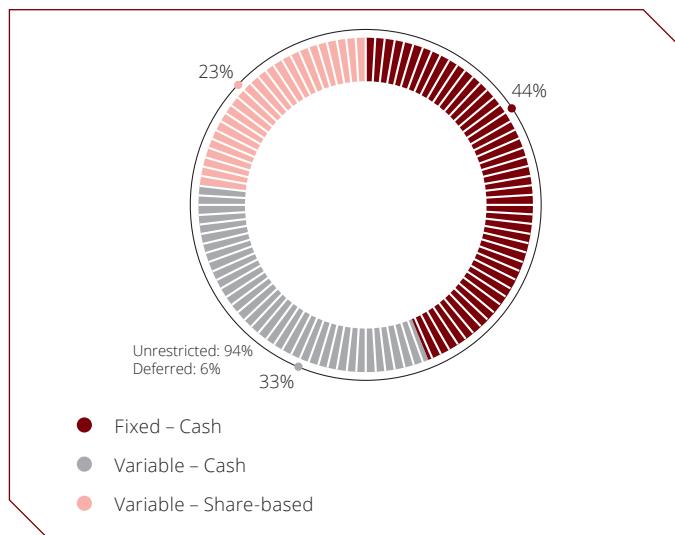
CORPORATE GOVERNANCE OVERVIEW STATEMENT

SENIOR OFFICERS AND MATERIAL RISK TAKERS

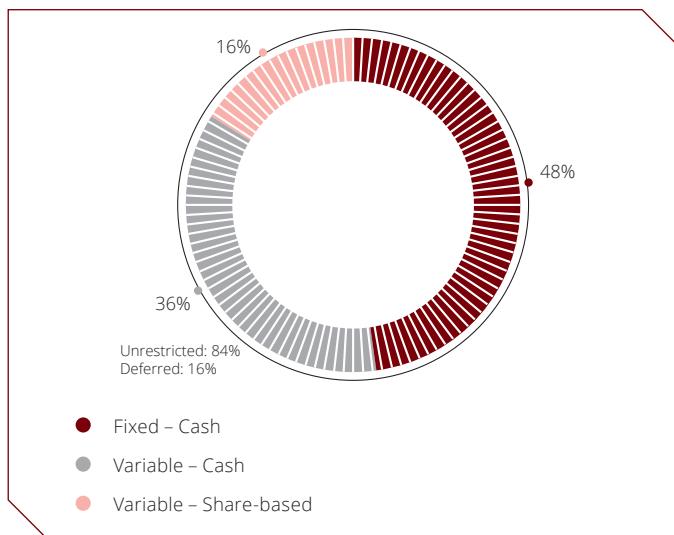
SUMMARY OF 2021 REMUNERATION OUTCOME

Breakdown of remuneration awarded to Senior Officers and Material Risk Takers for 2021:

Senior Officers



Material Risk Takers



Senior Officers (SOs) of the Group are defined as the Group CEO, Executive Directors and members of the Group Executive Committee (GEXCO) and key direct reports of the Group CEO.

Total remuneration awarded to 18 SOs for the FYE 2021 was RM82.9 million (included in this remuneration the allocation of LTIP attributed to 2021).

Material Risk Takers (MRTs) are defined as senior management and employees whose responsibilities have a material impact on the Group's performance and risk profile, and employees whose responsibilities require them to take on material risk exposures on behalf of the Group.

Total remuneration awarded to 50 MRTs for the FYE 2021 was RM135.6 million (included in this remuneration the allocation of LTIP attributed to 2021).

LTIP allocation awarded to SOs and MRTs amounted to 10 million shares and 135 million share options (1.5% of issued ordinary shares).

QUANTITATIVE DISCLOSURES FOR 2021

Table 1: Guaranteed bonuses, sign-on bonuses and severance payments

Category	SOs (RM'000)	MRTS (RM'000)
Number of guaranteed bonuses	–	–
Number of sign-on bonuses	2	–
Number of severance payments	–	–
Total amount of above payments made during the FYE 2021	482	–

Table 2: Breakdown of deferred remuneration

Category	SOs (RM'000)	MRTs (RM'000)
Total amount of outstanding deferred remuneration		
• Cash	3,951	10,014
• Share-based	31,958	46,653
Total amount of deferred remuneration paid out during the financial year		
• Cash	850	471
• Share-based	13,241	17,687
Outstanding deferred remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	100%	100%
• Reductions in current year due to ex-post adjustments (explicit)	–	–
• Reductions in current year due to ex-post adjustments (implicit)	–	–
Outstanding retained remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	–	–
• Reductions in current year due to ex-post adjustments (explicit)	–	–
• Reductions in current year due to ex-post adjustments (implicit)	–	–

- Examples of explicit ex-post adjustments include malus, claw backs or similar reversals or downward revaluations of awards.
- Examples of implicit ex-post adjustments include fluctuations in the value of shares or performance units.

Table 3: Breakdown of Group CEO's remuneration

Name	Category	Cash (RM'000)	Shares (RM'000)	Other Emoluments ² (RM'000)	Total (RM'000)
Dato' Abdul Rahman Ahmad	Fixed remuneration	2,400	–	593	2,993
	Variable remuneration				
	• Non-deferred	1,800	–	216	2,016
	• Deferred	–	– ¹	–	–
	Total remuneration award for FYE 2021	4,200	– ¹	809	5,009

Deferred variable and conditional award under the Group's Long Term Incentive Plan (for alignment with long term performance, as described earlier)

Allocation attributed to 2021: 272,000 performance shares
 3,727,600 share options

These are vested over 2024 and 2025, and are subject to the following conditions:

Performance shares – meeting ROE targets
 Share options – exercise price of RM4.96

¹ Deferred compensation in shares was awarded in the form of LTIP (as shown above), and the value of the LTIP awards are not shown here as they are only vested in 2024 and 2025.

² Other emoluments include EPF and SOCSO contributions, and benefits-in-kind

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The AC is chaired by Dato' Mohamed Ross Mohd Din and the members are Teoh Su Yin and Didi Syafruddin Yahya (who succeeded Datuk Mohd Nasir Ahmad effective 1 November 2021), all of whom are Independent Directors. Members of the AC have the relevant accounting or related financial management experience or expertise. The Chairperson of the AC has over 40 years of relevant Banking and Operational experience, and is not the Chairperson of the Board. This is to promote robust and open deliberations by the Board on matters referred by the AC. To promote CIMB's sustainability agenda, the AC also ascertains that sustainability considerations of the business and stakeholders are incorporated in the internal audit scope taking into account Environmental, Economic and Social issues that are material to the Group and its stakeholders.

CIMB has in place a process to consider the appointment/re-appointment of External Auditors, which is in line with BNM's Policy on External Auditors. The process requires the AC to assess the External Auditors' compliance with qualification criteria set out by BNM, which includes evaluating the independence, objectivity and performance of the External Auditors.

As part of its remit, the AC must ensure that the objectivity, independence and effectiveness of the External Auditors are maintained. In line with the Board Charter, the AC will not appoint former key audit partner as its member unless the former key partner has observed a cooling-off period of at least three years before being appointed as a member of the AC.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is cognisant of its overall responsibility and oversight of CIMB's system of internal controls and is constantly keeping abreast with developments in areas of risk and governance. To this end, the Board continues to be involved in determining CIMB's level of risk appetite and identifying, assessing and monitoring key risks to safeguard Shareholders' investments and CIMB's assets, in a manner which enables CIMB to meet its strategic objectives. For this purpose, the Board has established governance and processes for reviewing the effectiveness, adequacy and integrity of CIMB's system of internal controls and risk management. Whilst it is not possible to completely eliminate risks of failure in achieving CIMB's objectives, the system of internal controls is designed to mitigate these risks by identifying, managing and controlling risks.

CIMB employs an Enterprise-Wide Risk Management (EWRM) framework as a standardised approach to effectively manage the risks and opportunities. The EWRM framework provides the Board and management with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.

The BRCC is chaired by Didi Syafruddin Yahya and is responsible for formulating and reviewing the risk management policies and risk appetite of CIMB. The BRCC also provides oversight and advice to the Board and Management in respect of the management of compliance risk. As at 31 December 2021, the BRCC comprises five members, of whom three members (including the Chairperson) are Independent Directors. Similarly, the AC reviews the effectiveness of internal controls, risk management processes and governance within the Group.

Group Corporate Assurance Division (GCAD) reports independently to CIMB's AC and provides independent appraisal on the adequacy, efficiency and effectiveness of risk management, controls and governance processes implemented by Management. GCAD adopts a risk centric audit plan that is approved by the AC; and covers emerging risks including elevated risks arising from changes in managing work and business processes following COVID-19 pandemic. The internal audit function is reviewed periodically by the AC to ensure its adequacy in performing its role. GCAD reports significant and material findings to the AC with recommended corrective actions. Management is responsible to ensure that corrective actions on reported weaknesses are executed within an appropriate timeframe. The deadlines committed by Management on corrective actions are closely monitored and undue delays have to be explained and justified to the AC for approval.

In evaluating internal controls, GCAD adopts the 5 components set out in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO); namely control environment, risk assessment, control activities, information and communication, and monitoring activities as well as relevant regulatory guidelines.

In addition, a qualified external independent reviewer conducts periodic external assessment of GCAD's internal audit activity at least once every five years to assess its conformance with The Institute of Internal Auditors (IIA) International Standards for Professional Practice of Internal Auditing and the pertinent regulations. The recent assessment conducted in 2021 on GCAD Malaysia accords the internal audit activity as generally conforms to the IIA Standards. As at 31 December 2021, GCAD has a staff strength of 333 individuals from diverse backgrounds and qualifications.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION BETWEEN CIMB AND SHAREHOLDERS

Our investor relations activities promote regular, effective and fair communication with shareholders, analysts and fund managers. Quarterly results briefing sessions are conducted for analysts and fund managers after lodgment of results to Bursa Malaysia. All press statements and quarterly financial statements are published on the CIMB Group corporate website and the Bursa Securities website. A dedicated investor relations team supports the Group Chief Executive Officer and Group Chief Financial Officer in maintaining a close and active dialogue with external stakeholders. The CIMB website provides contact details for investors to submit their feedback and raise any questions. During the FYE 2021, we engaged with approximately 560 analysts and fund managers and participated in 12 investor conferences. There were no non-deal roadshows attended during the FYE 2021 due to the pandemic.

CONDUCT OF ANNUAL GENERAL MEETING

The Board ensures that Shareholders are given sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM. The AGM Notice includes details of the resolutions proposed, along with any relevant information and reports. CIMB held its 64th AGM on 15 April 2021 with the Notice and Agenda of the AGM delivered to the Shareholders on 18 March 2021, this being 28 days before the Meeting. The Notice and Agenda were also published in the local English and Bahasa Malaysia newspapers and made available on CIMB's website at www.cimb.com. The 64th AGM was held fully virtual as per the Guidance and FAQs on the Conduct of General Meetings for Listed Issuers (Guidance Note) issued by the Securities Commission Malaysia.

The 64th AGM was attended by all Directors, Management and 728 Shareholders as the Attendance List. The Chairperson, who chaired the proceedings, provided fair opportunity and time to all Shareholders to exercise their rights to raise questions and make recommendations. The proceedings of the 64th AGM were recorded in the minutes of the meeting and made available within two weeks after the meeting on CIMB's website at www.cimb.com.

CIMB has leveraged technology to facilitate greater Shareholders' participation and enhance the proceedings of General Meetings. Resolutions during the 64th AGM were arrived at via online electronic poll voting to enable all Shareholders to cast their votes. The Share Registrar, Boardroom Share Registrars Sdn. Bhd. (Boardroom), acted as the Poll Administrator to conduct the online electronic polling process and Deloitte Risk Advisory Sdn. Bhd. was appointed as the Scrutineer to verify the poll results.

SUMMARY

The Board considers that CIMB has complied and applied the Principles of the Code in FYE 2021, except for Practice 8.2 (The remuneration of Top-5 Key Senior Management). The Board has identified the said Practice where there is a departure and this departure will be addressed as follows:

- An explanation for the departure;
- Disclosure of alternative practice adopted and how the alternative practice achieves the Intended Outcome;
- Actions which CIMB has taken or intends to take; and
- The timeframe required to achieve application of the prescribed Practice

PRACTICE 8.2

The Board has decided not to disclose, on a named basis, the Top 5 Key Senior Management's remuneration components including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Across the Group, however, CIMB currently discloses the remuneration of the Top 4 Key Senior Management positions in their respective financial statements, as follows:

1. CEO, CIMB Group Holdings Berhad*
2. CEO, CIMB Bank Berhad*
3. CEO, CIMB Investment Bank Berhad
4. CEO, CIMB Islamic Bank Berhad

* Positions 1 and 2 are held by the same individual

The Board believes that disclosure of these key executives' remuneration is neither to CIMB's advantage nor in its business interests, given the sensitive nature of such information and the fierce competition for talent in the banking industry.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board dated 24 February 2022.

ADDITIONAL DISCLOSURES

(As at 31 December 2021 pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

During the financial year ended 31 December 2021, the Group has collectively issued the following instruments:

(A) USD20.0 MILLION 5-YEAR FIXED RATE NOTES

On 27 April 2021, CIMB Bank issued USD20.0 million 5-year fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.60% per annum payable semi-annually, will mature on 27 April 2026.

(B) HKD610 MILLION 3-YEAR FIXED RATE NOTES

On 5 May 2021, CIMB Bank issued HKD610 million 3-year fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 0.88% per annum payable annually, will mature on 5 May 2024.

(C) USD20 MILLION NOTES

On 21 July 2021, CIMB Bank issued USD20.0 million 5-year fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.35% per annum payable semi-annually, will mature on 21 July 2026.

(D) HKD640 MILLION NOTES

On 27 July 2021, CIMB Bank Berhad issued HKD640.0 million fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.12% per annum payable annually, will mature on 17 July 2026.

(E) HKD128 MILLION NOTES

On 4 August 2021, CIMB Bank Berhad issued HKD128.0 million fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014 and the Notes were consolidated to form a single series with the existing HKD640.0 million 1.12% fixed rate notes issued on 27 July 2021. The Notes, which bear a coupon rate of 1.12% per annum payable annually, will mature on 17 July 2026.

(F) SUBORDINATED NOTES 2021/2031 RM660 MILLION

On 12 July 2021, CIMB Thai issued RM660 million Basel III compliant Tier 2 subordinated notes bearing a fixed interest rate of 3.90% per annum payable every six months. The subordinated notes will mature on 11 July 2031.

(G) SUSTAINABILITY SUKUK WAKALAH 2021/2031 RM100 MILLION

On 29 December 2021, the Company issued RM100.0 million 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 3.80% per annum, payable on a semi-annual basis. The proceeds from the issuance were used to subscribe to the RM100.0 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(H) MEDIUM TERM NOTES ("MTN") RM3 BILLION

On 28 December 2021, the Company issued RM1 billion 3-year Unrated MTN, RM1 billion 4-year Unrated MTN and RM1 billion 5-year Unrated MTN, which will mature on 27 December 2024, 26 December 2025 and 28 December 2026 respectively. The MTNs were issued out of its existing Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value.

2. SHARES BUY-BACK

During the financial year, the Company did not buy back any of its issued share capital from the open market.

3. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

There were no options, warrants or convertible securities issued during the financial year by the Group.

4. AMERICAN DEPOSITORY RECEIPT (ADR) OR GLOBAL DEPOSITORY RECEIPT (GDR)

The Group did not sponsor any ADR or GDR programme during the financial year under review.

5. IMPOSITION OF SANCTION AND/OR PENALTIES

There were no public sanctions and/or material penalties imposed on the Company and its subsidiaries, Directors or Management by any regulatory body during the financial year under review.

6. NON-AUDIT FEES

Non-audit fees payable to the External Auditors, Messrs. PricewaterhouseCoopers PLT and its affiliates during the financial year under review amounted to RM2,900,000 for the Group and RM297,000 for the Company.

7. VARIATION IN RESULTS

There were no material variations in results for the financial year ended 31 December 2021 from the unaudited results released on 28 February 2022.

8. PROFIT GUARANTEE

The Group did not receive any profit guarantee during the financial year ended 31 December 2021.

9. REVALUATION POLICY ON LANDED PROPERTIES

Please refer to the accounting policy on Property, Plant and Equipment in Notes K, L and N of the Summary of Significant Group Accounting Policies in the Financial Statements which are set out in the Financial Statements section of the Annual Report.

10. MATERIAL CONTRACTS

There were no material contracts entered into by CIMB Group and its subsidiaries involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year except as disclosed in Notes 52 to the Financial Statements which are in the Financial Statements section of the Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

BOARD RESPONSIBILITY

The Board affirms its commitment on its overall responsibility and oversight of CIMB Group's system of internal control and risk management, and is constantly keeping abreast with developments in areas of risk and governance. To this end, the Board is assisted by the Board Risk and Compliance Committee ("BRCC") and the Audit Committee ("AC"), which have been delegated with primary oversight responsibilities on the Group's risk management and internal control systems. The Board remains responsible for the governance of risk and internal control, and for all the actions of the Board Committees with regard to the execution of the delegated oversight responsibilities.

In discharging its responsibilities, the Board continues to be involved in determining the Group's level of risk appetite and in identifying, assessing and monitoring key business risks to safeguard shareholders' investments and the Group's assets, in a manner which enables the Group to achieve its business goals and objectives amidst the dynamic and challenging business environment. For this purpose, the Board has ensured the establishment of key processes for reviewing the effectiveness, adequacy and integrity of the Group's system of internal control and risk management.

The risk management and internal control systems are designed to manage risk exposures within the risk appetite set by the Board to achieve the Group's business objectives. The systems provide reasonable assurance against the occurrence of any material misstatement, loss or fraud.

In addition, regular testing on the adequacy, effectiveness, efficiency and integrity of the internal control systems and processes is conducted to ensure its viability and robustness.

MANAGEMENT RESPONSIBILITY

Management is accountable to the Board and is overall responsible for the effective implementation of the Board's Policies and Procedures ("P&P") on risks and controls. Its responsibilities in respect of risk management and internal control include:

- Identifying, and evaluating the risks faced by the Group, and the achievement of business objectives and strategies;
- Formulating relevant P&P to manage these risks in accordance with the Group's strategic vision and overall risk appetite;
- Designing, implementing and monitoring the implementation of risk management framework and internal control system;
- Implementing policies approved by the Board;
- Implementing remedial actions to address compliance deficiencies as directed by the Board; and
- Reporting in a timely manner to the Board on any changes to the risks and the corrective actions taken.

The Group Chief Executive Officer ("Group CEO") and Group Chief Financial Officer ("Group CFO") have provided assurance to the Board that the Group's risk management and internal control systems are operating adequately and effectively.

KEY INTERNAL CONTROL PROCESSES

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control, including compliance with applicable laws, regulations, rules, directives and guidelines, are as follows:

INTERNAL AUDIT

The Group Corporate Assurance Division ("GCAD") reports independently to the CIMB Group AC and the Banking Group Audit Committee ("Banking Group AC") and is independent of the activities and operations of the business and other support units. The principal responsibility of GCAD is to provide independent appraisal on the adequacy, efficiency and effectiveness of risk management, control and governance processes implemented by Management. GCAD provides audit opinion based on the five components set out in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"); namely control environment, risk assessment, control activities, information and communication, and monitoring activities. COSO is an internationally recognised organisation providing thought leadership and guidance on internal control, enterprise risk management and fraud deterrence. In addition, GCAD provides audit conclusion based on Level of Conformance in relation to regulatory audit/reviews, and whether objectives were met for assignments that are based on specific audit or review objectives.

GCAD's scope of coverage encompasses all business and support units, including subsidiaries and overseas branches that do not have their own audit units. The selection of the areas to be audited from the audit universe is based on an annual audit plan that is approved by CIMB Group AC and the Banking Group AC. The annual audit plan is developed based on assessment of risks, exposures and strategies of CIMB Group. Areas that are assessed to be high risk are subject to an annual audit, while those that are assessed to be medium or low risk are subject to a cycle audit. Notwithstanding the risk assessment, the annual audit plan will include areas that must be audited annually due to regulatory requirements, and other established criteria such as recent incidence of fraud, previous adverse audit rating or recent action by regulators. GCAD also undertakes investigations into suspected fraudulent activities, staff misconduct, whistleblowing cases, potential secrecy breach, and other incidences, as and when required, and recommends appropriate improvements to prevent recurrence and actions against persons responsible.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

GCAD has unrestricted access to information required in the course of its work. GCAD's scope of work is established in accordance with The Institute of Internal Auditors' ("IIA") International Standards for the Professional Practice of Internal Auditing and relevant regulatory guidelines.

The Audit Report is the final product of an audit assignment, which provides the scope of audit work performed, a general evaluation of the system of internal control together with detailed audit observations, management responses, and timeline to implement GCAD's recommendations. CIMB Group AC or Banking Group AC (as appropriate) reviews any exceptions or non-compliance raised and ascertains that appropriate and prompt remedial actions are taken by the management.

As of December 2021, 64% of auditors possess relevant certifications; including 59% of auditors who obtained Certification for Bank Auditor ("CBA") by the Asian Institute of Chartered Bankers ("AICB").

The foreign banking subsidiaries have their own Audit Committees and their own internal audit divisions. CIMB Group AC meets with the relevant subsidiary's AC once a year to discuss governance, risk management and audit matters. These internal audit divisions follow the same audit planning and standards, and same audit rating methodology as GCAD with such modifications as necessary to suit local environment and regulations.

GCAD is ISO 9001:2015 certified to ensure it continues to meet and improve its service delivery and quality. In addition, external assessment of GCAD's internal audit activity is conducted by qualified external independent reviewer at least once every five years to assess its conformance with The IIA International Standards for Professional Practice of Internal Auditing and the pertinent regulations. GCAD has appointed an international consultant to perform an assessment in 2021 which was completed in December 2021.

GROUP AUDIT COMMITTEE

CIMB Group AC comprises three independent Non-Executive Directors. It is a Board-delegated committee charged with oversight of financial reporting, disclosure, regulatory compliance, risk management, governance practices and monitoring of internal control processes in CIMB Group. CIMB Group AC leverages on the work of the Banking Group AC and the respective AC of the foreign banking subsidiaries, and CIMB Group's wholly-owned subsidiary (Touch 'n Go), a leading Fintech solution provider in Malaysia.

The Banking Group AC comprised of three independent Non-Executive Directors. The responsibility of the Banking Group AC is limited to CIMB Bank, CIMB Islamic Bank and CIMB Investment Bank and their subsidiaries. Senior Management, internal auditors and external auditors report to CIMB Group AC and the Banking Group AC (as appropriate) on the effectiveness and efficiency of internal controls.

All significant and material findings by the internal auditors, external auditors and regulators are reported to CIMB Group AC and the Banking Group AC (as appropriate) for review and deliberation. CIMB Group AC and the Banking Group AC (as appropriate) review and ascertain that mitigation plans are implemented by Senior Management to safeguard the interests of CIMB Group and upkeep proper governance. Management of business and support units that are rated adversely are counselled by the respective Audit Committee.

CIMB Group AC also reviews all related party transactions, and audit and non-audit related fees proposed by the external auditors of CIMB Group.

Presentations of business plans, current developments, operations, risks of the business and controls to mitigate risks are made by the relevant business and support units as and when deemed necessary by CIMB Group AC or the Banking Group AC.

RISK MANAGEMENT AND CONTROL FRAMEWORK

The Board recognises that sound risk management and internal control are integral parts of CIMB Group's strategy, business, operations and decision-making process, and are critical in ensuring CIMB Group's success and sustainable growth.

The emphasis on a strong risk management culture is the foundation of the control mechanisms within CIMB Group's Enterprise-Wide Risk Management ("EWRM") framework. The framework consists of an on-going process of identifying and assessing, measuring, managing and controlling, as well as monitoring and reporting material risks affecting the achievement of CIMB Group's strategic business objectives. It provides the Board and its management with tools to anticipate and manage both the existing and potential risks, taking into consideration the evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.

To further enhance the cultivation of the risk management culture, CIMB Group employs the Three Lines of Defence model in implementing the EWRM framework, providing risk management accountability across the CIMB Group. The business units, as the first line of defence, are primarily responsible for risk management on a day-to-day basis by taking appropriate actions to mitigate risk through effective controls. Group Risk and other control functions within the second line of defence provide oversight and perform independent monitoring of business activities with reporting to the Board and management to ensure that CIMB Group conducts business and operates within the approved risk appetite, and is in compliance with regulations. GCAD, as the third line of defence, provides independent assurance of the adequacy and effectiveness of the internal controls and risk management processes. The Board has also established the BRCC, whose responsibilities, amongst others, include overseeing the effective implementation of the EWRM framework.

BOARD RISK AND COMPLIANCE COMMITTEE

At the apex of the governance structure are the respective Boards, which decide on the entity's risk appetite corresponding to its business strategies. In accordance with CIMB Group's risk management structure, the BRCC reports directly to the respective Boards and assumes responsibility on behalf of the Boards for the supervision of risk management and control activities, as well as non-compliances and deficiencies. The BRCC determines CIMB Group's risk strategies and policies, keeping them aligned with the principles within the risk appetite. The BRCC also oversees the implementation of the EWRM framework and provides strategic guidance and reviews the decisions of CIMB Group Risk and Compliance Committee ("GRCC").

In order to facilitate the effective implementation of the EWRM framework, the BRCC has established various specialised/sub-risk risk committees within CIMB Group with distinct lines of responsibilities and functions, which are clearly defined in the respective sub-risk risk committees' terms of reference.

GROUP RISK AND COMPLIANCE COMMITTEE

- The GRCC which reports to the BRCC, performs the oversight function on overall risks undertaken by CIMB Group in delivering its business plan vis-à-vis the stated risk appetite of CIMB Group. In this regard, the GRCC reviews the Internal Capital Adequacy Assessment Process annually to ensure that all relevant risks have been identified and captured, and that CIMB Group has sufficient capital resources to undertake such risks in either normal or stressed business conditions.
- The GRCC supervises the periodic group-wide stress testing exercises by endorsing appropriate scenarios based on projected macroeconomic conditions and recommending the results of the Stress Test exercise for the BRCC's approval.
- The GRCC is also responsible for recommending CIMB Group's Risk Appetite Statement to the BRCC taking into consideration the budget, annual business plans and expected macroeconomic conditions. In implementing the Risk Appetite Statement across CIMB Group, GRCC, supported by CIMB Group Risk, encourages the timely escalation of all events (including non-compliances and deficiencies) which may materially impact the Group's financial condition or reputation to the attention of GRCC for appropriate action.
- The GRCC is further supported by specialised risk committees, namely Group Credit Committee ("GCC"); Group Market Risk Committee ("GMRC"); Group Operational and Resiliency Risk Committee ("GORRC"); Group Asset Liability Management Committee ("GALMC"); and Group Asset Quality Committee ("GAQC"), with each committee providing oversight and responsibility for specific risk areas, namely credit risk, market risk, operational risk, reputation risk, liquidity risk and capital risk.

- Similar risk committees are established in each of CIMB Group's overseas subsidiaries in their respective jurisdictions. Whilst recognising the autonomy of the local jurisdiction and compliance to local requirements, CIMB Group also strives to ensure a consistent and standardised approach in its risk governance process. As such, the relevant Group and Regional committees have consultative and advisory responsibilities on regional matters across CIMB Group as regulators allow. This structure increases the regional communication, sharing of technical knowledge and support towards managing and responding to risk management issues, thus allowing the Board to have a comprehensive view of the activities across CIMB Group.

COMPLIANCE FRAMEWORK

The Board recognises that the Compliance function forms an integral part of CIMB Group's risk management and internal control framework, and that a strong compliance culture reflects a corporate culture of high integrity and ethics.

CIMB Group Legal and Compliance Division ("GLC"), reports independently to the Board. Appropriate governance has also been established with clear reporting lines by the local and regional compliance officers to CIMB Group Chief Legal and Compliance Officer and the respective local entity Boards, to the extent permitted by the regulations of the local jurisdictions.

GLC's responsibilities include identifying, assessing and monitoring the compliance risk associated with the business and support units or entities; and advising the Board, Management and officers of the business and support units or entities on relevant laws and regulations. All business and support units or entities must act in accordance with relevant laws, regulations and internal GLC P&P. Under the Three Lines of Defence Model, all business and support units or entities as the first line of defence, are required to review, assess and establish the necessary control to ensure compliance to applicable laws and regulations. The entities or units are required to carry out periodic self-assessment on the adequacy of control and level of adherence to regulatory requirements. GLC will also conduct compliance reviews on business and support units or entities as part of the second line of defence assurance that regulatory requirements are in place. GLC has unrestricted access to all information, records and business premises of CIMB Group and has the authorisation to speak to any employee of CIMB Group about any conduct, business practice, ethical matter or other issue relevant to discharging GLC's duties.

The respective entity Boards, as well as the CIMB Group Board, are provided with compliance reports on a regular basis the findings and analysis of compliance risk including compliance risk assessment, incidences of non-compliance and deficiencies, corrective measures and information to facilitate the Boards having a holistic and overall view of all compliance matters across CIMB Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

GLC's scope of coverage encompasses all business and support units including subsidiaries in Malaysia as well as outside of Malaysia including activities which are carried out by CIMB Group or on behalf of CIMB Group by third parties.

As it is vital to have a robust and effective compliance framework in place to safeguard the interest of CIMB Group, stakeholders, customers/clients and employees, CIMB Group has in place compliance policies/standards with appropriate mechanisms and tools are driven at CIMB Group level to ensure consistency in managing compliance risk within CIMB Group. GLC requires all local and regional entities within CIMB Group to adopt and implement all GLC Compliance P&P, which are reviewed on a periodic basis or as and when required to reflect current practices and the applicable legal/regulatory requirements. Trainings are conducted regularly to create compliance awareness and to facilitate its implementation of laws, regulations and internal GLC compliance policies within CIMB Group.

ANTI-MONEY LAUNDERING/COUNTER FINANCING OF TERRORISM AND PROLIFERATION FINANCING

The prolonged COVID-19 pandemic has resulted in a global rising trend of related crimes including fraud, cybercrime, misdirection or exploitation of government and international relief funds. Additionally, measures to contain COVID-19 have shifted the behaviour and conduct of criminals to overcome restrictions such as prolonged lockdowns. Alongside these trends, global risk themes include increasing regulatory focus on the identification of Ultimate Beneficial Owners, particularly in complex structures, trusts and investment vehicles and higher risk clients, combating trade and service based money laundering, and increasing complex sanctions compliance requirements due to fast-changing geopolitical situations. CIMB Group is committed to ensure compliance with the applicable regulatory requirements, rules, industry guidance and obligation.

CIMB Group adopts a risk based approach managing and mitigating financial crime risk with a control framework which focuses on those customers, products, channels and jurisdictions that carry heightened financial crime risks. Core Group wide policies are in place within the Group's framework relating to Anti-Money Laundering ("AML"), counter terrorist financing, sanctions and proliferation financing. All staff receive annual mandatory financial crime compliance training.

Through the Group Financial Crime framework, CIMB Group continuously reviews the policies, processes and systems to ensure compliance with the requirements all relevant laws and regulations, as well as adopting industry best practices, across the jurisdictions in which CIMB Group operates, and in response to the changing financial crime trends and themes. CIMB Group continues to enhance and develop the systems capabilities, through the application of advanced algorithms or analytics, artificial intelligence and machine learning technology to improve

and increase the effectiveness of the detection, monitoring and reporting of financial crime. This includes the use of dedicated screening and monitoring controls to identify people, organisations, transactions and behaviours that may require further investigation or other actions.

SHARIAH RISK MANAGEMENT

Under the Group EWRM Framework, Shariah non-compliance ("SNC") risk is identified as one of the material risks for CIMB Group, specifically in relation to its Islamic banking business. The SNC risk refers to the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage which the Group may suffer arising from failure to comply with Shariah requirements as determined by Shariah Advisory Council ("SAC") of Bank Negara Malaysia ("BNM") and Securities Commission ("SC"), including standards on Shariah matters issued by BNM pursuant to Section 29(1) of the Islamic Financial Services Act ("IFSA"), decisions or advice of Board Shariah Committee ("BSC") of CIMB, or other Shariah regulatory authorities of the jurisdiction in which the Group operates.

CIMB Group has established the Shariah Risk Management Policy ("SRMP") in accordance with Shariah Governance Policy Document ("SGPD"), which articulates the objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by the Group in managing SNC risk. In addition, SRMP has been developed to provide explanation/illustration that could facilitate Risk Control Officers ("RCO")/Designated Compliance and Operational Risk Officers ("DCORO") of Business Units ("BUs")/Business Enablers ("BEs") in identifying, assessing, controlling and monitoring SNC risk inherent in their Islamic products and day-to-day activities.

In 2021, the SRMP was revised to incorporate guidelines on User Acceptance Test ("UAT") for IT system that supports Islamic banking business. Such guidelines serve to guide BUs/BEs when developing a new system or enhancing an existing system and to ensure that the computation of profit, Ta'widh, etc. as well as the sequence of transaction are in compliance with Shariah, hence mitigating SNC risk. A review has also been conducted on IT system supporting Islamic banking transaction to ensure that controls built within the system are working as intended and the interconnection between systems is intact to avoid any SNC events.

While the focus in previous years was on BU/BEs and Islamic banking products, CIMB Group began the review of BU/BEs' overall Islamic banking products and services operations in 2021 to ensure that they are Shariah compliant. No major issues were discovered during the review, except that there were no regular Islamic Finance trainings conducted. To address this observation, a briefing session on basic Islamic product structures/concepts was conducted for BUs to provide a knowledge refresher on SNC risk.

Shariah Risk Awareness for RCOs and DCOROs is one of the SNC risk mitigation measures adopted by CIMB Group. Shariah Risk Awareness is part of the On-Boarding Risk and Compliance Training and RCO Forum for RCOs and DCOROs that is conducted on a quarterly basis. In addition to the regular trainings, refresher session on SNC Risk for Islamic Banking has been conducted for selected departments under Group Consumer Banking.

SHARIAH REVIEW

The Shariah review function is carried out by Shariah Review and Assurance ("SRA") of Islamic Banking Compliance in line with the BNM's SGPD 2019. SRA's main role is to conduct regular end to end assessment on the compliance of the operations, business, affairs and activities of CIMB Group with Shariah and Islamic regulatory requirements.

SRA, as a second line of defence function, reports independently to the BSC of CIMB Islamic Bank Berhad ("CIMB Islamic"), and functionally to the Chief Compliance Officer of CIMB Islamic, forming part of the CIMB Group Compliance Division as envisaged by the SGPD. SRA is staffed by officers who are qualified to undertake compliance function responsibilities and possess sound understanding of the relevant Shariah requirements.

SRA has established CIMB Group Shariah Review Policy and Procedures ("Shariah Review Policy and Procedures"), which sets out the policies for Shariah review function on the Islamic financial services, operations and activities of CIMB Group, encompassing regular examination and evaluation of CIMB Group's level of compliance to the Shariah requirements, remedial rectification measures to resolve non-compliances and control mechanisms to avoid recurrences. In addition, it also sets out the procedures for Shariah review execution, responsibilities of stakeholders and internal reporting process relating to SNC events, in line with BNM's requirements.

In ensuring that the activities and operations of CIMB Group are Shariah-compliant, SRA conducts post review of CIMB Group's activities and operations in accordance with the annual Shariah review work plan approved by the BSC and the respective Boards of Directors of CIMB Group ("the Board"). In addition, SRA conducts investigation on issues escalated by the stakeholders to determine potential SNC and performs ad-hoc review as required from time to time by the regulators, BSC or the Board.

Trainings on the Shariah Review Policy and Procedures, SNC reporting requirements, and all other relevant BNM's policy documents are continuously conducted to educate and raise awareness of CIMB Group's staff on the importance of complying with Shariah requirements.

SHARIAH AUDIT

Shariah audits of the Islamic banking business are under the purview of GCAD, which reports independently to both the CIMB Group AC and Banking Group AC, as well as to the BSC on audit matters relating to Islamic business operations and activities, particularly on Shariah compliance related matters. The principal objective is to provide an independent assessment and assurance designed to add value and improve the degree of compliance in relation to the Islamic banking business operations, as well as ascertain a sound and effective internal control system for Shariah compliance.

The same audit methodology is implemented by GCAD in carrying out Shariah audits as with non-Shariah audits, which includes audit planning, test of control, substantive procedures, reporting and follow-up on remedial actions. The scope of a Shariah audit is established in line with the areas stipulated in BNM's SGPD.

GCAD, in collaboration with Group Human Resource, made an arrangement with a reputable Islamic banking association to provide relevant Islamic banking certification to its auditors. The programme encompasses three stages, namely Associate Qualification in Islamic Finance ("AQIF"), Intermediate Qualification in Islamic Finance ("IQIF") and Certified Qualification in Islamic ("CQIF"). There are 18 auditors who have completed CQIF, two completed IQIF and another six completed AQIF.

BOARD SHARIAH COMMITTEE

The BSC is responsible for overseeing overall Shariah matters of CIMB Group in accordance with the relevant regulatory frameworks in the jurisdictions where CIMB Group operates in. BSC, amongst others, ensures that the Shariah rulings relating to Islamic banking and capital market products and services comply with the fundamental Shariah precepts and resolutions by the relevant Shariah authorities.

BSC is assisted by the Shariah Advisory and Governance department that functions as an internal adviser on Shariah matters and a coordinator of the overall Shariah governance to all Islamic business within CIMB Group. It acts as the intermediary between the Islamic BUs and the BSC. The Shariah Advisory and Governance department also serves as the Secretariat to the BSC as well as providing Shariah related training across CIMB Group.

In performing the functions, the department had established the Shariah Advisory and Board Shariah Committee Secretariat Policy and Procedure which outlines the overarching Shariah requirements governing the implementation, the operationalisation and the conduct of Islamic financial business within CIMB Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

In line with the SGPD issued in 2019 by BNM, the policies and/or procedures from the respective Shariah organs within the Group serve as a solid platform for effective Shariah governance arrangements and processes that commensurate with business and risk strategies as required by BNM. The implementation of the Shariah governance is effected through the following functions:

- a) Shariah Advisory and Governance;
- b) Shariah Review;
- c) Shariah Risk Management;
- d) Shariah Audit.

The Shariah Advisory and Governance department facilitates the implementation of Shariah Advisory and Research and coordinates the overall Shariah Governance, whilst Shariah Review, Shariah Risk Management and Shariah Audit functions are performed by GLC, Group Risk and GCAD respectively.

SHARIAH ADVISORY AND GOVERNANCE

Shariah Advisory and Governance department comprises qualified Shariah officers who conduct the pre-product approval process, advisory, research, and validation of issues for submission to the BSC. Description of the two functions are as follows:

• **Advisory**

Responsible for providing day-to-day Shariah advice and consultation to the business and support units based on the decision of the BSC as well as reviewing documentation to ensure consistency with Shariah requirements; and

• **Research**

Responsible for performing in-depth research and studies on Shariah issues as well as establishing Shariah opinions for all product and business proposals to be submitted to the BSC for approval.

Additionally, Advisory and Research functions are supported by the Shariah Governance and BSC Secretariat, as well as Shariah Learning that supports the Group Learning and Development ("Group L&D") function. The details of these functions are described as follows:

• **Secretariat**

Act as the Secretariat to the BSC that includes coordinating meeting as well as communications and disseminating information among the BSC, the Board and Senior Management; ensuring proper deliberation and dissemination of decisions of the BSC to the relevant stakeholders; and undertaking administrative and secretarial functions to support the BSC. In addition to that, the function is also responsible in engaging with the relevant parties who wish to seek further deliberation of Shariah issues from the BSC.

The responsibility of this function also includes coordinating submission of proposals to the CIMB Group Nomination and Remuneration Committee ("GNRC"), the Board of CIMB Islamic and BNM on the appointment and reappointment of the BSC members.

• **Governance**

Responsible as the coordinator for all Shariah organs namely Shariah Advisory and Governance Department, Shariah Review and Assurance of GLC, Shariah Risk Management of Group Risk and Shariah Audit of GCAD in the management and overall oversight on the governance of Islamic business of CIMB Group including without limitation the implementation of the Shariah Governance and the review of structures, mechanism, techniques and process for the purpose of end-to-end products development and other processes related to Islamic business of CIMB Group.

In carrying out the above roles and responsibilities, the Shariah Advisory and Governance Department is guided by Shariah Advisory and BSC Secretariat Policy and Procedures. All communication between CIMB Group and the BSC will be facilitated by this unit.

• **Training**

Assist the Group L&D as well as regional teams to assess and review the existing training plans and to make recommendations as needed, to advise on the training requirement and training solutions in relation to Shariah capacity building.

GROUP EXECUTIVE COMMITTEE

The Group Executive Committee ("GEXCO") is established to:

- Review and make decisions on key financial and strategic matters including capital and principal investments;
- Review and make decisions on key strategic digital and technology initiatives and oversee the development and execution of these initiatives;
- Review and make key financial decisions on all credit and underwriting matters;
- Review and make decisions on cultural transformation exercise; and
- Provide management oversight over CIMB Group's businesses on key operational matters, for CIMB Group Holdings Berhad and its subsidiaries (CIMB Group entities).

The GEXCO provides oversight of Management Response to Risk and Compliance Issues including:

- To deliberate and assist in the formulation of the Group CEO's response to risk and compliance issues escalated to the attention of GEXCO; and
- To monitor management actions with regard to improvements to the control environment to manage risk events and compliance breaches tabled.

The GEXCO's role in relation to the Strategic Risk Management Framework ("SMRF") includes:

- To review, approve and/or recommend all major and key strategic matters;
- To provide guidance and/or endorse risk mitigation plans to address strategic risk identified; and
- To appraise the BUs on the extent of strategic risk and projected impact on expected earnings and capital.

The GEXCO members are responsible to ensure that the Group is well run and delivers the outcomes, which have been set by the Group CEO.

The GEXCO monitors management actions with regard to improvements to the control environment, to manage risk events and compliance breaches tabled. In the event of a crisis, the GEXCO will be activated as the Group Crisis Management Committee.

The GEXCO members report to the Group CEO on the performance of their business divisions in line with the Group's strategy and other matters as directed by the Board and Group CEO.

INTERNAL P&P

Operational procedures, on the other hand, are approved by CIMB Group Policy and Procedure Oversight Committee ("GPOC") for implementation. The approved P&P are broadcasted on Sync-Up. Reviews and updates are required to be performed regularly on approved P&P by the respective document owner with the intent to ensure continuous improvements in operational efficiency while taking into consideration the changing industry profile on regulatory requirements, risks and internal control measures for mitigation, and new products and services.

PERFORMANCE REVIEW

On an entity-specific basis, the Boards of CIMB and its major subsidiaries are regularly apprised of key financial and operating statistics, including legal and regulatory matters for deliberation and where necessary, to instruct that prompt actions are taken to resolve issues in a timely manner.

With respect to reporting at a division-specific level, each core division presents its respective performance report at the monthly GEXCO meeting, where the report covers, amongst others, monthly financial performance, new business proposals and listing of defaulted accounts. Each division is assessed against the approved budgets and corporate objectives; and justification is provided for significant variances. Further, the GEXCO will discuss pertinent issues, strategy and corrective or improvement measures to be implemented, if required.

In 2020, new Business Review Committees ("BRC") for countries and business divisions have also been established to:

- Review the performance and key strategic matters of the respective countries' entities and business divisions;
- Track and measure the performance of core programmes against the agreed strategies and roadmap; and
- Provide regular feedback and ensure timely course corrections.

The BRC report directly to the GEXCO and Group CEO on all matters and are chaired by the Group CEO and comprises selected members of Senior Management.

INFORMATION TECHNOLOGY AND CYBERSECURITY RISKS

CIMB Group protects and ensures the confidentiality, integrity, and availability of its information assets through implementing appropriate technology risk and security controls to protect against the misuse or compromise of information assets. CIMB Group's Technology Risk framework covers both Business and Technology drivers, focusing on addressing controls from a holistic perspective addressing People, Process and Technology control layers. The Technology Risk Management framework aligns to the Operational Risk framework and underpins the risk management that ensures technology risks are properly identified, managed, monitored, mitigated and reported in a structured and consistent manner.

In managing increased volume of digital transactions, CIMB Group continuously prioritises, upgrades and monitors the IT infrastructure to maintain system resiliency and ensure high service levels to customers as well as the BUs.

CIMB Group also continuously reviews the cyber defence capabilities to protect customers' data security, while continuously strengthening the resilience against potential cyber threats. As part of managing IT operations, CIMB Group continued to be vigilant and stay alert on the cyber threat landscape with close monitoring by the dedicated Cyber Security Defense Centre and Threat Monitoring and Intelligence unit. Security awareness program has been elevated to equip staff with necessary skills in detecting and appropriately responding towards malicious attempts targeting at end-users. CIMB Group is also working closely with relevant authorities and industry players in heightening protection, detection and response capabilities for cyber resiliency.

CODE OF ETHICS

Further to its introduction in January 2017, CIMB Group continued to emphasise the adherence of the Code amongst its staff. In addition to various internal awareness programmes, the Code is also emphasised through disciplinary action for incidence of breaches of the Code.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

HUMAN RESOURCES POLICIES AND PROCEDURES

The Human Resources P&P ("HRPP") of CIMB Group provides clarity for the organisation in all aspects of the human resource management in CIMB Group. CIMB Group reviews its HRPP periodically to ensure that the P&P remain relevant, and appropriate controls are in place to manage operational risks.

Group Human Resource updates employees of changes to P&P via email messages/memoranda. These P&P are also easily accessible by all employees via CIMB Group's intranet portal, for employees to refer to at their convenience.

PEOPLE DEVELOPMENT

In alignment to Forward23+, focused efforts have been put in place to transform and strengthen talent management and succession planning across CIMB Group. A Career Pathing Toolkit was introduced to enable employees to take charge of their career through transparent career paths covering vertical, horizontal, and diagonal opportunities through intra and inter divisional exchangeability. The toolkit also highlights the competency inventory for the respective career paths as well as the expected proficiency levels by grade group to enable more effective and purpose-driven career conversations between line managers and their team. In addition, as part of the effort to support the career paths of employees, a new development framework anchored on integrated and accelerated learning journeys has been conceptualised for both talent groups as well as the broader employees.

CIMB Group continues to strengthen the succession planning approach by instilling a clear philosophy supported by efforts to institutionalise talent review meetings across the Group. We have more than 250 leaders who have gone through a robust talent assessment process covering 360 feedback, personality/strength based assessment, and panel interviews (where relevant) to help them understand their leadership styles and impact they have on their teams as well as the development opportunities to accelerate their career growth. Furthermore, we were able to make more informed data-driven succession decisions through the amalgamation of outcomes from both internal and external assessments.

Efforts to strengthen risk and compliance culture continued this year with various initiatives put in place such as a series of phishing campaign and training were rolled out by Group Technology to heighten awareness of the escalating cyber risk amidst the fast digitalisation pace. To enhance the effectiveness of the roles of RCO/DCORO, continuous education was also provided whereby they are constantly updated and upskilled through regular RCO forums and engagement sessions with Group Risk and GLC.

As the Bank continued its journey on AML Transformation Programme, hundreds of AML role-based trainings were rolled out as part of the Bank's firm-wide initiatives to level up staff's

competency in AML and to drive culture and behavioural change in our quest to build a strong and sustainable AML culture. With the increased awareness of the importance of compliance, GLC has actively rolled out BU-focused and customised compliance training for the respective business segments such as Private Banking, Treasury and Markets and Corporate, Transaction and Commercial Banking.

In view of the rising risk in the financial services industry, in our quest to inculcate compliance culture amongst the new hires, two new compulsory learning courseware on Compliance and Anti-bribery and Corruption were introduced effective 2021, in addition to a compliance sharing which is embedded in the Group Orientation programme with further emphasis of the "Tone at the Top".

In addition to strengthening the risk and compliance culture, we have also intensified our efforts in strengthening the digital quotient of our workforce, in line with the demands of accelerated digitalisation brought on by the pandemic. This year, we have recalibrated our training approach as there is a need to speed up our upskilling and reskilling efforts to ensure that our workforce have the skills needed to operate in this new normal and able to help drive the firm's Forward23+ digital agenda. Some of the new initiatives that have been introduced include:

- Hackathons that provide the opportunity to learn, innovate and be creative;
- Digital and data-related specialist tracks to develop data scientists, data engineers, scrum masters, digital marketers and other emerging roles; and
- Some world-class digital and data programmes from Massachusetts Institute of Technology ("MIT"), Cambridge, Columbia Business School, Tableau, Microsoft and SAS.

Since the launch of Digital and Data Academy (formerly known as 3D Academy) in 2018, more than 33,000 of our employees have attended some form of Digital and Data training and approximately 13,000 employees have been equipped with Digital and Data intermediate or advanced skillsets.

REMUNERATION

CIMB Group's remuneration philosophy aims to reinforce a pay-for-performance culture while ensuring appropriate risk-taking behaviour.

Governance is established through CIMB GNRC, which reviews and approves remuneration policies and payouts together with the Board of Directors. Decisions on variable remuneration are made based on the performance of the respective units in CIMB Group and taking into consideration risk-adjusted performance measures such as Risk Adjusted Return on Capital, which is incorporated in our scorecards and reporting. GNRC is also guided on their decisions according to the advice and assessment provided by CIMB Group's risk, audit and compliance functions on the respective units in CIMB Group.

CULTURE

GHR continues to reinforce and encourage exemplary behaviour amongst staff through a role modelling campaign. Once every two weeks, stories highlighting staff demonstrating acts of integrity, vigilance, ownership, collaboration and customer centricity were featured in emails as well as internal social media platforms.

In parallel, we embarked on a refresh of our values and culture programme to tighten the links between our organisational strategy, operating model and ways of working.

Feedback from the Organisational Health Index ("OHI") survey in January 2021, which saw the participation of staff from across the Group, provided further impetus for the refresh. Further insights from this survey was provided through subsequent focus groups conducted with more than a 100 talent at all levels within CIMB. Inputs from both initiatives were incorporated into the values design.

The five selected core value themes endorsed by the Board were Enabling Talent, Passion, Integrity and Accountability, Collaboration and Customer Centricity.

WHISTLE BLOWING

Whistle blowing continues to be an important tool for CIMB Group as part of its corporate governance process and various avenues have been established for parties (external parties, vendors, customers, stakeholders and staff) to whistle blow on issues for the attention of the management of the Bank through the available channels in CIMB Clicks, Sync-Up and the Bank's Homepage. All cases received via the dedicated whistle blowing email and the various avenues are reviewed by the Independent Director and investigated by GCAD and thereafter updated to the AC of the Board.

ANTI-BRIBERY AND CORRUPTION

As one of the core values of CIMB Group is integrity, the Group firmly believes in acting professionally, fairly and with integrity in all business dealings and relationships. As such, in line with global best practices and good governance approach, the Anti-Bribery and Corruption Policy ("ABC Policy") had been established in the Group for many years. With the implementation of S17A Malaysian Anti-Corruption Commission ("MACC") Act coming into force in June 2020, the Group had conducted a due diligence and risk assessment to ensure the current ABC Policy complies with the provision of the Act. Further to this, the ABC Policy was updated and additional processes put in place to ensure the Group conducts its business activities in full compliance with the provisions of the Act. This includes training employees to familiarise themselves on the ABC Policy through a mandatory e-learning programme once every two years.

The Board had also approved the establishment of the Integrity and Governance Unit ("IGU") in September 2020 to foster the principle of abhorring corruption, abuse of power and malpractices. The BRCC was also delegated as the Independent Committee to provide oversight and advice to the Board in respect of the management of Bribery and Corruption ("B&C") Risk. The CIMB Group Integrity and Governance Framework ("IG Framework") had also been established to serve as a reference in the implementation of the IGU's functions within CIMB Group. The CIMB Group IG Framework is an overarching framework to oversee B&C risk, as well as to serve as a reference in relation to B&C matters. It aims to set out best practices and processes for each related policies which in aggregate would support the effective implementation of adequate procedures to prevent or mitigate the occurrence of bribery and corruption practices.

BUSINESS CONTINUITY MANAGEMENT

The Business Continuity Management ("BCM") program, embodied within the Group BCM P&P, is in place to minimise disruptions, ensure continuity of service to our customers and our supporting business processes.

Group BCM, which resides within CIMB Group's Non-Financial Risk Management ("NFRM") Department in the second line of defence, plays the primary role of providing the methodology and tools for an integrated and standardised BCM approach across the organisation as well as to ensure effective coordination and supervision of all BCM activities.

Regular reviews, re-assessments and updates for BCM documentations/plans are conducted to ensure adequacy, effectiveness and relevance of the business recovery strategies. These plans are rehearsed and tested on a regular basis.

The Group BCM Steering Committee provides oversight on the BCM program to ensure the Group meets BCM statutory and regulatory responsibilities, adheres to accepted best practices, and aligned with the organisation's business vision and strategy.

FRAUD RISK MANAGEMENT

Fraud risk is defined as the risk of loss resulting from an act or course of deception or omission with the intention to conceal, omit, distort, misrepresent, falsify or etc. to: (i) gain unlawful/illegal/unfair personal advantages, (ii) induce another individual(s) to surrender willing/unwilling of a legal right/possession or (iii) damage another individual(s) resulting in a loss to another.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Generally, fraud can be sub-divided into the following categories:

- **External fraud:** Any fraud committed by non-staff, customers (first party fraud) or third parties. External fraud involves unexpected financial, material or reputational loss as the result of fraudulent action from third parties, customers, other members of the public or organised criminal groups, and known or unknown other third parties.
- **Internal fraud:** The use of one's occupation for personal enrichment through the deliberate misuse of the organisation's resources or assets. Simply stated, this type of fraud refers to fraud or suspected fraud perpetrated, aided or abetted by internal staff. In this type of fraud, a perpetrator of fraud engages in activities that are designed to defraud, misappropriate assets, or circumvent the regulations, law or policies of CIMB Group.

The Group Fraud Risk Management Framework was developed and endorsed in 2019 by BRCC for a consistent approach and oversight to fraud risk management activities across all the divisions within the Group. The four key pillars of the framework are Prevention; Monitoring/Detection; Handling/Response; and Recovery/Reporting.

The Three Lines of Defence each plays an important role to uphold CIMB Group's core value and to ensure all fraud related cases/concerns/complaints received are investigated and escalated accordingly.

The key P&P that govern and provide details on the management of fraud risk include the following:

- Group Fraud Risk Policy; and
- Group Fraud Risk Governance and Procedure.

Large-scale adoption of remote working in 2021 has changed the overall control environment in which staff perform their roles. Generally, it is more challenging to manage fraud risks effectively in a dispersed remote working situation vis-à-vis an office environment. Group Fraud Risk Management continuously reviews the remote working arrangements to identify fraud risks from changes in control environments and processes. Compensating controls were implemented to manage newly identified fraud risks in ensuring such risk are within the risk appetite statements approved by the Board and Senior Management. In addition to the above, we also keep abreast of evolving new fraud typologies from remote working and implement appropriate preventive and detective controls to mitigate fraud risks.

SUSTAINABILITY

The Sustainability Governance Framework defines the roles and responsibilities of Board, Management and the rest of the organisation in fulfilling our aspiration to build a high performing sustainable organisation to help advance customers and society. The Framework also aims to ensure that sustainability-related risks are effectively identified, assessed and managed in a timely manner, while improving transparency through disclosures and reporting to promote overall accountability. The Sustainability Governance Framework, including the sustainability operating model, sustainability risk management framework, as well as P&P, are regularly reviewed and strengthened to ensure continued relevance in view of emerging risks and evolving stakeholder priorities.

BOARD

The Board is the highest governance body accountable for CIMB's sustainability strategy, our material Economic, Environmental, Social and Governance ("EESG") risks and opportunities, including but not limited to climate-related risks and opportunities. The sustainability-related roles and responsibilities of the Board are incorporated in the Board Charter.

Sustainability is also embedded in the roles and responsibilities of various Board Committees. In September 2021, a dedicated Group Sustainability and Governance Committee ("GSGC") was established to assist the Board in fulfilling its mandates in advocating and fostering a culture/DNA of sustainability, ethical conduct, and integrity across the Group. The GSGC provides oversight and input to the Management's implementation, operation and assurance of policies and standards in alignment with the Group's sustainability and climate change strategy, and takes a proactive approach to create a net positive impact on EESG material matters arising from the Group's capacity as a lender, financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer. The GSGC also oversees the management of bribery, corruption and other related risks and the consequence management of breaches thereof. Members of GSGC are guided by the Terms of Reference of GSGC. The BRCC provides oversight and advice to the Board and Management in respect of sustainability risk, including defining and reviewing the Group's sustainability-related risk appetites. The AC supports the Board in ensuring there is reliable and transparent reporting and internal control system for sustainability-related matters, while the GNRC looks at diversity and inclusion, considers sustainability experience in nomination of Directors, and builds sustainability competence of the Board.

MANAGEMENT

The Group Transformation Committee ("GTC") was established to assist the Group CEO in directing and steering CIMB's overall strategy, including sustainability, which is a key programme under CIMB's Forward23+ strategy. The Group Sustainability Council ("GSC") assists the Group Chief Sustainability Officer ("GCSO") in leading the development and successful execution of CIMB's sustainability framework, in line with strategic outcomes set by the Board, GTC and/or Group CEO. The GSC's roles and responsibilities includes, among others, monitoring the sustainability risk profile of the Group's business activities, ensuring the implementation of appropriate policies, procedures, and controls to mitigate identified sustainability risks, as well as recommend sustainability strategic plans, initiatives, and targets for approval by the GTC. The GSC also acts as the governing body for CIMB's own sustainable bond assets.

GROUP SUSTAINABILITY DIVISION

Group Sustainability was established as its own division in 2020, with the creation of the role of GCSO who directly reports to the Group CEO. The Group Corporate Responsibility department has also been integrated into the Group Sustainability Division for better synergy. The Group Sustainability Division operates on a regional operating model with teams in Indonesia, Singapore, Thailand, Cambodia and country representatives in Vietnam and Philippines.

Sustainability projects and initiatives are typically executed by multidisciplinary teams from various BUs and BEs. For example, the Sustainable Finance Working Group ("SFWG") comprises of members from Wholesale and Commercial Banking as well as Group Risk, and works to implement the Group Sustainable Financing Policy ("GSFP"), its Sector Guides, and procedures.

SUSTAINABILITY KPIS

In 2021, Sustainability KPIs were embedded in the new performance framework of the organisation, specifically in divisions' collective scorecards. These KPIs will measure the collective achievements of the team, BUs and countries towards the advancement of sustainability across the Group.

SUSTAINABILITY RISK MANAGEMENT FRAMEWORK

The Sustainability Risk Management Framework was established to identify, assess, and manage various sustainability risk components, including environmental, climate, economic, social and ethical risks. Sustainability risks are integrated into both the Group's Risk Library and the EWRM Framework. The Sustainability Risk Management Framework also defines the appropriate governance, which is supported by appropriate P&P, puts in place risk assessment tools to improve the understanding of and preparedness against existing and emerging sustainability risks, ensures due diligence and assessment of sustainability risk impacts and cultivates a risk management culture through the three lines of defence, as well as through relevant controls and measurements for credible reporting.

Two main policies that ensure proper governance and management of sustainability risk are:

- The Group Sustainability Policy ("GSP"), which outlines our overarching principles and approach to sustainability and sustainability risk management; and
- The Group Sustainable Financing Policy ("GSFP"), which identifies, assesses, and manages risks arising from financing of and capital raising for non-individual clients, especially in sectors that are most vulnerable to environmental and social risks, and those with activities that have high potential adverse impacts on the environment and society. GSFP has also been implemented for investment banking deals, including Initial Public Offerings ("IPOs") and Bond/Sukuk issuances. 28 economic activities in six sectors have been identified to have high environmental and social risk, and Sector Guides are in place for coal, palm oil, oil and gas, forestry, and construction and real estate activities (including infrastructure). A structured sustainability due diligence and escalation are in place for clients and transactions identified to have high sustainability risk.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION

The Board, through the AC, BRCC and the BSC, confirms that it has reviewed the effectiveness of the risk management and internal control framework and considers CIMB Group's system of internal control as adequate in safeguarding the shareholders' interests and assets of CIMB Group. The Board also confirms that there is an effective ongoing process for identification, evaluation and management of significant risks in CIMB Group and is committed to ongoing review of the entire control, compliance and risk management controls.

RISK MANAGEMENT

RISK MANAGEMENT OVERVIEW

A robust and effective risk management system is critical for our Group to achieve continued risk balanced profitability and create shareholder and stakeholder value in today's globalised and inter-linked financial and economic environment.

Our Group embraces risk management as an integral part of our Group's strategy, business, operations and decision-making processes. In ensuring that our Group achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the strategy discussion and risk-taking process by providing independent inputs, including relevant valuations and scenario analysis, credit evaluations, new product assessments and quantification of capital requirements and risk return analysis/simulations. These inputs enable the business units to assess the risk-vs-reward of their propositions.

ENTERPRISE WIDE RISK MANAGEMENT FRAMEWORK

Our Group employs a Group Enterprise-Wide Risk Management (EWRM) framework as a standardised approach to effectively manage our risks and opportunities. The Group EWRM framework provides our Board and management with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.

The key components of the Group EWRM framework are represented in the diagram below:



The design of the Group EWRM framework incorporates a complementary 'top-down strategic' and 'bottom-up tactical' risk management approach. The key features of the Group EWRM framework include:

- (i) **Risk Culture:** The Group embraces risk management as an integral part of its culture and decision-making processes. The Group's risk management philosophy is embodied in the Three Lines-of-Defence approach, whereby risks are managed initially from the onset of risk-taking activities. There is clear accountability of risk ownership across the Group.
- (ii) **Governance and Organisation:** A strong governance structure is important to ensure an effective and consistent implementation of the Group's EWRM framework. The Board is ultimately responsible for the Group's strategic direction, which is supported by the risk appetite and relevant risk management frameworks, policies, methodologies/standards, and procedures. The Board is assisted by various risk committees and control functions in ensuring that the Group's risk management framework is effectively implemented.
- (iii) **Risk Appetite** is defined as the amount and type of risks that the Group is able and willing to accept in pursuit of its strategic and business objectives. Risk appetite is set in conjunction with the annual strategy and business planning process to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and risk.
- (iv) **Risk Management Process:**
 - **Business Planning:** Risk management is central to the business planning process, including setting frameworks for risk appetite, risk posture, new products and business activities.

- **Risk Identification and Assessment:** Risks are systematically identified and assessed through the robust application of the Group's risk frameworks, policies, methodologies/standards, and procedures.
- **Risk Measurement:** Risks are measured and aggregated using the Group-wide methodologies across each of the risk types, including stress testing.
- **Risk Management and Control:** Risk management limits and controls are used to manage risk exposures within the risk appetite set by the Board. Risk management limits and controls are regularly monitored and reviewed in the face of evolving business needs, market conditions and regulatory changes. Corrective actions are taken to mitigate risks.
- **Risk Monitoring and Reporting:** Risks on an individual, as well as on a portfolio basis, are regularly monitored and reported to ensure they remain within the Group's risk appetite.

(v) **Risk Management Infrastructure:**

- **Risk Frameworks, Policies, Methodologies/Standards, and Procedures:** These are in place to address all areas of material risks. Frameworks provide broad objectives and overarching risk management architecture for managing risks. Well-defined risk policies by risk type provide the principles by which the Group manages its risks. Methodologies/Standards provide specific directions that help support and enforce policies. Procedures provide more detailed guidance to assist with the implementation of policies.
- **People:** Attracting the right talent and skills is key to ensuring a well-functioning Group EWRM framework. The organisation continuously evolves and proactively responds to the increasing complexity of the Group, as well as the economic and regulatory environment.
- **Technology and Data:** Appropriate technology and sound data management support risk management activities.

RISK GOVERNANCE

At the apex of the governance structure are respective Boards of entities within the Group, which decides on the entity's risk appetite corresponding to its business strategies. Each Board Risk and Compliance Committee (BRCC) reports directly to the respective Boards and assumes responsibility on behalf of the respective Boards for the supervision of risk management and control activities. Each BRCC determines the relevant entity's risk strategies and policies, keeping them aligned with the principles within the risk appetite. Each BRCC also oversees the implementation of the Group EWRM framework, provides strategic guidance and reviews the decisions of the Group Risk and Compliance Committee (GRCC).

To facilitate the effective implementation of Group EWRM framework, the BRCC has established various specialised/sub-risk committees within our Group, each with distinct lines of responsibilities and functions, which are clearly defined in the terms of reference.

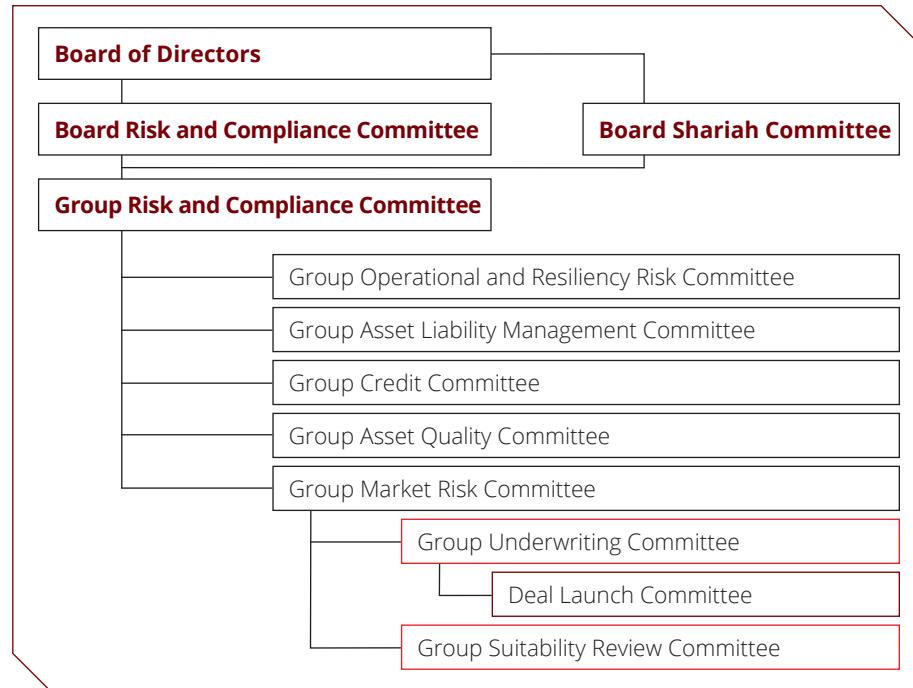
The responsibility of risk management supervision and control is delegated to the GRCC, which reports to the BRCC. The GRCC, comprising senior management of the Group, performs the oversight function for the overall management of risks. The GRCC is supported by specialised/sub-risk committees, namely Group Credit Committee, Group Market Risk Committee, Group Operational and Resiliency Risk Committee, Group Asset Liability Management Committee and Group Asset Quality Committee, each addressing one or more of the following:

- (i) Credit risk, defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Group;
- (ii) Market risk, defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility;
- (iii) Liquidity and Funding risk, defined as the current and potential risk to earnings, shareholders' funds or reputation arising from the inability to efficiently meet its present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they come due, which may adversely affect its daily operations and incur unacceptable losses;
- (iv) Interest rate risk/rate of return risk in the banking book, which is the current and potential risk to the Group's earnings and economic value arising from movements in interest rates/profit rates;
- (v) Operational risk, defined as the risk of loss resulting from inadequate or failed processes, people and systems, or from external events. It includes legal risk but excludes strategic and Shariah non-compliance risks;
- (vi) Capital risk, defined as the risk of a bank not having sufficient capital to withstand potential losses suffered in its operations. Capital is important as it can be used to repay depositors, customers, creditors, and other claimants in case there is insufficient liquidity during a crisis;
- (vii) Technology risk, is the risk of loss resulting from inadequate or weaknesses in strategy, people, process, technology or external events, which includes financial risk, regulatory/compliance risk and the risk of reputational loss/damage;

RISK MANAGEMENT

- (viii) Fraud risk, defined as the risk of loss resulting from an act or course of deception or omission with the intention to conceal, omit, distort, misrepresent, falsify or etc. to: (i) gain unlawful/illegal/unfair personal advantages, (ii) induce another individual(s) to surrender willing/unwilling of a legal right/possession or (iii) damage another individual(s) resulting in a loss to another;
- (ix) Outsourcing risk, defined as the risk emanating from outsourcing arrangements that could result in a disruption to business operations, financial loss or reputational damage to the Group;
- (x) Shariah Non-Compliance (SNC) risk, defined as the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage, which CIMB Group may suffer arising from failure to comply with Shariah requirements determined by Shariah Advisory Council (SAC) of Bank Negara Malaysia (BNM) and Securities Commission (SC), including standards on Shariah matters issued by BNM pursuant to Section 29(1) of the IFSA; or decisions or advice by Board Shariah Committee (BSC) of the CIMB Islamic Bank or other Shariah regulatory authorities of the jurisdictions where the Group operates; and
- (xi) Sustainability risk, defined as the risk of financial and non-financial impact arising from environmental, social and ethical issues stemming from transactions and/or activities associated with a business relation and its operations, and/or the Group's own internal operations and employees.

The structure of CIMB Group Risk Committees is depicted in the following chart:



Our overseas subsidiaries' risk committees are set-up in a similar structure in their respective jurisdictions. Whilst recognising the autonomy of the local jurisdiction and compliance to local requirements, our Group strives to ensure a consistent and standardised approach in its risk governance process. As such, Group and Regional committees have consultative and advisory responsibilities on regional matters across our Group as regulators allow. This structure increases regional communication regarding technical knowledge. It further enhances support towards managing and responding to risk management issues, thus providing the Board with a comprehensive view of the activities within our Group.

In addition to the CIMB Group Risk Committees, the Group has established a Group Sustainability and Governance Committee (GSGC) consisting of five Independent Directors to assist the Board in fulfilling its responsibilities in advocating and fostering a culture/DNA of sustainability, ethical conduct, and integrity across the Group. Sustainability is also embedded in the roles and responsibilities of various Board Committees. To ensure information-symmetry and consensus across all Board Committees and entity boards, with regards to the direction and progress of the Group's sustainability and climate change strategy deliberated at the GSGC, selected GSGC members and business units such as Group Sustainability are responsible for providing relevant updates and inputs to the various Board Committees and entity boards on a periodic basis.

THREE LINES-OF-DEFENCE

Our Group's risk management culture is embodied through the adoption of the Three Lines-of-Defence philosophy, whereby risks are managed initially from the onset of risk-taking activities. This is to ensure clear accountability of risk across our Group and risk management as an enabler of business units. As a first line-of-defence, the line management (including key Business Pillars and Enablers) is primarily responsible for risk management on a day-to-day basis by taking appropriate actions to mitigate risk through effective controls. The second line-of-defence provides oversight and performs independent monitoring of business activities with reporting to the Board and management to ensure that our Group conducts business and operates within the approved appetite, and is in compliance with regulations. The third line-of-defence is Group Corporate Assurance Division who provides independent assurance of the adequacy and effectiveness of the internal controls and risk management processes.

THE ROLES OF GROUP CHIEF RISK OFFICER (GROUP CRO) AND GROUP RISK

Within the second line-of-defence is Group Risk, a function independent of business units. It assists our Group's management and stakeholders in monitoring and controlling risk exposures within the Board-approved risk appetite statement.

Group Risk is headed by our Group CRO, appointed by our Board to lead the Group-wide risk management functions, including the implementation of the Group EWRM framework. Our Group CRO:

- (a) actively engages the respective boards and senior management on risk management issues and initiatives; and
- (b) maintains an oversight on risk management functions across all entities within our Group. In each key country of operations, there is a local Chief Risk Officer or a local Head of Risk Management, whose main functions are to assess and manage the enterprise risk and liaise with regulators in the respective countries.

The organisational structure of Group Risk is made of two major components, namely the Chief Risk Officer and the Risk Centres of Excellence (CoE).

A. CHIEF RISK OFFICERS

- i) The Group CRO is supported by the CROs who oversee the risk management functions in overseas branches and banking subsidiaries.
- ii) CRO's main function is to assess and manage the enterprise risk and liaise with regulators in the respective countries/entities under his/her purview.
- iii) For countries where a CRO is not present and/or not required, a local Head of Risk Management is appointed to be the overall risk coordinator for that country.

B. RISK CENTRES OF EXCELLENCE

- i) These are specialised teams of risk officers responsible for the active oversight of Group-wide functional risk management and the teams supporting respective CRO in the various geographies.
- ii) The Risk CoEs consist of Asset Liability Management, Credit Risk, Market Risk, Non-Financial Risk Management (comprising Operational, Shariah, Business Continuity Management, Technology, Outsourcing and Fraud Risk Management), Risk Analytics, and Credit Risk Infrastructure CoEs.

• ASSET LIABILITY MANAGEMENT COE

The Asset Liability Management (ALM) CoE recommends the framework and policies for the independent assessment, measurement, monitoring and reporting of liquidity risk and interest rate risk/rate of return risk in the banking book. It conducts regular stress testing on the Group's liquidity and interest rate risk/rate of return risk in the banking book profile, by leveraging on the standardised infrastructure it has designed, built and implemented across the region. It provides the framework and tools for maintenance of the early warning system indicators and contingency funding plan by business owners across the Group.

• CREDIT RISK COE

The Credit Risk CoE consists of Retail and Non-Retail credit risk and is dedicated to the assessment, measurement, management, monitoring and reporting of credit risk in the Group. The scope under the CoE function include areas ranging from development of credit risk policies, procedures and standards to advance portfolio analytics, and implementation of credit risk modelling (including rollout of challenger Alternate Credit Underwriting models leveraging on non-traditional/alternate data for some of our Retail portfolios).

• MARKET RISK COE

The Market Risk CoE recommends the framework and policies for independent assessment, measurement and monitoring of market risk. This is operationalised through review of treasury positions versus limits, performing mark-to-market valuation, calculating Value-at-Risk and market risk capital, as well as performing stress testing.

• NON-FINANCIAL RISK MANAGEMENT COE

The Non-Financial Risk Management (NFRM) CoE ensures that the first line-of-defence manages their operational risk by providing an operational risk framework that enables them to identify, assess, manage and report their operational risks.

The team also provides constructive challenge and assessment to the first line-of-defence's execution of the operational risk framework and acts as a consultant with the Group in providing operational risk expertise and reporting to senior management.

RISK MANAGEMENT

The Shariah Risk Management (SRM) unit within the NFRM CoE facilitates the process of identifying, measuring, controlling and monitoring SNC risks inherent in the Group's Islamic banking businesses and services. It formulates, recommends and implements appropriate SRM policies and guidelines; as well as develops and implements processes for SNC risk awareness.

NFRM CoE also extend its specialist risk oversight to cover Business Continuity Management, Fraud, Technology and Outsourcing risks.

• RISK ANALYTICS COE

The Risk Analytics (RA) CoE ensures the Group's compliance to regulatory requirements prescribed for IRB Approach and facilitates other Risk CoEs in their respective risk management through Internal Capital Adequacy Assessment Process (ICAAP), Risk Appetite and Stress Testing. RA CoE also validates credit risk models and performs non-retail credit risk analytics, asset quality reporting and Single Counterparty Exposure Limit (SCEL) regulatory reporting.

• CREDIT RISK INFRASTRUCTURE COE

The Credit Risk Infrastructure (CRI) CoE implements risk infrastructure of loan/financing decision engine and rating systems, which encompass credit risk models and lending/ financing criteria. The CoE also manages a Risk Data Mart that facilitates Credit Risk, Risk Weighted Asset (RWA) and SCEL reporting and analytics.

Sustainability risk is a transverse risk that manifests itself through existing risk types. Due to the cross-cutting nature of Sustainability risk, the implementation of Group-wide sustainability governance framework is currently spearheaded and managed by Group Sustainability as the Sustainability CoE, which sits outside of Group Risk. Notwithstanding this, Sustainability risk has been and will continue to be integrated into the Group's existing risk management frameworks.

KEY AREAS OF RISK MANAGEMENT

1. CREDIT RISK

Credit risk is defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Group.

Credit risk is inherent in banking activities and arises from traditional financing activities through conventional loans, financing facilities, trade finance, as well as commitments to support clients' obligations to third parties, e.g., guarantees/ kafalah. In derivatives, sales and trading activities, credit risk arises from the possibility that our Group's counterparties will be unable or unwilling to fulfil their obligation on transactions on or before settlement dates.

CREDIT RISK MANAGEMENT

Without effective credit risk management, the impact of the potential losses can be overwhelming. The purpose of credit risk management is to keep credit risk exposure to an acceptable level vis-à-vis the capital, and to ensure the returns commensurate with risks.

Consistent with the Three Lines-of-Defence model on risk management where risks are managed initially from the onset of risk-taking activities, our Group implemented the risk-based delegated authority framework. This promotes clarity of risk accountability whereby the business unit, being the first line-of-defence, manages risk in a proactive manner with Group Risk as a function independent from the business units as the second line-of-defence. This enhances the collaboration between Group Risk and the business units.

The risk-based delegated authority framework encompasses joint delegated authority, enhanced credit approval process and a clear set of policies and procedures that defines the limits and types of authority designated to the specific individuals.

Our Group adopts a multi-tiered credit approving authority spanning from the delegated authorities at business level, joint delegated authorities between business units and Group Risk, to the various credit committees. The credit approving committees are set up to enhance the efficiency and effectiveness of the credit oversight as well as the credit approval process for all credit applications originating from the business units. For corporate, commercial and private banking loans/financing, credit applications are independently evaluated by the Credit Risk CoE team prior to submission to the joint delegated authority or the relevant committees for approval; certain business units' officers are delegated with credit approving authority to approve low valued credit facilities. In addition, for loan/financing to sectors and clients that are exposed to high environmental and social risk, the Sustainability CoE conducts due diligence from an environmental and social point of view. For retail loans/financing, all credit applications are evaluated and approved by Consumer Credit Operations according to the designated delegated authority with higher limits submitted to joint delegated authority or relevant committees for approval.

The GRCC, with the support of Group Credit Committee, Group Asset Quality Committee, other relevant credit committees as well as Group Risk, is responsible for ensuring adherence to the Board's approved risk appetite and risk posture. This, amongst others, includes reviewing and analysing of portfolio trends, asset quality, watch-list reporting and policy reviews. It is also responsible for articulating key credit risks and mitigating controls.

Adherence to and compliance with country sector limit, single customer and country and global counterparty limits, are approaches adopted to address concentration risk to any large sector or industry, or to a particular counterparty group or individual. In view of the tightening regulations around climate change and to support the Group's Net Zero commitment by 2050, a climate overlay focusing on sector sensitivity to transition risks (which references the Transition Risk Heatmap developed under United Nations Environment Program Finance Initiative) was integrated by Group Sustainability into Group Risk's Country Sector Limit Methodology for 2022.

Adherence to the above established credit limits is monitored daily by Group Risk, which combines all exposures for each counterparty or group, including off balance sheet items and potential exposures. For retail products, portfolio limits are monitored monthly by Group Risk.

It is our Group policy that all exposures must be rated or scored based on the appropriate internal rating models, where available. Retail exposures are managed on a portfolio basis and the risk rating models are designed to assess the credit worthiness and the likelihood of the obligors to repay their debts, performed by way of statistical analysis from credit bureau and demographic information of the obligors. The risk rating models for non-retail exposures are designed to assess the credit worthiness of the corporations or entities in paying their obligations, derived from both quantitative and qualitative risk factors such as financial history and demographics or company profile. These rating models are developed and implemented to standardise and enhance the credit underwriting and decision-making process for our Group's retail and non-retail exposures.

To complement the Group's traditional rating models, Group Risk had embarked on the Machine Learning journey since 2019 as part of Risk Big Bets transformation initiative. The objective of this initiative is to develop stronger predictive risk models via cutting edge Machine Learning techniques. The Machine Learning implementation project spearheaded by Group Risk was established and was one of the pivotal strategic plans under the Group's Forward23 initiative. The development of predictive and powerful risk models helps enhance Business lending/financing through better insights to new customer segments and effective risk management, enhance speed of models' delivery, adoption of unconventional multiple scoring approach and hybrid risk segmentation, amongst others.

To-date, the Group had developed and implemented five machine learning models covering both Retail and Small-Medium Enterprise businesses in Malaysia, and two models in CIMB Niaga with further expansion plan going into 2022

and beyond. Some initial significant results observed include increase in Profit Before Tax from new loans/financing booked ranging from 30-100% for unsecured products (personal loans/financing and cards) and 7% increase for Auto/Hire Purchase loans/financing. This has been achieved by a mix of increased loans/financing volume, improved pricing, lower losses and increase in approval/acceptance rates through the adoption of machine learning models. The incorporation of Machine Learning techniques as new risk tools/capability helps the Bank in growing good quality loans/financing whilst ensuring that risk safeguards remain sound and intact.

Credit reviews and ratings are conducted on the non-retail credit exposures on an annual basis, and more frequently when material information on the obligor or other external factors is made available.

The exposures are actively monitored, reviewed on a regular basis and reported regularly to GRCC and Board Risk and Compliance Committee. Asset quality is closely monitored so that deteriorating exposures are identified, analysed and discussed with the relevant business units for appropriate remedial actions, including recovery actions, if required.

Our Group recognises that our financing activities may have an impact on the environment and society and such impact may in turn result in potential financial and reputational risks to the Group. Our sustainable financing approach integrates environmental, social and economic/ethical considerations, including climate-related physical and transition risks, into our credit risk assessment process for our financing practices and capital raising transactions, whereby clients and transactions identified to have high sustainability risk or potential concern are subject to a structured due diligence and escalation process. Refer to the section on Sustainability Risk for further details.

CREDIT RISK MITIGATION

The employment of various credit risk mitigation techniques such as appropriate credit structuring, and posting of collateral and/or third-party support, form an integral part of credit risk management process.

Credit risk mitigants are taken, where possible, and are considered secondary recourse to the obligor for the credit risk underwritten.

All extension of secured credit facilities deemed prudent, must be appropriately and adequately collateralised. A credit proposal is considered secured only when the entire proposal is fully covered by approved collateral/securities within their approved margins as set out in the relevant credit policy/standard.

RISK MANAGEMENT

Group Credit Committee or the relevant credit approving authority is empowered to approve any inclusion of new acceptable collaterals/securities.

Recognised collaterals include both financial and physical assets. Financial collaterals consist of mainly cash deposits, quoted shares, unit trusts and debt securities, while physical collateral includes land, buildings and vehicles.

Guarantors accepted are in line with BNM's Capital Adequacy Framework (Basel II – Risk-Weighted Assets) and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) guidelines. Eligible credit protection is also used to mitigate credit losses in the event that the obligor/counterparty defaults.

In mitigating the counterparty credit risks from foreign exchange and derivatives transactions, our Group enters into master agreements that provide for closeout netting with counterparties, whenever possible. A master agreement that governs all transactions between two parties, creates greater legal certainty that the netting of outstanding obligations can be enforced upon termination of outstanding transactions if an event of default occurs.

For each counterparty where credit support annex has been executed in addition to master netting agreement, our Group will request for additional collateral for any exposures above the agreed threshold, in accordance with the terms specified in the relevant credit support annexes.

Our Group avoids unwanted credit or market risk concentrations by diversifying our portfolios through a number of measures. Amongst others, there are guidelines in place relating to maximum exposure by products, counterparties, sectors and country.

2. MARKET RISK

Market risk is defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility.

Our Group hedges the exposures to market risk by employing various strategies, including the use of derivative instruments.

Our Group adopts various measures as part of risk management process. Our GRCC with the assistance of Group Market Risk Committee and its delegated committees ensure that the risk exposures undertaken by our Group is within the risk appetite approved by our Board.

Market Risk CoE is responsible for measuring and controlling our Group's market risk through robust measurement and market risk limit monitoring while facilitating business growth within a controlled and transparent risk management framework. Market Risk CoE evaluates the market exposures using the applicable market price and pricing model. The valuation process is carried out with independent price verification requirements to ensure that financial assets/liabilities are recorded at fair value. The valuation methods and models used are validated by risk management quantitative analysts to assess their applicability relative to market conditions.

Our Group also adopts the Value-at-Risk (VaR) methodology as an approach in the measurement of market risk. VaR is a statistical measure of the potential losses that could occur as a result of movement in market rates and prices over a specified time horizon within a given confidence level.

Stress testing is conducted to capture the potential market risk exposures from an unexpected market movement. In formulating stress scenarios, consideration is given to various aspects of the market; for example, identification of areas where unexpected losses can occur and areas where historical correlation may no longer hold true.

In addition to the above, Market Risk CoE undertakes the monitoring and oversight process at Treasury and Markets trading floors, which include reviewing and analysing treasury trading activities vis-à-vis changes in the financial markets, monitoring limits usage, assessing limits adequacy and verifying transaction prices.

3. LIQUIDITY AND FUNDING RISK

Liquidity and funding risk is defined as the current and potential risk to earnings, shareholders' funds or our reputation arising from our Group's inability to efficiently meet our present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they are due, which may adversely affect our daily operations and incur unacceptable losses. Liquidity risk arises from mismatches in the timing of cash flows.

The objective of our Group's liquidity risk management is to ensure that our Group can meet its cash obligations in a timely and cost-effective manner. To this end, our Group's liquidity risk management policy is to maintain high quality and well diversified portfolios of liquid assets and sources of funds under both business-as-usual and stress conditions. Due to its large delivery network and marketing focus, our Group is able to maintain a diversified core deposit base comprising of savings, demand and term deposits, thus providing our Group with a stable, large funding base from individuals, SMEs, corporates and financial institutions segments. Our Group maintains some buffers of liquidity throughout the year to ensure safe and sound operations from a strategic, structural and tactical perspective.

The day-to-day responsibility for liquidity risk management and control in each individual entity is delegated to the respective Country Asset Liability Management Committee, which subsequently reports to Group Asset Liability Management Committee. The Group Asset Liability Management Committee meets at least once a month to discuss the liquidity risk and funding profile of the Group. The key liquidity risk metrics comprise of internal liquidity gaps or cashflow maturity profile mismatches under business-as-usual and stress scenarios, regulatory Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), which are measured and monitored regularly. LCR is a quantitative regulatory requirement which seeks to ensure that banking institutions hold sufficient High Quality Liquid Assets (HQLA) to withstand an acute liquidity stress scenario over a 30-calendar-day horizon. Our Group monitors and reports LCR and NSFR based on the BNM LCR and NSFR Policy Document dated 25 August 2016 and 31 July 2019 respectively. The effective date for NSFR is 1 July 2020. As part of its ordinary course of business, the Bank maintains the LCR and NSFR above the regulatory requirements. In addition, liquidity risk stress testing under various scenarios covering bank-specific (idiosyncratic), market-wide and combined crises is performed regularly to identify sources of potential liquidity strain. Liquidity risk positions based on balance sheet forecasts and relevant risk drivers are projected to help in business planning.

In addition to regulatory limits, liquidity risk undertaken by our Group is governed by a set of established liquidity risk limits and appetite. Management Action Triggers (MATs) have been established to alert management to potential and emerging liquidity pressures. Our Group's Liquidity Risk Management Policy is subjected to periodic review. The assumptions, risk limits and appetite are regularly reviewed in response to regulatory changes, changing business needs and market conditions.

The Asset Liability Management function, which is responsible for the independent monitoring of our Group's liquidity risk profile, works closely with Treasury and Markets in its surveillance on market conditions. Business units are responsible for establishing and maintaining strong business relations with their respective depositors and key providers of funds. Overseas branches and subsidiaries should seek to be self-sufficient in funding at all times. Treasury and Markets only acts as a global provider of funds on a need-to or contingency basis. Each entity has to prudently manage its liquidity position to meet its daily operating needs.

Our Group's Contingency Funding Plan (CFP) is in place to alert and enable the management to act effectively and efficiently during a liquidity or funding crisis and under adverse market conditions. The CFP is subjected to regular testing.

4. INTEREST RATE RISK/RATE OF RETURN RISK IN THE BANKING BOOK

Interest rate risk/rate of return risk in the banking book is defined as the current and potential risk to our Group's earnings and economic value arising from movement in interest rates/profit rates.

Our Group manages its banking book exposure to fluctuations in interest rates/profit rates through policies established by Group Asset Liability Management Committee. The Group Asset Liability Management Committee is a board-delegated committee which reports to the GRCC. Interest rate risk/rate of return risk in the banking book undertaken by our Group is governed by an established risk appetite that defines the acceptable level of risk to be assumed by our Group. The risk appetite is established by the Board. With the support from Asset Liability Management CoE under Group Risk, and Capital and Balance Sheet Management under Group Finance, our Group Asset Liability Management Committee is responsible for steering the Group's balance sheet and hedging strategies, the overall interest rate risk/rate of return risk in the banking book profile and ensuring that such risk profile is within the established risk appetite. Interest rate risk/rate of return risk in the banking book exposure based on balance sheet forecasts and relevant risk drivers are projected to help in business and hedging strategies planning. Treasury and Markets, together with Capital and Balance Sheet Management, are responsible for day-to-day management of exposures and gapping activities including execution of hedging strategies.

Interest rate risk/rate of return risk in the banking book is measured by:

- (i) Economic Value of Equity (EVE) sensitivity measures the long-term impact of sudden interest rate/profit rate movement across the full maturity spectrum of our Group's assets and liabilities. It defines and quantifies interest rate risk/rate of return risk as the change in the economic value of equity (e.g., present value of potential future earnings and capital) as asset portfolio values and liability portfolio values would rise and fall with changes in interest rates/profit rates. This measure helps the Group to quantify the risk and impact on capital with the focus on current banking book positions.
- (ii) Earnings-at-Risk (EAR) is the potential impact of interest rate/profit rate changes on the Bank's accruing or reported earnings. It focuses on risk-to-earnings in the near term, typically the next one year. Fluctuations in interest rates/profit rates generally affect reported earnings through changes in the Bank's net interest/profit income, which is the difference between total interest/profit income earned from assets and total interest/profit expense incurred from liabilities. Our Group's EAR is taking into consideration forecasts on new business generation and product pricing strategies.

RISK MANAGEMENT

5. OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events. It includes legal risk but excludes strategic and Shariah non-compliance risks.

OPERATIONAL RISK MANAGEMENT OVERSIGHT

The NFRM CoE, within Group Risk, provides the methodology, tools and processes for the identification, assessment, reporting, and management of operational risks by the respective risk owners across the Group. Identified risks are rated using a defined risk rating methodology applied across the Group's Three Lines-of-Defence. The NFRM CoE also independently oversees the operational risk controls monitoring that resides within the first line-of-defence.

Monitoring of the identified risks is primarily done through the Operational Risk Committee or relevant risk management committees operating in each material geography and business line. These committees report up to the relevant functional or country level committees.

The Group Operational and Resiliency Risk Management Committee (GORRC) is the senior management committee at the Group-level that is tasked to oversee the operational risk framework and policies to ensure they are appropriate for the size and complexity of the current and future operations of CIMB Group and make recommendation to the Group Risk and Compliance Committee (GRCC) for approval. GORRC oversees and monitors the overall control environment of CIMB Group and reports to GRCC on material operational and reputational risks. Reputation risk is defined as current or prospective risk to earnings and capital arising from the adverse perception by the stakeholders about the Group's business practices, conduct or financial condition.

OPERATIONAL RISK MANAGEMENT APPROACH

CIMB Group recognises that the key determinant for a well-managed banking operation is to cultivate an organisation-wide risk management discipline and culture. Our Group manages operational risks through the following key measures:

- Sound risk management practices in accordance with Basel regulatory guidelines;
- Board and senior management oversight;
- Well-defined responsibilities for all personnel concerned;
- Establishment of a risk management culture;
- Deployment of Operational Risk Management (ORM) tools that include:
 - Operational Event and Loss Data Management;
 - Risk and Control Self-Assessment;

- Control Issue Management;
- Key Risk Indicators;
- New Product Approval Process; and
- Scenario Analysis.

These tools form part of the operational risk framework that allows the Group to effectively identify, measure, mitigate and report its operational risks. Each material division of the CIMB Group self-assesses on their internal risk and control environment rating and report key control deficiencies with remediation plans.

To digitalise and strengthen operational risk management processes, NFRM CoE has leveraged on data analytics to establish a Group-wide Operational Risk Dashboard to facilitate regional standardisation and prioritisation of risk issues. Concurrently, comprehensive Key Risk Indicator dashboards that significantly enhance risk sensing, particularly emerging risk trends and monitoring coverage capabilities, are being developed and implemented. These initiatives are envisaged to lead to risk monitoring resource efficiency gains at both first and second line-of-defence and strengthen risk management by generating pre-emptive actionable insights.

Each new or varied product with changes to the process flow is subjected to a rigorous risk review, where all critical and relevant areas of risk are being appropriately identified and assessed independently from the risk takers or product owners.

The promotion of a risk management culture within our Group, whereby the demand for integrity and honesty is non-negotiable, remains the core theme in our operational risk awareness programme. Additionally, the e-learning module on operational risk management has enhanced the awareness of operational risk amongst the staff.

6. TECHNOLOGY RISK

Technology risk, is the risk of loss resulting from inadequate or weaknesses in strategy, people, process, technology or external events, which includes financial risk, regulatory/compliance risk and the risk of reputational loss/damage.

The management of technology risk comes under the broader umbrella of operational risk within the Enterprise Risk Management Framework and forms the independent second line-of-defence under the Three Lines-of-Defence model adopted by CIMB. Group Technology Risk Management (GTRM) reports into NFRM CoE and is the owner of the Group Technology Risk Management Framework (GTRMF) and is responsible to ensure enterprise-wide implementation of the GTRMF while ensuring compliance to relevant regulatory policies and guidelines.

GTRM actively engages with the first line-of-defence to identify technology risks and validates completeness and effectiveness of controls to avoid risk of disruptions. In addition, GTRM reviews risk assessments performed by business units for technology related programs and processes and recommends appropriate improvements. GTRM also partners with BCM to ensure resiliency of the technology services.

Under the Group Risk governance framework, GTRM reports regularly into the GORRC, GRCC and BRCC to provide independent oversight and deliberations on technology risks based on the approved Technology Risk Appetite. This has enabled significant improvements in the resiliency and availability of critical services, in particular Online Banking in 2021. As the Bank expands on its digital program, GTRM has played a key role in advising on risks associated with Cloud initiatives to ensure that the relevant controls are in place to secure these solutions. In addition, GTRM also assessed the readiness and effectiveness of technology and IT Security controls as the Bank pivoted to a predominantly remote working arrangement (i.e., work-from-home).

7. FRAUD RISK

Fraud risk is the risk of loss resulting from an act or course of deception or omission with the intention to conceal, omit, distort, misrepresent, falsify or etc. to: (i) gain unlawful/illegal/unfair personal advantages, (ii) induce another individual(s) to surrender willing/unwilling of a legal right/possession or (iii) damage another individual(s) resulting in a loss to another.

The Three Lines-of-Defence risk management model deployed within the Group plays an important role in upholding CIMB Group's core values and to ensure all fraud related cases/concerns/complaints received are investigated and escalated accordingly. Group Fraud Risk Management (GFRM) acts as the second line-of-defence in fraud risk management and is the owner of the Group Fraud Risk Policy and Group Fraud Risk Governance and Procedure, directly reporting to NFRM CoE. The policies and procedures are designed to prevent, detect and respond to the associated legal, regulatory, reputation and financial risks for fraud incidents occurring in and having an impact to CIMB Group, its customers and counterparties.

GFRM is also responsible for conducting reviews of systems and procedures to identify and assess risks faced by the business, as well as introducing fraud controls that are best suited to the business unit. In addition to this, GFRM tracks and monitors (i) fraud event reported with the Group and (ii) turn-around time of fraud investigations to ensure all suspected fraud events are attended to in a timely manner with monthly update/oversight by the GORRC.

GFRM proactively promotes the understanding and assessment of risk and facilitates development of strategy with relevant business units in dealing with identified fraud risks. To drive a strong fraud-resilient culture, continuous fraud-awareness is provided to our customers and employees with initiatives such as Group-wide fraud risk bulletin broadcasted to all employees since 2020 and collaboration with Group Consumer Banking on a production of fraud awareness short films in 2021 to inculcate a better understanding and awareness of fraud prevention to all stakeholders. In addition, to provide stronger deterrence of fraudulent activities, a robust and effective detective controls is enhanced and enforced continuously with business units as a key factor towards effective fraud risk management programs.

8. OUTSOURCING RISK

Outsourcing risk, defined as the risk emanating from outsourcing arrangements that could result in a disruption to business operations, financial loss or reputational damage to CIMB Group.

As CIMB relies on a number of outsourced service providers for their expertise, scalability, knowledge and cost savings through services rendered, any failure from a critical service provider could severely disrupt and/or impact business operations.

Group Outsourcing, a unit within NFRM CoE, has implemented several initiatives to strengthen and manage its approach towards Outsourcing risk including the establishment of a Group Outsourcing Policy and Procedures, which outlines the controls required in managing outsourcing arrangements with an outsourced service provider. This includes periodic reviews on performance of service providers, establishment of predictive key risk indicators to identify potential service degradations and collaboration with Group Business Continuity Management (GBCM) and GTRM to strengthen business continuity and technology resiliency to disruptions.

9. SHARIAH NON-COMPLIANCE RISK

The SNC risk refers to the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage which the Group may suffer arising from failure to comply with Shariah requirements as determined by Shariah Advisory Council (SAC) of Bank Negara Malaysia (BNM) and Securities Commission (SC), including standards on Shariah matters issued by BNM pursuant to Section 29(1) of the Islamic Financial Services Act (IFSA); decisions or advice by Board Shariah Committee (BSC); or other Shariah regulatory authorities of the jurisdictions where the Group operates.

RISK MANAGEMENT

Our Group has a Group Shariah Advisory and Board Shariah Committee Secretariat Policy in place, which governs the roles and responsibilities of BSC, overall Shariah compliance functions and Shariah governance processes of CIMB Group. Monitoring of Shariah compliance and Shariah governance is carried out through Shariah Review and Shariah Audit functions, supported by Shariah Risk Management (SRM) control measures and Shariah and Governance.

SRM is facilitated by the SRM unit within NFRM CoE by implementing a systematic and consistent approach to the management of SNC. The objectives, mission, guiding principles, governance structure, as well as the methodology and approach adopted by the Group in managing SNC risk, are articulated in the Shariah Risk Management Policy (SRMP).

Apart from monitoring and analysing the SNC events or incidences submitted by Risk Control Officer (RCO)/ Designated Compliance and Operational Risk Officers (DCORO) to Shariah Review and Assurance under Group Legal and Compliance CoE for escalation to Potential Shariah Non-Compliance (PSNC) Committee and BSC and reporting to the relevant risk committees, SRM unit also actively participates in the Islamic products and services development process to ensure that all SNC risk are appropriately identified, assessed, managed and controlled. The new products and services as well as internal policies and procedures that are applicable to Islamic banking businesses and services are subject to prior approval from BSC before implementation.

The appropriate treatment of any SNC income or earnings shall be advised by the BSC, which may include but is not limited to, channelling the SNC income or earnings to charitable organisation or returning the SNC income or earnings to customers.

10. BUSINESS CONTINUITY MANAGEMENT

The Business Continuity Management (BCM) program, embodied within the Group Business Continuity Management Policies and Procedures, is in place to minimise disruptions, ensure continuity of service to our customers and our supporting business processes.

Group BCM, which resides within NFRM CoE in the second line-of-defence, plays the primary role of providing the methodology and tools for an integrated and standardised BCM approach across the organisation, as well as to ensure effective coordination and supervision of all BCM activities.

Regular reviews, re-assessments and updates for BCM documentations/plans are conducted to ensure adequacy, effectiveness and relevance of the business recovery strategies. These plans are rehearsed and tested on a regular basis.

The Group BCM Steering committee provides oversight on the BCM program to ensure the Group meets BCM statutory and regulatory responsibilities, adheres to accepted best practices, and aligns with the organisations business vision and strategy.

11. SUSTAINABILITY RISK

Sustainability risk is defined as the risk of financial and non-financial impact arising from environmental, social and ethical issues stemming from transactions and/or activities associated with a business relation and its operations, and/or the Group's own internal operations and employees.

The Sustainability Governance Framework defines the roles and responsibilities of Board, management and the rest of the organisation in fulfilling our aspiration to become a high performing purpose-driven organisation to help advance customers and society. The Framework also aims to ensure that sustainability-related risks are effectively identified, assessed and managed in a timely manner, while improving transparency through disclosures and reporting to promote overall accountability. The Sustainability Governance Framework, including the sustainability operating model, sustainability risk management framework, as well as policies and procedures, are regularly reviewed and strengthened to ensure continued relevance in view of emerging risks and evolving stakeholder priorities.

In 2021, we established the Group Sustainability and Governance Committee, consisting of five independent Board Directors to assist the Board in fulfilling its responsibilities in guiding sustainability strategy, and advocating and fostering a culture/DNA of sustainability, ethical conduct, and integrity across the Group. Sustainability is also embedded in the roles and responsibilities of various Board Committees.

Two main policies ensure proper governance and management of sustainability risks across the Group:

- Group Sustainability Policy (GSP), which outlines our overarching principles and approach to sustainability and sustainability risk management.
- Group Sustainable Financing Policy (GSFP), which identifies, assesses, and manages risks arising from financing and capital raising activities of non-individual clients, especially in sectors that are most vulnerable to environmental and social risks, and those with activities that have high potential adverse impacts on the environment and society. 28 economic activities in six sectors have been identified to have high environmental and social risk, and Sector Guides are in place for coal, palm oil, oil and gas, forestry, and construction and real estate activities. A structured due diligence and escalation is in place for clients and transactions identified to have high sustainability risk.

12. BASEL IMPLEMENTATION

Since July 2010, BNM has approved CIMB Group's migration to Internal Rating Based Approach for credit risk. CIMB Bank Group applies the Advanced Internal Ratings-Based Approach for retail exposures and the Foundation Internal Ratings- Based Approach for corporate exposures. CIMB Investment applies the Standardised Approach. The Group's operational risk is based on the Basic Indicator Approach. The Group's market risk is based on Standardised Approach.

The Group is complying with the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) requirements per BNM LCR Policy Document dated 25 August 2016 and BNM NSFR Policy Document dated 31 July 2019 respectively.

On 25 March 2020, as part of the COVID-19 relief measure, BNM lowered the minimum NSFR requirement from 100% to 80% while the implementation date remained on 1 July 2020. The Bank has been complying with the minimum requirement of 100% effective from 30 September 2021 onwards.

13. COVID-19 RELATED MEASURES

NON-RETAIL CREDIT RISK

The various movement control order measures taken by Governments worldwide to curb the spread of COVID-19 has a material adverse impact on the global economy and businesses. The Group has proactively enhanced various policies, processes, procedures and governance to adapt to the current market environment and to ensure alignment of these processes and procedure group-wide.

To manage the increased credit risk of corporate clients in this environment, various portfolio review exercises were carried out including stress test for targeted vulnerable sectors, granular name-by-name portfolio reviews and group-wide management stress tests to better understand the potential outcomes and areas of focus as well as to allow for better prioritisation of customers, in line with the increased credit risk environment.

The Group also recognised the necessity to provide timely response to our customers during the pandemic. Hence, to accommodate the effective handling of impacted non-retail clients, the credit approval process was enhanced to ensure efficiency in the approval process for Moratorium and Restructuring and Rescheduling (R&R) cases. The Group also has various COVID-19 credit policies in place, with an objective of assisting affected customers' recovery from the impact of the pandemic while ensuring that the credit quality of the Group's assets continue to be preserved.

RETAIL CREDIT RISK

The various movement control order measures taken by Governments worldwide to curb the spread of COVID-19 has a material adverse impact on the global economy and businesses. The Group has proactively enhanced various policies processes and procedures and governance to adapt to the current market environment and to ensure alignment of these processes and procedure Group-wide.

The Group also recognised the necessity to provide timely response to our customers during the pandemic. The bank has aligned with local regulators across all markets in offering relief and assistance programs to impacted customers – payment relief plans as well as R&R programs.

LIQUIDITY RISK

The Group performs daily liquidity stress testing to assess whether the Bank is able to withstand potential liquidity strain arising from the COVID-19 related scenarios, including potential outflows in customers' deposits and lesser inflows from loans/financing repayment/payment due to the economic impact from the COVID-19 pandemic.

BUSINESS CONTINUITY MANAGEMENT

CIMB implemented various measures led by the Group Crisis Management Committee to navigate through the COVID-19 pandemic to ensure the safety of our customers, staff and stakeholders, while ensuring banking as an essential service remains available throughout this pandemic period. COVID-19 monitoring and preparation across the Group started on 31 January 2020 before the pandemic hit most of our shores, with a keen watch over our offices in Shanghai and Hong Kong and with the Group Crisis Management team having convened 26 times since COVID-19 started and continues to navigate the Bank through the pandemic.

Our pandemic plans were pre-emptively put in place and mitigation actions where appropriate taken to safeguard health and safety associated to the COVID-19 threat by actively managing travel/movement restrictions, usage of Personal Protective Equipment as well as capacity controls in the workplace. The Standard Operating Procedure on COVID-19 has been established, providing staff with guidance on safety measures and protocols to be observed along with stringent COVID-19 testing and quarantine protocols.

RISK MANAGEMENT

As the pandemic unfolded, business continuity plans were activated across all our geographies (i.e. activation of split operations and work from home arrangements) and this remains activated where required to ensure our services are continuously available to customers. In 2021, when the COVID-19 threat was further heightened, additional measures such as periodic self-testing was implemented and Group Human Resources facilitating accelerated vaccinations for staff in line with the National Vaccination Program. Additional mitigation action such as improving our Heating, Ventilation and Air Conditioning (HVAC) systems to improve air quality at our main campuses is also being embarked upon.

13. ADDITIONAL RISK INITIATIVES

Group Risk has undertaken several initiatives to improve CIMB Group's Return on Equity (ROE), by reducing the Cost of Credit (CoC) and optimise its Risk-Weighted Assets (RWA) savings.

In order to reduce CoC, Group Risk reviewed and enhanced existing end-to-end credit processes, procedures and monitoring in order to achieve lower and sustainable CoC in CIMB Group. Enhancements include reviewing the portfolio strategy, pricing and provisions; conducting an in-depth study of credit pre- and post-approval process; and improvements to credit monitoring or collections recovery activities. This initiative started as a pilot programme within CIMB Niaga and is now awaiting to be adapted and deployed to other locations.

As for RWA optimisation, Group Risk had reviewed both Retail and Non-Retail models, policies, framework, data integrity and collateral eligibility to identify areas of improvement to realise additional RWA savings. This has led to enhanced accuracy in risk reporting, regulatory and capital management and new business opportunities to be identified. The initiative was a success and is being continuously re-assessed for additional savings until FY2023, thus leading to improved ROE overtime.

In January 2022, the Group identified errors that was related to a specific third party financial remittance service, which led to a limited number of customers receiving duplicate credits in their accounts. For details on the duplicate credit errors, please refer to the Financial Statement section of the Annual Report, Notes to the Financial Statements - Notes 52.2 Significant events subsequent to the financial year. The Group has since addressed and remedied these processing errors. After careful assessment of the incident, the Group has also implemented additional controls to prevent similar errors from occurring in the future. At the same time, the Group is embarking on a major review of mitigating controls and policies and procedures, surrounding its transaction processing infrastructure. The Group is committed to ensure and enhance operational resilience.

AUDIT COMMITTEE REPORT

OVERVIEW

The Audit Committee of CIMB Group Holdings Berhad (Group AC) is committed to its role of ensuring high corporate governance practices and providing oversight on the Group's financial reporting, risk management and internal control systems.

1. ATTENDANCE OF MEETINGS

The details of the Group AC membership and meetings held in 2021 are as follows:

Name of Committee Member	Status	Number of Committee Meetings	
		Held	Attended
Dato' Mohamed Ross bin Mohd Din	Chairman/ Independent Director	14	14
Ms. Teoh Su Yin	Independent Director	14	14
Encik Didi Syafruddin Yahya (<i>appointed w.e.f. 1 November 2021</i>)	Independent Director	3	3
Datuk Mohd Nasir Ahmad (<i>resigned w.e.f. 1 November 2021</i>)	Independent Director	11	11

In addition to the 14 meetings held to deliberate on matters relating to the Group (which includes 13 Joint AC meetings attended by Banking Group AC), 12 other meetings were held by members of the Banking Group Audit Committee (Banking Group AC) to deliberate on matters relating to the three Malaysian banking entities, making a total of 26 meetings for the year.

The details of the Banking Group AC membership and meetings held in 2021 are as follows:

Name of Committee Member	Status	Number of Committee Meetings	
		Held	Attended
Puan Nadzirah Abd Rashid	Chairman/ Independent Director	12	12
Madam Ho Yuet Mee	Independent Director	12	12
Dr. Azura Othman (<i>appointed w.e.f 1 July 2021</i>)	Independent Director	7	7
Datuk Mohd Nasir Ahmad (<i>resigned w.e.f 1 November 2021</i>)	Independent Director	10	10
Puan Rosnah Dato' Kamarul Zaman (<i>retired w.e.f. 18 January 2021</i>)	Independent Director	1	1

Note: Dato' Mohamed Ross bin Mohd Din was appointed w.e.f. 1 January 2022

Deliberations at the AC meetings were robust and detailed, generally lasting for a few hours. Minutes of the AC meetings held were provided to members of the respective Boards. The Board would be briefed on the significant matters deliberated during the AC meetings.

2. AUTHORITY

The AC is a Board delegated committee. In discharging its duties, the AC has explicit authority to investigate any matter within its terms of reference. It has full access to and co-operation from Management and full discretion to invite any Director or Executive Officer to attend its meetings. The AC shall have the necessary resources from the Group to discharge its functions effectively. The AC has full and unrestricted access to information and is able to obtain independent professional advice if necessary, with any expenses related thereto to be borne by the Group.

AUDIT COMMITTEE REPORT

3. SUMMARY OF ACTIVITIES IN 2021

INTERNAL AND EXTERNAL AUDIT PROCESS

- a. Approved the annual internal audit plan and the mid-year review of the plan in February and July 2021 respectively. Reviewed the audit plan for Business Units and Business Enablers based on risk assessment conducted and audit resource requirements.
- b. Approved the scorecard of GCAD and KPIs for GCIA and evaluated the GCIA's annual performance together with the remuneration payout.
- c. Evaluated GCAD's overall performance for 2021 based on the scorecard approved and provided written feedback for improvements.
- d. Reviewed the summary of internal audit works performed across the region together with the audit outcome on a quarterly basis.
- e. Reviewed and approved the External Auditor's 2022 audit plan and scope of work on 25 August 2021.
- f. Held a closing meeting of external audits with the External Auditor to review the financial results, MFRS 9 related matters, credit related matters, IT general control findings, treasury, and tax related matters and areas of concerns identified.
- g. Held 2 private meetings with the External Auditor without the presence of the Group Management and Executive Directors on 25 August 2021 and 6 December 2021 to discuss relevant issues and obtain feedback for improvements.
- h. Reviewed and recommended for Board's approval the audit fees and provision of non-audit services by the External Auditor in accordance with established procedures; evaluated whether such non-audit services would impair the External Auditor's independence and objectivity.
- i. Completed the annual assessment on the External Auditor in December 2021 prior to recommendation to the Board on its reappointment; the principal areas assessed were in accordance to BNM's Guidelines on External Auditor covering performance, independence and objectivity.

Accordingly, the areas assessed included:

- Level of knowledge, capabilities experience and quality of previous work
- Level of engagement with the ACs
- Ability to provide constructive observations and recommendations
- Appropriateness of audit approach and the effectiveness of audit planning

- Timeliness of audit deliverables
- Non-audit services rendered by the External Auditor so that it does not impede their independence

- j. Continued monitoring the achievement requirement on Certification of Banking Auditors (CBA) as imposed by Asian Institute of Chartered Bankers (AICB)

GOVERNANCE, RISK AND CONTROL

- a. Reviewed the adequacy and effectiveness of the Group's system of internal controls, financial reporting and risk management (based on audit plan coverage).
- b. Reviewed the Group's compliance with regulatory requirements and internal policies (based on audit plan coverage).
- c. Reviewed the findings of major investigations and whistleblowing cases, routine audit findings, internal controls and compliance issues reported by the internal, external and regulatory auditors, and to ascertain that appropriate and prompt remedial actions are taken by management.
- d. Encouraged robust discussion on emerging risks, key challenges and operational concerns, including requiring Management to present their strategies and action plans in achieving established objectives.
- e. Reviewed the efficiency of GCAD's operations and the economical utilisation of its resources.
- f. Reviewed the internal control issues identified by internal, external and regulatory auditors, Management's response to audit recommendations and the implementation of agreed action plans. For audits with adverse audit ratings and audit areas deemed to be critical, AC engages with Management more actively to resolve any control weaknesses identified.
- g. Held joint meetings with the respective ACs and Management of CIMB Niaga, CIMB Thai, CIMB Cambodia, CIMB Singapore, CIMB Vietnam, CIMB Philippines and Touch 'n Go Sdn Bhd. In each of the meetings, the audit related issues of the respective businesses, operations and control environments were presented and discussed.
- h. AC Chairman of CIMB Group provided oversight on the effective implementation of the CIMB Group Policy on whistle blowing pursuant to BNM Corporate Governance Framework; any concerns on illegal, unethical or questionable practices escalated to the AC Chairman via the dedicated whistle blowing email address objectively investigated and addressed.

AUDIT ISSUES RESOLUTION COMMITTEE (AIRCOM)

- a. AIRCom, an AC delegated committee, assisted the AC in ensuring the effectiveness of management actions in addressing key risks and internal control weaknesses. The appointment of AIRCom Chairman and Alternate Chairman (held by Senior Management) require the AC's approval.
- b. The AIRCom's key activities include:
 - Reviewed significant findings arising from audits and investigations conducted; where necessary, the relevant responsible party would attend AIRCom to discuss the issues and effectiveness of corrective actions taken.
 - Reviewed findings to identify common themes and holistic solutions to address the root cause(s).
 - Reviewed reasons for any delayed implementation of agreed action plans and to escalate to higher authority where required; to provide recommendation for AC's approval for cases with repeated extension of implementation date (the process of revising target implementation date is governed by an established Audit Follow-Up Framework).
 - Assess any decision by risk owners to accept the risk exposure of audit findings (i.e to not take corrective actions, based upon the risk owners' cost benefit analysis); provide appropriate recommendation for AC's endorsement of the risk acceptance.
- c. The AIRCom meetings were held monthly prior to any AC meetings for the month; minutes of the AIRCom meetings were submitted to AC for notification and discussion.

FINANCIAL REPORTING

- a. Reviewed the financial statements of the Group on a quarterly basis and the draft announcements before recommending them for the Board's approval.
- b. Reviewed the financial results prior to the approval by the Board; discussed the following as highlighted by the External Auditor in audited financial reports:
 - Significant accounting and audit matters involving credit, treasury, taxation and finance (i.e. impairment assessment, gain on deemed disposal, impairment matters, option valuation, provision of bonus)
 - Information technology matters
 - Summary of any uncorrected misstatements

- MFRS 9 related matters which include Expected Credit Losses ("ECL") movement by stages under COVID-9 environment, ECL overlay as at 31 December 2021, refreshment of COVID-19 MEV with management overlay, government scheme by MOF and reclass interest.
- c. In relation to the financial statements for the financial year ended 31 December 2021, the AC at its meeting held on 25 January 2022 was briefed by the External Auditors on the Key Audit Matters included in the Independent External Auditors' Report. These are matters regarded as most significant by the External Auditors in the audit of the financial statements of the Group and the Company, which involved significant judgement and estimates by the Management. The AC is satisfied that based on the audit procedures performed by the External Auditors, no material exceptions were noted on those matters. Special AC held on 31 January 2022 to discuss the matters pertaining to the double credit incident.
- d. Reviewed write-off proposals as presented by the Management before recommending them for the Board's approval in accordance to established policy.

RELATED PARTY TRANSACTIONS (RPTS) AND CONFLICT OF INTEREST

- a. RPTs are reviewed by the AC, taking into account the nature and underlying details of the transactions, in establishing any potential conflict of interest that may arise, before making recommendation to the Board for approval.
- b. Pursuant to MFRS 124 on Related Party Disclosures, significant RPT balances and transactions were reviewed on quarterly basis, with explanations provided for exceptional trend or transactions.
- c. All loans and financing granted to connected parties (pursuant to BNM's Guidelines on Credit Transactions and Exposures with Connected Parties) are under the direct purview of the respective Board of Directors.

4. SUMMARY OF GCAD'S KEY ACTIVITIES

- a. Carried out audits and investigations under GCAD Malaysia and overseas branches; issued 297 reports during the year.
- b. Intensified data analytics audit approach by integrating data-driven assurance platform to facilitate GCAD Business Auditor in performing systemic and data analytics activities throughout audit ecosystem and work processes with more targeted key risk areas.

AUDIT COMMITTEE REPORT

- c. Continued to implement various strategic projects from GCAD's Forward23+ plans, including key initiatives to embed data analytics, enhance audit agility, upskill staff in emerging technologies, and strengthen audit impact.
- d. Launched GCAD's Sustainability Roadmap to provide active and holistic third line engagement for CIMB's sustainability goals.
- e. Identified potential cost savings and prevention of data and income leakage and qualitative value added mainly via new control design and catalysing change in behavior (e.g. new dual control system functions, improve system requirements, recommendation to establish policy/framework, etc) from the audits and investigations performed during the year.
- f. Monitored and followed up on the implementation of the corrective actions by Management; appropriate validation was performed in accordance with GCAD's Audit Follow-Up Framework.
- g. Reported status of outstanding audit findings to AC on a quarterly basis; undue delays in the implementation of agreed action plans were escalated to the relevant authority for further action.
- h. Acted as secretariat of AIRCom, and prepared minutes of meeting for submission to AC; other activities included preparing of meeting materials and following-up on matters arising.
- i. Conducted a quarterly regional town hall for top-down communication on key matters relating to the internal audit function.
- j. Conducted a two-days Regional Audit Planning Summit to discuss and deliberate key audit methodologies, annual planning and pressing matters relating to the function.
- k. Continued to enhance relationship with Management through Quarterly Business Monitoring (QBM). GCIA, Department Heads or Section Heads have regular meetings with relevant key stakeholder to strengthen the working relationship and business understanding, for better audit focus.
- l. Reviewed and provided feedback on drafts of new and revised policies of the Group through Group Policy and Procedures Oversight Committee (GPOC). Feedback focused on, but was not limited to, ascertaining the adequacy of policies' proposed governance and controls to address risks.
- m. Submitted periodic reports to the AC, top Management and regulators.
- n. Supported AC in the annual review exercise on appointment of External Auditor.
- o. Continued to update and enhance the Competency Framework for staff development plan. 59% of auditors currently possess the Certification for Bank Auditor (CBA) qualification by the AICB.
- p. External quality assurance review conducted on GCAD Malaysia. The highest rating of conformance was received (Generally Conforms to the IIA Standards).
- q. Continued to perform the internal quality assurance review (IQAR) in accordance with IIA Professional Practices Standards. IQAR framework was established with regular IQAR.
- r. Passed the surveillance audit of ISO 9001:2015 Certification for internal audit services.
- s. Incurred total costs of RM77.4 million (Malaysia: RM39.1 million) to maintain the internal audit function of the Group for FY2021.

5. TRAINING

The description of training and education provided to the AC members has been outlined under the Corporate Governance Overview Statement.

BOARD SHARIAH COMMITTEE REPORT

BOARD SHARIAH COMMITTEE

Pursuant to the enterprise wide Shariah governance framework as provided by Bank Negara Malaysia in its Policy Document on Shariah Governance and now as enshrined in the effective Islamic Financial Services Act 2013, the Board of Directors ("the Board") is ultimately responsible and accountable for the oversight and management of Shariah matters in the operation of the Group's Islamic banking and finance activities. In undertaking its duties and responsibilities relating to Shariah, the Board relies on the advice of the Board Shariah Committee of CIMB Group Holdings Berhad that it established under its core Islamic operating entity, CIMB Islamic Bank Berhad ("CIMB Islamic").

The main responsibility of the Board Shariah Committee is to assist the Board in the oversight and management of all Shariah matters relating to the Islamic banking and finance business of the CIMB Group Holdings Berhad. The Board Shariah Committee operates on the authority as delegated and empowered to it by the Board and as attributed to it under relevant financial regulations and legislations.

All decisions by the Board on Shariah matters relating to the Islamic banking business of CIMB Group Holdings Berhad shall be made based on the decisions, views and opinions of the Board Shariah Committee.

In having due regard to the decisions and advice of the Board Shariah Committee on Shariah matters, the Board shall give sufficient attention to the facts and basis for the Shariah decisions as well as providing fair consideration to the implications of implementing the Shariah decisions made by the Board Shariah Committee.

Any decision of the Board on Shariah matter shall be made based on the final decisions, views and opinions of the Board Shariah Committee. All decisions of the Board and the Board Shariah Committee on Shariah matters shall at all times be subordinated to the decision of the Shariah Advisory Council of the relevant Malaysian financial regulators and shall take into consideration the relevant authority on Shariah matters in the relevant jurisdiction it is doing business.

The Board Shariah Committee shall at all times assist the Board to ensure that the Group's Islamic banking and finance business does not have elements/activities which are not permissible under Shariah.

The members of the Board Shariah Committee are as follows:

1. Dr. Shafaai bin Musa
2. Professor Dr. Yousef Abdullah Al Shubaily
3. Associate Professor Dr. Aishath Muneeza
4. Ahmed Baqar Rehman
5. Dr. Ahmad Sufian Che Abdullah
6. Associate Professor Dr. Mohamed Fairooz Abdul Khir

The Board hereby affirms based on advice of the Board Shariah Committee that the Group's Islamic banking and finance operations has been done in a manner that does not contradict with Shariah save and except for those that have been specifically disclosed in this financial report (if any). This affirmation by the Board is independently verified and confirmed by the Board Shariah Committee in a separate Board Shariah Committee Report made herein.

ZAKAT OBLIGATIONS

CIMB Islamic Bank Berhad pays business zakat by adopting the Adjusted Growth Method to state zakat authorities in line with the methodology approved by Board Shariah Committee. However, the amount payable by the CIMB Islamic Bank Berhad is at the discretion of the management of CIMB Islamic Bank Berhad and it is the shareholder's responsibility to ensure that their own zakat obligation are fulfilled in relation to their ownership of the share.

For the Group's banking and asset management subsidiaries, the obligation and responsibility for payment of zakat on deposits and investments received from their customers lies with their respective Muslim customers only. The aforesaid is subject to the jurisdictional requirements on zakat payment as may be applicable from time to time on the Group and its subsidiaries arising from changes to local legislation, regulation, law or market convention as the case may be. Accrual of zakat expenses (if any) in the Financial Statements of the Group is reflective of this.

BOARD SHARIAH COMMITTEE'S REPORT

In the name of Allah, the Most Beneficent, the Most Merciful.

We, the members of the CIMB Group Board Shariah Committee as established under CIMB Islamic Bank Berhad ("CIMB Islamic"), are responsible to assist the Board in the oversight and management of Shariah matters in the operation of the Group's Islamic banking and finance activities. Although the Board is ultimately responsible and accountable for all Shariah matters under the Group, the Board relies on our independent advice on the same.

Our main responsibility and accountability is to assist the Board in ensuring that the Group's Islamic banking and finance businesses does not have elements/activities which are not permissible under Shariah. In undertaking our duties we shall follow and adhere to the decisions, views and opinions of the Shariah Advisory Council of the relevant Malaysian financial regulators for businesses undertaken in Malaysia and for businesses outside Malaysia we shall take into consideration the decisions, views and opinions of the relevant authority on Shariah matters (if any, sanctioned by law/regulation to be followed by the Group) in the relevant jurisdiction that the Group is doing business.

BOARD SHARIAH COMMITTEE REPORT

As members of the Board Shariah Committee, we are responsible to provide an independent assessment and confirmation in this financial report that the operations of the Islamic banking and finance business of CIMB Group have been done in conformity with Shariah as has been decided and opined by us and with those Notices, Rules, Standards, Guidelines and Frameworks on Shariah matters as announced and implemented by relevant financial regulators in the relevant jurisdictions that the Group's Islamic banking and finance businesses were undertaken during the period being reported.

Our independent assessment and confirmation has been used as the basis for the Board's affirmation of the same in the Director's Report herein before.

In making our independent assessment and confirmation, we have always recognised the importance of CIMB Group maintaining and reinforcing the highest possible standards of conduct in all of its actions, including the preparation and dissemination of statements presenting fairly the Shariah compliant status of its Islamic banking and finance businesses.

In this regard sufficient internal controls are in place to ensure that any new Islamic financial transaction is properly authorised; the group's assets and liabilities under its statements of financial position are safeguarded against possible Shariah non-compliance; and, that the day to day conduct of its operations does not contradict Shariah principles.

In addition to the necessary policies and procedures, the Group has a well-defined division of responsibility and guidelines of business conduct to all staff.

Effective Shariah governance is supported by a professional staff of Shariah researchers as well as the advisory and consultancy function that supports us in our decision and deliberations, providing check and balance for all Shariah matters as presented to us by the Management. CIMB Group Shariah Review Policy and Procedures were established to set out policies for Shariah review function encompassing regular examination and evaluation of the Group's level of compliance to the Shariah requirements, remedial rectification measures to resolve non-compliances and control mechanisms to avoid recurrences. In addition, the Shariah Review Procedures sets out the procedures for Shariah review execution, responsibilities of stakeholders and internal reporting process relating to Shariah non-compliance events, in line with BNM's requirements.

In ensuring that the activities and operations of CIMB Group are Shariah-compliant, Shariah Review conducts post review of CIMB Group's activities and operations in accordance with the annual Shariah review work plan approved by us and the respective Boards of Directors of CIMB Group. Additionally, Shariah Review conducts investigations on issues escalated by the stakeholders and performs ad-hoc review as required from time to time by us and the regulators. As for effective risk management and control, the Group adopted the strategic implementation of tiered model i.e. Three Lines of Risk Defense in governing and managing Shariah Non-Compliant risk. Lastly, there is also a team of internal auditors who conduct periodic Shariah audits of all the Group's Islamic banking and finance operations on a scheduled and periodic basis.

To strengthen the compliance towards Shariah, CIMB Group has continuously instilled a Shariah-compliance culture by adopting a holistic top-down approach within the organisation. At the apex, the Group set an appropriate 'tone from the top', where the Board and Shariah Committee play their oversight role on the Shariah governance in the Bank. The Group also held Board and Shariah Committee engagement sessions which serve as a platform for effective communication between Board, Shariah Committee and Senior management on oversight over Shariah governance.

CIMB Group also continues capacity building programmes to inculcate strong shariah knowledge within the Bank. The Group has supported CIMB Islamic and CIMB Bank staff to enrol in relevant certification programmes such as Associate Qualification in Islamic Finance (AQIF), Certified Shariah Auditor and Advisor (CSAA), Certified Shariah Advisor (CSA) and many more. On top of that, the Group conducted a session by representative for the Board Shariah Committee with all staff on the Bank where the Board Shariah Committee Member shared about the theme around embracing Shariah-compliance culture.

All in all, the Management of the Group is responsible and accountable to the Board to ensure that the Islamic banking and finance businesses of CIMB Group are done in accordance with the requirement of Shariah. It is our responsibility to form an independent opinion of the state of Shariah compliancy of the business and its operations and advise the Board accordingly. Based on the internal controls that have been put in place by the Management, in our opinion, to the best of our knowledge, the Group has complied with the Shariah rulings issued by the Shariah Advisory Council of Bank Negara Malaysia and by all other financial regulators (where relevant), as well as Shariah decisions made by us (excluding PT Bank CIMB Niaga Tbk), and nothing has come to the Board Shariah Committee's attention that causes the committee to believe that the operations, business, affairs and activities of the Group's Islamic banking and finance business involve any material Shariah non-compliances.

In our opinion:

1. The contracts, transactions and dealings entered into by the Group during the financial year ended 31 December 2021 that were presented to us were done in compliance with Shariah;
2. The allocation of profit and charging of losses relating to investment accounts conformed to the basis that were approved by us in accordance with Shariah;
3. There were no earnings that were realised from sources or by means prohibited by Shariah have been considered for disposal to charitable causes; and
4. The zakat calculation is in compliance with Shariah principles.

We have actively monitored and overseen the independent work carried out for Shariah review and Shariah audit functions by the relevant functionaries under the established system of internal control, which included the examination, on a test basis, of each type of transaction, of relevant documentation and procedures adopted by the Group. We are satisfied that the Management has planned and performed the necessary review and audit so as to obtain all the information and explanations which are considered necessary to provide us with sufficient evidence to give reasonable assurance that the Group has not violated Shariah.

We, the members of the Board Shariah Committee, are of the opinion that the operations of the Group for the financial year ended 31 December 2021 were conducted in conformity with Shariah.

On behalf of the Board Shariah Committee

Dr. Shafaai bin Musa
Chairman

Associate Professor Dr. Aishath Muneeza
Member

Kuala Lumpur
14 March 2022

SUSTAINABILITY STATEMENT



BEYOND STANDARDS: AN ACCURATE ACCOUNT TO STAKEHOLDERS

We have adhered to best practice sustainability guidelines, standards and frameworks. But beyond standards, our intent has been to provide stakeholders with accurate and reliable information on our sustainability performance and aspirations.

Our motivation is to inspire sustainable action, forge new partnerships for sustainable development, and create a community of sustainability champions.

The report has been prepared in accordance with:

- Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting
- GRI Standards: Core Option
- United Nations Environment Programme Finance Initiative Principles for Responsible Banking
- Task Force on Climate-related Financial Disclosure Recommendations

Please refer to the tables and indices on pages 102 to 141 of the CIMB Group Sustainability Report for easy reference.

We benchmark our data disclosures against the indicators of the S&P Global Corporate Sustainability Assessment, which forms the basis of the Dow Jones Sustainability Index (DJSI), and the Sustainability Accounting Standards Board (SASB).

RELIABILITY: ASSURANCE OF THE QUALITY OF REPORTING

(GRI 102-56)

We continuously discuss and deliberate on the level of disclosure across various functions of the Group. This positively contributes to improving the quality of our report, to present the information in a balanced, meaningful and accurate manner.

Selected reported information for topics material to CIMB are subject to a limited independent assurance by KPMG PLT. For the scope of work and observations, please refer to the full Assurance Statement on pages 142-146 of the CIMB Group Sustainability Report.

FEEDBACK AND REVIEW FOR CONTINUOUS IMPROVEMENT

We look at sustainability as our responsibility towards our stakeholders and their future. It is therefore critical to continuously map their views on our sustainability efforts. It is equally important to seek their participation in creating long-term net positive impact in areas that matter most to them.

Our assurance to our stakeholders is that we keep their interests at the core of everything that we do. The motivation is to shape a better tomorrow for all of us.

Meanwhile, we welcome all feedback, ideas, and questions from our stakeholders on the CIMB Group Sustainability Report 2021. Please contact:

Luanne Sieh
Head, Group Sustainability
sustainability@cimb.com

The CIMB Group Sustainability Report 2021 provides a retrospective view of our sustainability journey, and for us to reflect upon the challenges that we face. Doing this allows us to adapt our approach, strengthen our effort and drive continuous improvement, so that we can thrive in the long term.

The content is based on our latest materiality assessment conducted for the group (see page 18 of the CIMB Group Sustainability Report for details). It communicates our sustainability commitments, performance and plans going forward.

We strive to ensure that our sustainability reporting progresses in parallel with our sustainability journey. This year, we are reporting against the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations for the first time.

SCOPE: REPORTING COVERAGE AND PRINCIPLES

The 2021 scope for our annually published CIMB Group Sustainability Report includes information for the period 1 January 2021 to 31 December 2021, primarily for Malaysia, Indonesia, Singapore, Thailand, and Cambodia. All quantitative information for relevant indicators has been disclosed for three years, wherever possible. The last report was published in March 2021 for the period covering 1 January to 31 December 2020.

As far as possible, we have remained true to the principles of balance, comparability, clarity, completeness, reliability and accuracy.

SUSTAINABILITY PRINCIPLES AND STRATEGY

Our aspiration is to become a visible shaper of sustainability practices in the ASEAN community. Through our pledge of #CIMBforTomorrow and the sustainability principles embedded in our organisational purpose and Forward23+ strategy, we are committed to operate in a way in which we assume responsibility towards our actions. Our aim is to create net positive impact in our business activities and through our key stakeholders.

Our sustainability philosophy is as follows:



Proactively integrate economic, environmental and social considerations in our business decisions, including financing, investments, and procurement, and in managing our people and operational impacts.



Recognise and be guided by internationally-accepted principles from key organisations to promote responsible business performance.



Exercise a precautionary approach, taking due care and diligence to evaluate, adopt and advocate measures that will prevent and minimise environmental harm as well as promote social equality and equity.



Create net positive impact, adopting an inclusive approach to our business relations, and strive to positively influence their own sustainability performance and commitment.



Engage actively and openly with our stakeholders regarding the management of sustainability risk, and to identify opportunities for sustainable growth.

SUSTAINABILITY STATEMENT

Our sustainability principles are aligned and guided by our commitments, including:

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We have prioritised seven SDGs which form the cornerstone of our sustainability programmes and initiatives. Our Green, Social, Sustainable Impact Products and Services (GSSIPS) Framework guides financing initiatives that lead to meeting the SDGs.



UNEP FI PRINCIPLES FOR RESPONSIBLE BANKING

We were one of the banks that drafted the Principles for Responsible Banking (PRB), and are one of the founding signatories. The six Principles align banks with the SDGs and the Paris Climate Agreement. They set the global benchmark of a responsible bank and provide actionable guidance for how to achieve this.

COLLECTIVE COMMITMENT TO CLIMATE ACTION

We are a signatory to the Collective Commitment to Climate Action, and are committed to align our portfolios to reflect and finance the low-carbon, climate-resilient economy required to limit global warming to well below 2 degrees Celsius, striving for 1.5 degrees Celsius. We commit to mobilise our products, services and relationships to help facilitate the economic transition necessary to achieve climate neutrality.

NET-ZERO BANKING ALLIANCE

As part of this Race to Zero commitment, we will align our financing and investment portfolios with Net-Zero emissions by 2050. Combining near-term action with accountability, we will be setting intermediate targets for 2030 or sooner, using robust, science-based guidelines.

ENGAGING STAKEHOLDERS

We consider engagements with our key stakeholders such as our customers, employees, investors, vendors, regulators and communities, as essential as they provide us with valuable insights on what matters most to them. Multiple internal and external sources and touchpoints have been used to understand specific sustainability issues and topics of interest, including targeted engagement through focus groups, one-on-one interviews and online surveys. We have mapped topics and issues raised to our material issues and discussed how we have responded throughout our 2021 Sustainability Report.

OUR MATERIAL MATTERS

Based on inputs from our key stakeholders, we have distilled a set up material ESG matters that have the most impact to our stakeholders, and reflect our ability to create long-term value as a bank. Our highly material matters include Technology, Governance, Customer Experience, Sustainable Finance, Financial Literacy, Inclusion and Well-being, Health, Safety and Well-being, Climate Change, as well as Talent Attraction, Growth and Retention. Other highlighted matters which are important include Diversity and Inclusion, Corporate Culture, Sustainable Supply Chain, Sustainability Awareness and Participation, as well as Corporate Citizenship and Volunteerism.

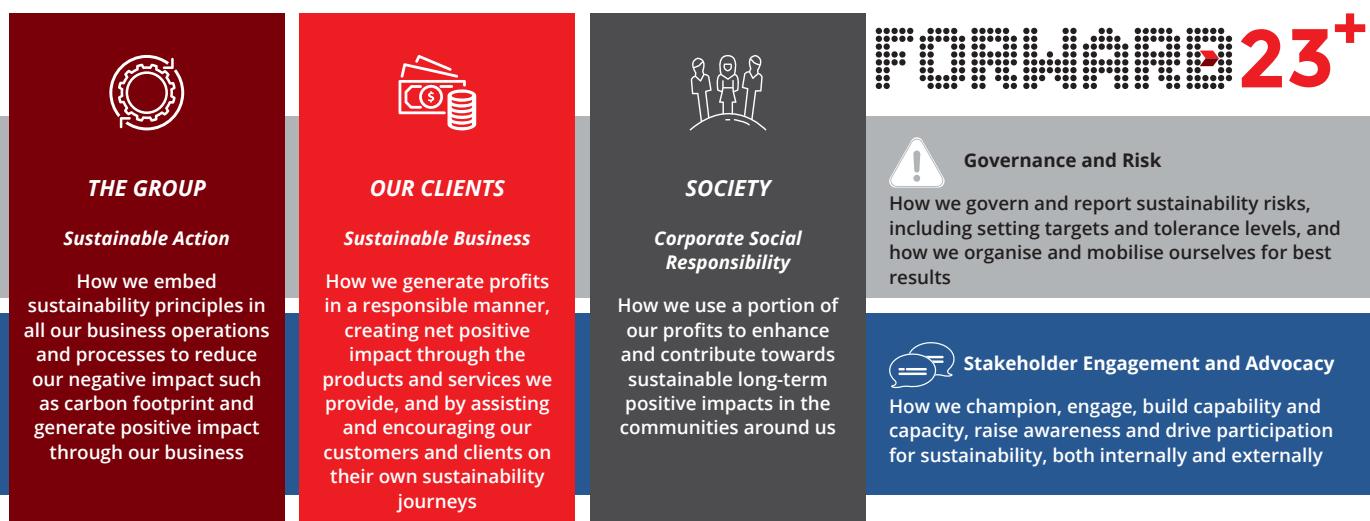
Each of these material matters and how we respond to them, is discussed in detail in the 2021 Sustainability Report, with a key section dedicated to each one.

SUSTAINABILITY ROADMAP

Our sustainability roadmap is designed to operationalise and deliver on our sustainability philosophy and aspirations. The roadmap covers all identified material matters across the Economic, Environmental, Social and Governance (EES&G) spectrum, and aims to deliver net positive impacts to our stakeholders, including the economy, communities and environment.

Our impact in these areas occur in our operations, downstream with our customers, and upstream with our suppliers. While we can directly effect change in our own operations, we strive to positively influence our key stakeholders towards better sustainability performance. We focus especially on working with our customers to create positive change, for example, by providing access to financial services to the underbanked and unbanked, and providing innovative sustainable finance solutions to further our clients' own sustainability efforts.

Our sustainability roadmap incorporates Value-Based Intermediation (VBI) principles, which apply sustainability through the lens of Maqasid al-Shariah and was developed by Bank Negara Malaysia. VBI functions to deliver the intended outcomes of Shariah, with the application of its principles of attainment of benefit and prevention of harm.



KEY MILESTONES

2019

2020

2021

- Established the Group Sustainability Department as a regional function
- Developed the Group Sustainability Policy (GSP) and Group Sustainable Financing Policy (GSFP)
- Four sector guides (Palm Oil, Construction and Real Estate, Oil and Gas, and Forestry) developed
- Drafting member and founding signatory to the UNEP FI Principles for Responsible Banking (PRB) and Signatory to the Collective Commitment to Climate Action (CCCA)

- Established the Group Sustainability Division, incorporating Group Corporate Responsibility, and appointed a Group Chief Sustainability Officer
- Committed to no longer finance new coal-fired power plants and new thermal coal mines, and to phase out from the coal sector by 2040
- Developed the Green, Social, Sustainable Impact Products and Services Framework
- Conducted a benchmarking exercise to set sustainability targets and KPIs

- Established the Group Sustainability and Governance Committee at Board level
- Committed to carbon neutrality (net zero GHG Scope 1 and 2 emissions in our operations by 2030 and Net Zero GHG by 2050, including Scope 3 and finance emissions)
- Announced target to mobilise RM30 billion towards sustainable finance by 2024
- Committed to invest RM150 million over five years, and 100,000 employee volunteer hours in the community by 2024
- First ASEAN Bank to join the Net-Zero Banking Alliance

SUSTAINABLE ACTION

Across our operations in ASEAN, we directly impact the livelihoods of approximately 33,000 employees and 2,000 suppliers. We are committed to continuously improving our business relationships, creating positive impacts in our social relationships, and minimising our environmental footprint. We strive to be an employer of choice, and build supplier relationships that are ethical, responsible and fair.



Reducing environmental impacts

Understanding our direct operational environmental footprint and reducing our emissions from our key impact areas.



Promoting responsible supply chain practices

Ensuring that we recognise and minimise the potential adverse environmental and societal impacts, while helping our partners to develop responsibly.



Investing in our employees

Providing an inclusive, enriching and rewarding working environment for a diverse group of employees.

MATERIAL TOPICS

2021 ACHIEVEMENTS

Climate Change: Operational Emissions	Committed to NET ZERO GHG SCOPE 1 & 2 EMISSIONS by 2030	24% reduction of GHG Scope 1 & 2 emissions from 2019	Developed INTERNAL CARBON PRICING framework
Sustainable Supply Chain	88% locally owned suppliers	RM1.9 BILLION invested in our supply chain	Over 197 suppliers engaged on sustainability
Diversity and Inclusion	43% females in leadership (up to Group CEO-2)	47% females in management roles of revenue generating functions	Developed and rolled out our GROUP EMPLOYEE DIVERSITY & INCLUSION POLICY
Health, Safety & Well-being	Launched PERMANENT HYBRID WORKING arrangements	Rolled out MENTAL HEALTH SERVICES to support employees	Organisational Health Index score of 75/100
Talent Attraction, Growth, & Retention	Invested RM81.8 MILLION in training and development	73 training hours per employee, on average	34% of all vacancies in the Group filled by internal candidates

For details, please refer to the section, Sustainable Action on pages 24-37 in CIMB Group Sustainability Report 2021.



SUSTAINABLE BUSINESS

While we strive to manage the environmental and social impacts of our own operations, it is the business that we do with our clients, that creates the biggest impacts, both negative and positive. As a responsible provider of financial services, our customers are at the heart of everything we do. It is our responsibility to provide secure processes which help to protect our customers' data privacy and finances. We aim to ensure a seamless customer experience and inclusive access to financial services that are relevant, and which help individuals, families and businesses to achieve their goals. As a financial intermediary, we recognise our responsibility towards activities we enable through our financial services. We also recognise our ability and responsibility to influence our customers to adopt business models that positively impact people and planet.

We do this through:

	Customer centricity Going the extra mile for the customer, and delivering excellent customer experience that builds long term relationships.		Privacy and cybersecurity Ensuring a seamless digital experience, safeguarding our customers' data and privacy.		Technology Leveraging technology to enhance customer experience and access to finance, and for operational efficiency.
	Sustainable finance risk Minimising potential negative impacts on people and the environment, which may be enabled through our financial services.		Sustainable finance opportunities Leveraging our financial services to create positive impacts together with our clients.		Financial inclusion Providing access to affordable financial services, and improving financial literacy, especially among disadvantaged communities.

MATERIAL TOPICS

2021 ACHIEVEMENTS

 Customer Experience	Net Promoter Score within 54% (around median) of industry peers in four markets	Met 88% of core CX indicators	Achieved customer satisfaction targets in 10 OF 13 channels
 Technology	Achieved 99.31% service uptime on Clicks ¹	48% increase in retail digital transaction volume	7% improvement in detection of mule accounts
 Sustainable Finance	Conducted 417 Enhanced Sustainability Due Diligence assessments	Facilitated RM25.9 BILLION in sustainable finance ²	Conducted Group-wide HUMAN RIGHTS RISK ASSESSMENT among large clients
 Financial Inclusion and Well-being	First ever Malaysian Ringgit SUSTAINABILITY-LINKED DERIVATIVE	89% of clients with E&S action plans due in 2021 SUCCESSFULLY COMPLETED them	Developed No Deforestation, No Peat and No Exploitation or NDPE POLICY
	Over RM7.6 BILLION in financing to serve underserved communities	RM253 BILLION of financial assistance to 1.7 MILLION customers since 2020	Over 5 MILLION depositors onboarded in the Philippines, where we enable easy access to finance

¹ Figure is calculated using the simple average of CIMB Clicks percentage uptime availability in Malaysia, Indonesia, Singapore and Thailand, excluding scheduled maintenance.

² Includes RM7.6 billion for underserved communities.

For details, please refer to the section, Sustainable Business on pages 38-63 in CIMB Group Sustainability Report 2021.



CORPORATE SOCIAL RESPONSIBILITY

We believe that communities where people are connected, supported and have access to resources and opportunities, are core to building a strong economic and social fabric. Towards helping build healthy and resilient communities in ASEAN, we focus on issues that are most important and meaningful to them. Our objective is to ensure that no one is left behind. We prioritise beneficiaries who are at-risk and most vulnerable to climate change and social injustices, especially among communities from the lowest 40% of income earners (B40). We also encourage and facilitate our employees and stakeholders to volunteer for community causes and be agents of change.



Education

We support improving equitable access to quality education, enabling a successful transition of youth into the workforce, and improving financial literacy.



Health and community well-being

We support programmes that increase access to sporting facilities, disease prevention solutions, and affordable essential healthcare. We also support disaster relief efforts.



Economic empowerment

We support programmes that enhance employability and access to decent work, job creation and income generation.



Climate and environment

We support innovative and small-scale climate change mitigation and adaptation projects, with a strong focus on awareness-building and community involvement.

MATERIAL TOPICS



Corporate Citizenship and Volunteerism

2021 ACHIEVEMENTS

Revamped our **REGIONAL CORPORATE SOCIAL RESPONSIBILITY STRATEGY**

RM28.7 MILLION disbursed for community initiatives

Established **RM10 MILLION**
Komuniti Kita COVID-19 Relief Fund

Won **5 OUT OF 6** FINCO volunteerism awards

67,278 HOURS contributed by employee volunteers

RM6.8 MILLION disbursed for COVID-19 relief

For details, please refer to the section, Corporate Social Responsibility on pages 64-73 in CIMB Group Sustainability Report 2021.



GOVERNANCE AND RISK

We take a principled approach to corporate and sustainability governance and are committed to implementing leading practices which protect the interests of not just shareholders, but also our employees, customers, communities and other stakeholders. We instill a culture of transparency and accountability, with the goal of long-term value creation for all stakeholders. Integrity and accountability are vital to our success, which is rooted in ethical conduct and a culture of risk management.

Our robust risk and governance systems are built upon shared values and norms among our employees across the region. This institutionalised through:

	Robust corporate governance that is supported by systems, procedures and practices		Integrated sustainability risk management , with environmental and social risk considerations embedded into day to day decision-making and as part of our operational assessments		A corporate culture of delivering impact together in the right way
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MATERIAL TOPICS

2021 ACHIEVEMENTS

 Corporate Governance, including Governance of Sustainability	30% of the Board represented by women	Established the GROUP GOVERNANCE AND SUSTAINABILITY COMMITTEE
 Climate Change: Strategy and Risks	Completed our first pilot on TRANSITION RISK SCENARIO ANALYSIS using PACTA FOR BANKS	
 Corporate Culture	Piloted PHYSICAL RISK ASSESSMENT Became an official supporter of TCFD >87.5% of Malaysian employees completed role based anti-money laundering training Launched EPICC , our refreshed values and culture framework	First TCFD-ALIGNED reporting (in this report)

For details, please refer to the section, Governance and Risk on pages 74-96 in CIMB Group Sustainability Report 2021.



STAKEHOLDER ENGAGEMENT & ADVOCACY

We are committed to investing in and engaging with key stakeholders to raise awareness and mobilise support for meaningful action towards sustainable development. We have a comprehensive training and engagement agenda for our employees and other stakeholder groups, as well as an extensive network of external partners to build the sustainable finance ecosystem in support of just transition to a low carbon economy.

We conducted engagement and advocacy through:



Training and awareness

Comprehensive suite of training across the group tailored to employees and their roles, based on issues material to our business.



Participation in working groups

Collaboration within progressive global and local working groups to drive sustainability thought leadership and adoption.



The Cooler Earth Sustainability Summit

CIMB Group's annual sustainability summit to engage and upskill regional stakeholders on sustainability.

MATERIAL TOPICS



Sustainability Awareness and Participation

2021 ACHIEVEMENTS

Hosted the **3RD THE COOLER EARTH SUSTAINABILITY SUMMIT** with over **3,600 PARTICIPANTS**

Over **15,000** employees engaged and trained on sustainability

67% of senior management trained on sustainability

ACTIVE MEMBERSHIP in industry working groups to drive sustainable finance agenda

Hosted first **SUSTAINABILITY INVESTOR DAY** with over 90 analysts and fund managers

Co-led writing of the **TCFD APPLICATION GUIDE**, as part of JC3

Steering Committee Member and Working Group Chair of the **CEO ACTION NETWORK**

Joined the **NET-ZERO BANKING ALLIANCE**, Partnership for Carbon Accounting Financials

Became official supporter of **TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES**

Led development of the **VBI SECTOR GUIDE** for Oil and Gas

For details, please refer to the section, Stakeholder Engagement & Advocacy on pages 97-101 in CIMB Group Sustainability Report 2021.



SUSTAINABILITY KEY HIGHLIGHTS

Ranked **79TH PERCENTILE** of banks globally in the S&P Global Corporate Sustainability Assessment, achieving our Forward23+ target 3 years ahead of time



Over **RM253 BILLION** of financial assistance to **1.7 MILLION** customers since 2020



Mobilised **RM25.9 BILLION** of sustainable finance in Green, Social, Sustainable Impact Products and Services including **RM7.6 BILLION** of financing to lower income clients



Rolled out the **GROUP EMPLOYEE DIVERSITY & INCLUSION POLICY**




Launched permanent hybrid working arrangements and **MENTAL HEALTH & WELLNESS SERVICES** for #teamCIMB

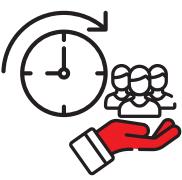
Committed to **NET ZERO GHG BY 2050** including scope 3 and financed emissions, and net zero Scope 1 and 2 emissions by 2030, and first ASEAN Bank to join the **NET-ZERO BANKING ALLIANCE**



Conducted our first **HUMAN RIGHTS ASSESSMENT** with large clients



Committed to **RM150 MILLION** of community investments over 5 years, with **67,278** employee volunteer hours recorded in 2021




89% of clients with due environmental & social action plans completed them

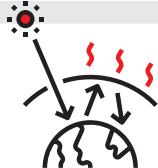
Over **15,000** employees and **67%** of senior management engaged and trained on sustainability



Entered into the **FIRST EVER RINGGIT SUSTAINABILITY-LINKED DERIVATIVE** transaction



First **TCFD-ALIGNED REPORTING** including scenario analysis using the PACTA methodology



Established the **GROUP SUSTAINABILITY and GOVERNANCE COMMITTEE**



REGIONAL NOTABLE DEALS

REGIONAL DEBT DEALS

Perusahaan Penerbit SBSN Indonesia III



USD3.0 billion Trust Certificates due 2026, 2031 and 2051 (Green) issued by Republic of Indonesia through Perusahaan Penerbit SBSN Indonesia III

Government of Malaysia



USD800.0 million Sustainability Trust Certificates due 2031 and USD500.0 million Trust Certificates due 2051 issued via Malaysia Wakala Sukuk Berhad

Genting Malaysia Berhad



USD1.0 billion Senior Unsecured Notes due 2031 issued via GENM Capital Labuan Limited

Khazanah Nasional Berhad

Dual-tranche offering of USD400.0 million Trust Certificates due 2026 and USD600.0 million Trust Certificates due 2031 via Dua Capital Ltd

Khazanah Nasional Berhad

RM2.0 billion Islamic Securities via Danga Capital Berhad's Ringgit-denominated Islamic Securities Issuance Programme, which together with a Multi-Currency Islamic Securities Issuance Programme will not exceed RM20.0 billion in outstanding nominal value at any one time, with a sub-limit of RM10.0 billion in nominal value for the Ringgit-denominated Islamic Securities Issuance Programme

Export-Import Bank of Malaysia Berhad



USD350.0 million Notes due 2026

LMIRT Capital Pte Ltd



USD200.0 million 7.500% Guaranteed Senior Notes due 2026

Government of the United Kingdom



United Kingdom
Debt Management
Office



HM Treasury

GBP500.0 million Trust Certificates due 2026 issued via HM Treasury UK Sovereign Sukuk PLC

Tenaga Nasional Berhad



RM3.0 billion in nominal value
Sukuk Wakalah

Pengurusan Air Selangor Sdn Bhd



Issuance of Islamic medium term notes and SRI Sukuk Kelestarian Air Selangor totalling RM1.0 billion in nominal value under the Sukuk Murabahah Programme

Perusahaan Otomobil Nasional Sdn Bhd



Islamic commercial papers programme of up to RM1.0 billion in nominal value and Islamic medium term notes programme of up to RM4.0 billion in nominal value, both with a combined limit of up to RM4.0 billion in nominal value, established by Perusahaan Otomobil Nasional Sdn Bhd via PONSB Capital Berhad

Small Medium Enterprise Development Bank Malaysia Berhad



RM500.0 million in nominal value Sustainability Islamic medium term notes pursuant to an Islamic medium term notes programme of up to RM3.0 billion in nominal value which, together with an Islamic commercial papers programme of up to RM1.0 billion in nominal value, has a combined aggregate limit of up to RM3.0 billion in nominal value, based on the Shariah principle of Wakalah Bi Al-Istithmar

Bank Pembangunan Malaysia Berhad



RM450.0 million in nominal value Sustainability Islamic medium term notes under an Islamic medium term notes programme of up to RM5.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar

REGIONAL DEBT DEALS (CONTINUED)

MUFG Bank Malaysia Berhad



Multi-Currency Sukuk Programme under the Shariah principle of Wakalah Bil Al-Istithmar of USD500.0 million (or its equivalent in other currencies) in nominal value for the issuance of Ringgit or Non-Ringgit Sukuk Wakalah irrevocably and unconditionally guaranteed by MUFG Bank Ltd

Cenergi SEA Berhad



An Islamic notes issuance programme of up to an aggregate amount of RM1.5 billion in nominal value for the issuance of senior Islamic medium term notes and/or subordinated perpetual Islamic notes based on the Shariah principle of Wakalah Bi Al-Istithmar

Glacier Assets Berhad

RM661.6 million in nominal value medium term notes under an asset-backed securitisation exercise

Farm Fresh Sdn Bhd (formerly known as The Holstein Milk Company Sdn Bhd)



RM200.0 million in nominal value Islamic medium term notes pursuant to an Islamic medium term notes programme of up to RM1.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar

Hanwha Q CELLS Malaysia Sdn Bhd



RM150.0 million in nominal value medium term notes unconditionally and irrevocably guaranteed by Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank

Zamarad Assets Berhad

RM124.0 million in nominal value asset-backed Sukuk under a RM2.0 billion in nominal value asset-backed securitisation Sukuk programme

PT Tower Bersama Infrastructure Tbk



IDR2.915 trillion Senior Bonds via 4th Shelf Registration Programme Tranche 3 of IDR7.0 trillion

IDR970.0 billion Senior Bonds via 4th Shelf Registration Programme Tranche 4 of IDR7.0 trillion

IDR1.2 trillion Senior Bonds via 5th Shelf Registration Programme Tranche 1 of IDR15.0 trillion

IDR1.455 trillion Senior Bonds via 5th Shelf Registration Programme Tranche 2 of IDR15.0 trillion

PT Astra Sedaya Finance



IDR2.5 trillion Corporate Bonds via 5th Shelf Registration Programme Tranche 2 of IDR10.0 trillion

IDR2.0 trillion Corporate Bonds via 5th Shelf Registration Programme Tranche 3 of IDR10.0 trillion

PT Sinar Mas Agro Resources & Technology Tbk



IDR825.0 billion Senior Bonds via 2nd Shelf Registration Programme Tranche 3 of IDR3.0 trillion

IDR1.5 trillion Senior Bonds via 3rd Shelf Registration Programme Tranche 1 of IDR5.0 trillion

IDR2.5 trillion Senior Bonds via 3rd Shelf Registration Programme Tranche 2 of IDR5.0 trillion

PT Permodalan Nasional Madani



IDR666.2 billion Senior Bonds via 3rd Shelf Registration Programme Tranche 5 of IDR6.0 trillion

IDR3.0 trillion Senior Bonds via 4th Shelf Registration Programme Tranche 1 of IDR6.0 trillion

PT Sarana Multigriya Finansial (Persero)



IDR1.9 trillion Senior Bonds via 5th Shelf Registration Programme Tranche 5 of IDR19.0 trillion

IDR1.2 trillion Senior Bonds via 6th Shelf Registration Programme Tranche 1 of IDR17.0 trillion

IDR100.01 billion Mudharabah Sukuk via 1st Shelf Registration Programme Tranche 3 of IDR2.0 trillion

IDR100.0 billion Mudharabah Sukuk via 2nd Shelf Registration Programme Tranche 1 of IDR3.5 trillion

REGIONAL NOTABLE DEALS

REGIONAL DEBT DEALS (CONTINUED)

PT Federal International Finance



member of ASTRA

IDR1.5 trillion Bonds via 5th Shelf Registration Programme Tranche 1 of IDR10.0 trillion

IDR1.75 trillion Bonds via 5th Shelf Registration Programme Tranche 2 of IDR10.0 trillion

PT Indomobil Finance Indonesia



IDR1.925 trillion Senior Bonds via 4th Shelf Registration Programme Tranche 2 of IDR4.0 trillion

PT Mandiri Tunas Finance



IDR1.4 trillion Senior Bonds via 5th Shelf Registration Programme Tranche 2 of IDR5.0 trillion

PT Bank Pembangunan Daerah Jawa Barat Dan Banten Tbk



IDR1.0 trillion Subordinated Bonds via 3rd Shelf Registration Programme Tranche 1 of IDR2.0 trillion

Housing & Development Board

SGD900 million Fixed Rate Notes Due 2031

GLL IHT Pte Ltd



SGD300.0 million 5-year senior unsecured bonds at 3.29% due 2026

OUE Treasury Pte Ltd



SGD200.0 million 5-year Senior Unsecured Fixed Rate Notes at 3.50% due 2026

Starhill Global REIT MTN Pte Ltd



SGD125.0 million 7-year Senior Unsecured Fixed Rate Notes at 2.23% due 2028

True Corporation Public Company Limited



THB24.0 billion Senior Unsecured Debenture

THB22.0 billion Senior Unsecured Debenture

THB20.0 billion Senior Unsecured Debenture

THB4.8 billion Senior Unsecured Debenture

THB2.0 billion Senior Unsecured Debenture

THB600.0 million Senior Unsecured Debenture

THB400.0 million Senior Unsecured Debenture

Toyota Leasing (Thailand) Co., Ltd.



THB10.0 billion Senior Secured Debenture

THB6.0 billion Senior Secured Debenture

TPI Polene PCL.



THB8.0 billion Senior Unsecured Debenture

THB4.0 billion Senior Unsecured Debenture

Muangthai Capital PCL.



THB6.0 billion Senior Unsecured Debenture

THB4.5 billion Senior Unsecured Debenture

THB4.0 billion Senior Unsecured Debenture

Ananda Development PCL.



THB2.3 billion Senior Unsecured Debenture

THB1.0 billion Perpetual Debenture

Sansiri PCL.



THB6.0 billion Senior Unsecured Debenture

THB3.6 billion Senior Unsecured Debenture

TPI Polene Power PCL.



THB4.5 billion Senior Unsecured Debenture

REGIONAL DEBT DEALS (CONTINUED)

Origin Property PCL.



THB2.3 billion Senior Unsecured Debenture

THB1.8 billion Senior Unsecured Debenture

True Move H Universal Communication Company Limited



THB3.4 billion Senior Unsecured Debenture

THB600.0 million Senior Unsecured Debenture

THB300.0 million Senior Unsecured Debenture

WHA Utilities and Power PCL.



THB3.5 billion Senior Unsecured Debenture

SC Asset Corporation PCL.



THB1.2 billion Senior Unsecured Debenture

THB1.0 billion Senior Unsecured Debenture

THB800 million Senior Unsecured Debenture

Noble Development PCL.



THB1.8 billion Senior Unsecured Debenture

REGIONAL EQUITY DEALS

Inari Amertron Berhad



Inari Amertron Berhad's RM1,032.3 million (USD244.7 million) primary placement of 333,000,000 new Inari Amertron Berhad shares

Undisclosed Shareholder

RM846.4 million (USD200.8 million) upsized block trade of 235,105,000 existing Mr D.I.Y. Group (M) Berhad shares

Undisclosed Shareholders

RM145.2 million (USD35.0 million) block trade of 38,400,000 existing Mr D.I.Y. Group (M) Berhad shares

Khazanah Nasional Berhad

Khazanah Nasional Berhad's RM664.5 million (USD159.8 million) fully upsized block trade of 138,441,000 existing CIMB Group Holdings Berhad shares

Khazanah Nasional Berhad

Khazanah Nasional Berhad's RM312 million (USD75.6 million) block trade of 53,800,000 Telekom Malaysia Berhad shares

Axis-REIT



REAL ESTATE INVESTMENT TRUST

Axis-REIT's RM334.7 million (USD79.6 million) primary placement of 188,042,597 new Axis-REIT units

MY E.G. Services Berhad



www.myeg.com.my

MY E.G. Services Berhad's RM214.2 million (USD51.3 million) fully upsized primary placement of 210,000,000 new MY E.G. Services Berhad shares

Unisem (M) Berhad



Unisem (M) Berhad's RM162.3 million (USD40.1 million) primary placement of 21,075,500 new Unisem (M) Berhad shares

PT Widodo Makmur Perkasa Tbk



PT Widodo Makmur Perkasa Tbk's IDR707.0 billion (USD49.7 million) initial public offering on the Indonesia Stock Exchange

PT Widodo Makmur Unggas Tbk



PT Widodo Makmur Unggas Tbk's IDR349.4 billion (USD25.9 million) initial public offering on the Indonesia Stock Exchange

Grand Venture Technology Limited



Grand Venture Technology Limited's SGD39.9 million (USD29.7 million) primary placement of 25,000,000 new shares and secondary placement of 10,000,000 existing shares

Ngern Tid Lor Public Company Limited (TIDLOR)



TIDLOR's THB38.1 billion (USD1.2 billion) initial public offering on The Stock Exchange of Thailand

REGIONAL NOTABLE DEALS

REGIONAL EQUITY DEALS (CONTINUED)

DDMP REIT, INC.



DDMP REIT, INC.'s PHP13.4 billion (USD275.0 million) initial public offering on the Philippine Stock Exchange

REGIONAL ADVISORY DEALS

Tenaga Nasional Berhad



Disposal of 100% equity interest by Tenaga Nasional Berhad of TNB Power Daharki Ltd, that in turn owns 100% TNB Liberty Power Limited who owns and operates a 235MW combined-cycle gas turbine power plant located in Pakistan, for a purchase consideration of USD54.5 million

Khazanah Nasional Berhad

Restructuring of Malaysia Aviation Group Berhad's ("MAGB") debt obligations

Batu Kawan Berhad

BATU KAWAN BERHAD

Acquisition of 56.32% equity interest in Chemical Company of Malaysia Berhad ("CCM") by Batu Kawan Berhad ("BKB") ("Acquisition") and unconditional mandatory take-over offer to acquire all the remaining ordinary shares in CCM not already held by BKB following the Acquisition

Boustead Holdings Berhad



Boustead Holdings Berhad ("BHB" or "Company")

Disposal by BHB of the entire equity interest in Boustead Cruise Centre Sdn Bhd to Westports Holdings Berhad ("WHB") and Klang Port Management Sdn Bhd ("KPM") (collectively, the "purchasers") for a cash consideration of RM230,000,000 ("Disposal")

REGIONAL LOAN SYNDICATION DEALS

PT Chandra Asri Utama Leasing



USD80 million Senior Secured Term Loan Facility

Chailease Berjaya Credit Sdn Bhd



CHAILEASE BERJAYA CREDIT SDN. BHD
仲利成功融資有限公司

Syndicated Term Financing of up to RM300 million comprising of a Conventional Term Facility of up to RM150 million and a Term Financing-i of up to RM150 million

PT Solusi Tunas Pratama Tbk



IDR5,250 billion Term Loan Facility

LMIRT Capital Pte Ltd



SGD80 million Term Loan Facilities

NOTABLE ACHIEVEMENTS

MALAYSIA

MARKETING EXCELLENCE AWARDS 2021

- Excellence in Search Marketing – Silver – Malaysia

IFN BEST BANKS POLL 2021

- IFN Best Islamic Bank in Malaysia 2021

ALPHA SOUTHEAST ASIA 2021 DEAL AND SOLUTION AWARDS

- Best Local Currency Bond Deal Of The Year & Most Innovative Deal Of The Year
- Best ASEAN Green Sri Sukuk & Best Sri Sukuk
- Most Innovative Islamic Finance Deal of the Year & Best Islamic Finance Deal of the Year
- Best Corporate Sukuk of the Year
- Best Unrated Sukuk of the Year & Best Local Currency Sukuk of the Year
- Best Equity/IPO Deal Of The Year In Southeast Asia
- Best Ringgit Sukuk House in Malaysia 2021
- Best Social Impact Islamic Finance House 2021

CX ASIA EXCELLENCE AWARDS 2021

- Best Customer Experience Team – Gold
- Best CX Personality – Silver
- Best Employee Engagement – Bronze
- Best Digital Experience – Honorary Mention

FINANCEASIA ACHIEVEMENT AWARDS 2021

- Best Islamic Finance Deal
- Best Islamic Finance House

ASIAMONEY BEST BANK AWARDS FOR THE MALAYSIA 2021

- Best Islamic Bank
- Best Bank for SMEs

THE ASSET TRIPLE A PRIVATE CAPITAL AWARDS ON INVESTMENT SOLUTIONS 2021

- Best Bank for Investment Solutions – Malaysia
- Best Bank for Investment Solutions, Rates – Malaysia
- Best Bank for Investment Solutions, Credit – Malaysia
- Best Bank for Investment Solutions, FX – Malaysia
- Best Bank for Investment Solutions, Commodities – Malaysia
- Best Structured Investment and Financing Solutions, Credit (Bespoke Structured Total Return Swap) – Malaysia
- Best Structured Investment and Financing Solutions, Credit (Enhanced Government-Linked Structured Product) – Malaysia

THE ASSET TRIPLE A ISLAMIC FINANCE AWARDS 2021

- Best ASEAN Sustainability SRI Sukuk – Corporate
- Best ASEAN Sustainability SRI Sukuk – Corporate – Malaysia
- Best Corporate Sukuk – Malaysia
- Best Corporate Hybrid Sukuk – Malaysia
- Best Bank Sukuk – Malaysia
- Best IPO – Malaysia

MALAYSIAN E-PAYMENTS EXCELLENCE AWARDS 2021

- Best DuitNow Bank

ALPHA SOUTHEAST ASIA BEST ISLAMIC FINANCE AWARDS 2021

- Best Islamic Finance Bank
- Best Global Islamic Finance Sukuk House
- Best Islamic Finance Sukuk House in Malaysia

ALPHA SEA BEST FI AWARDS 2021

- Best Investment Bank in Malaysia

ASIAMONEY ASIA PRIVATE BANKING AWARDS 2021

- Best Domestic Private Bank in Malaysia
- Best for Wealth Transfer/Succession Planning in Malaysia

TRUSTED BRANDS ASIA 2021

- Finance – Bank: Gold

FINANCEASIA COUNTRY AWARDS 2021

- Best Private Bank – Malaysia

CXP BEST CUSTOMER EXPERIENCE AWARDS (presented in March 2021)

- 2020 Best Customer Experience Award

GLOBAL FINANCE WORLD'S BEST ISLAMIC FINANCIAL INSTITUTIONS 2021 AWARDS

- Best Sukuk Bank
- IPO/Equity Deal of the Year

IFR ASIA AWARDS 2020 (Awarded in 2021)

- Malaysia Bond House of the year

EUROMONEY PRIVATE BANKING AND WEALTH MANAGEMENT SURVEY 2021

- Best Private Banking Services Overall – Winner
- Mega High Net Worth Clients (US\$250m+) – Winner
- Ultra High Net Worth Clients (>US\$30m – US\$250m) – Winner
- Investment Management – Winner
- Technology – Data Management and Security in Private Banking and Wealth Management – Winner
- Technology – Innovative or Emerging Technology Adoption – Winner

INDONESIA

THE ASSET TRIPLE A PRIVATE CAPITAL AWARDS ON INVESTMENT SOLUTIONS 2021

- Best Bank for Investment Solutions, Rates – Indonesia
- Best Bank for Investment Solutions, FX – Indonesia

INDONESIA PUBLIC RELATION AWARD (IPRA) 2021

- Winner – CIMB Niaga

NOTABLE ACHIEVEMENTS

INFOBANK SATISFACTION, LOYALTY & ENGAGEMENT (SLE) AWARD 2021

- Best Overall SLE 2021 – CIMB Niaga
- Loyalty Index 2021 – CIMB Niaga
- Marketing Engagement Index 2021 – CIMB Niaga
- Satisfaction Index 2021 – CIMB Niaga
- Satisfaction Index 2021 Kantor Cabang – CIMB Niaga

THE ASSET TRIPLE A DIGITAL AWARD 2021

- Best Retail Mobile Banking Experience – CIMB Niaga

INDONESIA WOW BRAND 2021

- Silver champion for Digital Lounge Category – CIMB Niaga

ICONOMICS INSPIRING WOMEN 2021

- Vera Handajani, Direktur Risiko, CIMB Niaga

INDONESIA GREEN AWARDS 2021

- Mempelopori Pencegahan Polusi – CIMB Niaga

THE BEST INDONESIA ENTERPRISES RISK MANAGEMENT 2021

- 2nd winner – Bank Swasta Buku 4 – CIMB Niaga

TRANSPARANSI DAN PENURUNAN EMISI KORPORASI TERBAIK 2021

- Penghargaan – CIMB Niaga

THE ASSET MAGAZINE (HONG KONG)

- The region's best local currency bond individuals in research, sales and trading for 2021 – CIMB Niaga
- Indonesia Rupiah Bond:
 - Trading: Michael Agung Isprihanto
 - Sales: Dewa Ayu Putu Novita Angelia
 - Research: Adrian Panggabean
- Top sellside firms in Asian Currency Bonds 2020:
 - Top sellside firms in the secondary market – Government bonds – IDR: CIMB Niaga
 - Top sellside firms in the secondary market – Corporate bonds – IDR: CIMB Niaga
 - Top arrangers – Investors' Choice for primary issues – Government bonds – IDR: CIMB Niaga

THE 12TH IICD CG AWARD

- Best Overall 2021 – CIMB Niaga

INDONESIA CSR AWARD 2021

- Outstanding Programme in Banking Financial Literacy and Education – CIMB Niaga

SERVICE QUALITY AWARD 2021

- Peringkat Pertama, Kategori Unit Usaha Syariah – CIMB Niaga

INDONESIA CORPORATE SECRETARY & CORPORATE COMMUNICATION (ICCA) AWARD VI 2021

- The Best Informative Website: Bank – CIMB Niaga

2021 ABF CORPORATE AND INVESTMENT BANKING AWARDS/ASIAN BANKING AND FINANCE AWARDS 2021

- Corporate & Investment Bank of the Year, Indonesia – CIMB Niaga
- Syndicated Loan of the Year, Indonesia – CIMB Niaga
- Corporate Client Initiative of the Year, Indonesia – CIMB Niaga

GRC & PERFORMANCE EXCELLENCE AWARD 2021

- The Best GRC Overall For Corporate – CIMB Niaga
- Governance & Performance 2021, Foreign Banking – CIMB Niaga
- The Best Chief Information Technology Officer – CIMB Niaga
- The Best Chief Compliance Officer – CIMB Niaga
- The Best Chief Risk Management Officer – CIMB Niaga

INDONESIA MILLENNIAL WOMEN BRAND CHOICE AWARD 2021

- Excellent Products and Services, Private Bank category – CIMB Niaga

IDX CHANNEL ANUGERAH INOVASI INDONESIA 2021

- Penganugerahan Utama, Kategori Sustainabiliti atas inovasi Literasi Keuangan Online – CIMB Niaga

INVESTOR AWARDS' BEST BANK 2021

- Bank dengan Produk dan Layanan Yang Inovatif – CIMB Niaga

ASIAN BANKING & FINANCE

- Digital Banking Initiative of the Year – CIMB Niaga

BRAND COMMUNICATIONS CHAMPION 2021

- The Most Creative Brand Communication Digital Campaign – CIMB Niaga

10TH SHARIA AWARDS

- Tokoh Syariah 2021 – Pandji Djajanegara, CIMB Niaga

PROPERTI INDONESIA AWARD 2021

- Most Favourite Mortgage Bank in Primary Market – CIMB Niaga

TOP GRC AWARD 2021

- Golden Star Trophy – CIMB Niaga
- TOP GRC 2021 # 5 Stars – CIMB Niaga
- The Most Committed GRC Leader 2021 – Tigor M. Sahaan, CIMB Bank

INDONESIA DIGITAL MARKETING CHAMPION 2021

- 2nd Digital Marketing Champion for Banks – CIMB Niaga

TEMPO FINANCIAL AWARD 2021

- The Best Bank Digital Service, Kategori Bank Konvesional dengan aset > Rp100 Triliun – CIMB Niaga

GOLDEN PROPERTY AWARDS (GPA)

- Best Performing Bank during Pandemic in Property Business – CIMB Niaga
- Most Influential Property Figure in Banking – Heintje Mogi, CIMB Niaga Golden Property Awards (GPA)

INDONESIA CONTACT CENTER ASSOCIATION (ICCA)

- Best Contact Centre Indonesia 2021, Gold – CIMB Niaga
- Best Quality Assurance, Silver – CIMB Niaga
- Best Trainer, Silver – CIMB Niaga
- Best Disability Agent, Bronze – CIMB Niaga

WARTA EKONOMI INDONESIA BEST MULTIFINANCE AWARDS 2021

- Excellent Financial Performance and Business Segmentation Development – CIMB Niaga

THE ASSET TRIPLE A PRIVATE CAPITAL AWARDS FOR PRIVATE BANKS, WEALTH & INVESTMENT BANK ADVISERS, SOLUTIONS AND INDEX PROVIDERS 2021

- Best Investment Solutions for Rates, Indonesia – CIMB Niaga
- Best Investment Solutions for FX, Indonesia – CIMB Niaga

BISNIS INDONESIA FINANCIAL AWARD (BIFA) 2021

- The Most Innovative Mobile App of the Year – CIMB Niaga

HOUSING ESTATE AWARDS 2021

- Bank dengan Pertumbuhan KPR Tertinggi di Indonesia – CIMB Niaga

HR EXCELLENCE AWARDS 2021

- Excellence in Workforce Mobility – Gold Winner – CIMB Niaga

SINGAPORE

ASIAN BANKING AND FINANCE AWARDS 2021 - WHOLESALE BANKING

- Singapore International COVID-19 Management Initiative of The Year (EVA) – CIMB Bank Singapore

ASIAN BANKING AND FINANCE AWARDS 2021 - RETAIL BANKING

- Website of the Year – CIMB Bank Singapore
- Consumer Financial Product – CIMB Bank Singapore

SINGAPORE BUSINESS REVIEW AND TECHNOLOGY EXCELLENCE AWARDS 2021

- Analytics (Banking) – CIMB Bank Singapore

ASIAN EXPERIENCE AWARDS 2021

- Customer Experience of the Year – CIMB Bank Singapore
- Product Experience of the Year – CIMB Bank Singapore

BANKING TECH AWARDS 2021

- Finalist for Best Tech Overhaul – CIMB Bank Singapore

THAILAND

THE ASSET TRIPLE A PRIVATE CAPITAL AWARDS ON INVESTMENT SOLUTIONS 2021

- Best Bank for Investment Solutions – Thailand
- Best Bank for Investment Solutions, Equity – Thailand
- Best Bank for Investment Solutions, Rates – Thailand
- Best Bank for Investment Solutions, FX – Thailand
- Best Structured Investment and Financing Solutions, FX – Thailand
- Best Structured Investment and Financing Solutions, Fund – Thailand

THAI BOND MARKET ASSOCIATION AWARDS 2020 (Awarded in 2021)

- Most Active Bank in Corporate Bond Secondary Market
- Best Bond Dealer
- Sales Staff of the Year

BANK OF THAILAND AWARDS 2021

- THOR (Thai Overnight Repurchase Rate) Pioneer

THAILAND MINISTRY OF FINANCE AWARDS 2021

- Best Secondary Market Contributor

2021 THAILAND FX AWARD

- Best THB FX Data Contributor (THB Spot)
- Best Foreign Currency FX Bank

ASIAN BANKING AND FINANCE – RETAIL BANKING AWARDS

- Wealth Management Platform of the Year – CIMB Thai
- Digital Banking Initiative of the Year 2021 – CIMB Thai

THAI BMA AWARDS

- Best Secondary Market Contributor – CIMB Thai
- Best Bond Dealer – CIMB Thai
- Sales Staff of the Year – CIMB Thai

THE ASSET ASIAN AWARDS

- Best Bank for Investment Solutions – CIMB Thai
- Best Bank for Investment Solutions, Equity, Rates and FX – CIMB Thai
- Best Structured Investment and Financing Solutions – FX and Funds – CIMB Thai

THE DIGITAL BANKER

- Best Social Media Marketing Initiative of the Year 2021 – CIMB Thai

ASIA RISK AWARDS

- Thailand House of the Year 2021 – CIMB Thai

DIGITAL CX AWARDS

- Outstanding Use of Digital Channels for Improved CX – CIMB Thai
- Outstanding Transformation in Digital CX During COVID-19 – CIMB Thai
- Outstanding Digital CX in Banking App Platform – CIMB Thai

ALPHA SOUTHEAST ASIA AWARDS

- Best Local Currency Bond Deal & Most Innovative Deal of the Year – CIMB Thai
- Best Equity IPO Deal of the Year in Southeast Asia – CIMB Thai

PHILIPPINES

GLOBAL BANKING & FINANCE REVIEW

- Banking CEO of the Year Philippines 2021 – Vijay Manoharan
- Best Digital Bank Philippines

NOTABLE ACHIEVEMENTS

GLOBAL BRANDS MAGAZINE

- Most Preferred Digital Banking Brand, Philippines

THE EUROPEAN

- Innovative Digital Bank of the Year, Philippines
- Best Digital Bank, Philippines

GLOBAL ECONOMICS AWARDS

- Best Brand in Digital Bank, Philippines
- Fastest Growing Digital Personal Loan Provider, Philippines

CFI.CO

- Best Digital Banking Solutions, Philippines

COSMOPOLITAN THE DAILY BUSINESS AWARDS

- Best Consumer Digital Bank, Philippines
- Best Digital Banking Solutions Provider, Philippines

THE ASSET TRIPLE A DIGITAL AWARDS

- Best Retail Social-Media Banking Experience, Philippines

WORLD BUSINESS OUTLOOK

- Banking CEO of the Year 2021, Philippines – Vijay Manoharan
- Best Digital Bank Philippines

GLOBAL BUSINESS REVIEW MAGAZINE

- Banking CEO of the Year Philippines 2021 – Vijay Manoharan
- Digital Banking Of The Year Philippines 2021
- Fastest Growing Digital Bank Philippines 2021

THE COSMOPOLITAN THE DAILY BUSINESS AWARDS

- Best Consumer Digital Bank – CIMB Bank Philippines
- Best Digital Banking Solutions Provider – CIMB Bank Philippines

INTERNATIONAL FINANCE

- Most Innovative Digital Bank – Philippines 2021 – CIMB Bank Philippines
- Best Emerging Banking CEO – Mr. Vijay Manoharan – Philippines 2021

EUROPEAN BUSINESS MAGAZINE

- Asian Bank of the Year 2021 – CIMB Bank Philippines
- CEO of the Year Philippines, Banking 2021 – CIMB Bank Philippines

WORLD ECONOMIC MAGAZINE INC.

- Best Digital Banking Partnership (GCash) Philippines 2021 – CIMB Bank Philippines
- Fastest Growing Digital Bank Philippines 2021 – CIMB Bank Philippines

THE ASIAN BANKER: EXCELLENCE IN RETAIL FINANCIAL SERVICES AWARDS 2021

- Best Personal Loan Product – CIMB Bank Philippines

ASIAN BANKING & FINANCE RETAIL BANKING AWARDS

- Virtual Bank of the Year – Philippines – CIMB Bank Philippines
- Strategic Partnership of the Year – Philippines – CIMB Bank Philippines

FINTECH AWARDS 2021 (Hosted by Wealth and Finance International)

- Leading Digital Bank of the Year – Philippines – CIMB Bank Philippines

GLOBAL BUSINESS OUTLOOK

- Digital Banking CEO of the year – Mr. Vijay Manoharan – Philippines 2021

BUSINESS TABLOID

- Most Innovative Digital Bank – CIMB Bank Philippines

ASIA CEO AWARDS (2021)

- Circle of Excellence: Most Innovative Company of the Year – CIMB Bank Philippines
- Circle of Excellence: Executive Leadership Team of the Year – CIMB Bank Philippines

GLOBAL BUSINESS MAGAZINE AWARDS

- Best Consumer Internet Bank Philippines 2021 – CIMB Bank Philippines
- Most Innovative Digital Bank Philippines 2021 – CIMB Bank Philippines

WORLD BUSINESS STARS MAGAZINE

- Digital Banking Of The Year Philippines 2021 – CIMB Bank Philippines
- Fastest Growing Digital Bank Philippines 2021 – CIMB Bank Philippines
- Most Innovative Digital Bank Philippines 2021 – CIMB Bank Philippines

Vietnam

GLOBAL BANKING & FINANCE REVIEW

- Fastest Growing Digital Bank Vietnam 2021 – CIMB Bank Vietnam

INTERNATIONAL FINANCE

- Most Innovative Digital Bank Vietnam 2021 – CIMB Bank Vietnam

12TH RBI ASIA TRAILBLAZER AWARD

- Best New Digital Bank Vietnam 2021 – CIMB Bank Vietnam

NAPAS (NATIONAL PAYMENT SERVICE VIETNAM)

- Outstanding Bank in NAPAS247 Growth Rate 2021 – Vietnam – CIMB Bank Vietnam

CORPORATE EVENT HIGHLIGHTS

23 February

Virtual Chinese New Year Celebration

"Life Goes Ong!" a festive video to celebrate Chinese New Year virtually, written and acted entirely by CIMB Staff



29 June

CIMB Alumni:

"Let's Catch Up with Malaysia's Finance Minister"



15 April

Menara CIMB
AGM 2021 (Live Virtual Event)

June

CIMB THAI

One month volunteering program, of MorPhrom Call Center in support of the Ministry of Public Health



13 July

CIMB Niaga
Vaccination
Programme



30 April

(Janganlah) Raya Sorang-Sorang was a festive video written, acted and produced by CIMB staff to spread the Raya cheer while promoting local brands

CORPORATE EVENT HIGHLIGHTS



2 August

Launch of CIMB OctoSavers Savings Account-i

The first fully digital online savings account



6 August

CIMB THAI

Handover Community Isolation for COVID-19 infected to Bangplinoi Subdistrict, Samutprakarn

28 August

Mah Meri Cultural Centre, Pulau Carey

CIMB Foundation provided food and household supplies to the much affected Mah Meri community for 6 months



6 September~3 October

CIMB Niaga
Virtual Sports Race



22 September

CIMB THAI

“Pantry of Sharing” at Yaowarat Branch Bangkok – aimed to ease the burden of local community during the pandemic



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HOW ARE BOARDS ACCELERATING THEIR SUSTAINABILITY READINESS?

PHILIPPE JOUBERT | YOUNG AMBASSADORS BOARD

XU-YEN WONG | CHAIRPERSON, INSTITUTE OF DIRECTORS

JAYANTHI SESAN | BUSINESS DIRECTOR, SUSTAINABILITY, INDEPENDENT NON-EXECUTIVE DIRECTOR, INVESTIGATION, INVESTIGATION, INVESTIGATION

DINA SHARIFUDDIN | INDEPENDENT DIRECTOR AND INVESTIGATOR, CHIEF EXECUTIVE, INVESTIGATION, INVESTIGATION, INVESTIGATION

SHARMILA SEKAMPARAMAN | INVESTIGATION, INVESTIGATION, INVESTIGATION, INVESTIGATION, INVESTIGATION

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23~27 September

The Cooler Earth Sustainability Summit

To encourage youth engagement and involvement for global action, a full day event was curated fully by the young talents of CIMB's The Complete Banker Programme

**18~23 October****CIMB WoWeek!**

Featured 12 inspiring CIMB Clients from home-grown micro entrepreneurs to Malaysia's first unicorn company. Daily contests and CIMB's first virtual concert with 6 of Malaysia's biggest stars

5 November**CIMB THAI**

Opening of CIMB Thai, Wealth Center at Siracha Province

**15 November**

Soft opening of CIMB Bank at 30 Raffles Place

**3 November****Launch of TripART & CIMB Artober Hotel Art Fair**

Launch of TripART and CIMB Artober Hotel Art Fair by YB Senator Datuk Seri Utama Tengku Zafrul Aziz, Minister of Finance Malaysia. TripART is the first collaboration between CIMB Artober, Art in the City by CENDANA and Arts for All Seasons by Yayasan Hasanah

**21 December**

Robotic Process Automation (RPA) Workshop for #teamCIMB to improve turnaround time as well as customer experience in its banking operations

MEDIA HIGHLIGHTS

CIMB appoints Paul Wong as CIMB Thai president and CEO



The Edge Markets | 22 January

末季净赚2.15亿
联昌国际派息4.81仙



Nanyang Siang Pau | 26 February

CIMB has a net profit of RM215 million in the last quarter and a dividend of 4.81 sen

CIMB sees better results across markets in 2021



The Sun | 16 April

CIMB's financial relief aid to continue under MCO 3.0

The Star | 19 May

CIMB first-quarter net profit up five-fold

The Star | 1 June

聯昌伊斯蘭銀行移交摩託給企業家計劃參與者



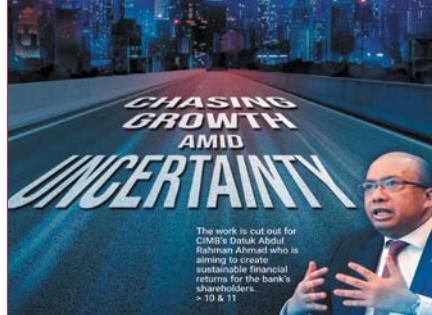
Sin Chew Daily | 23 September

CIMB Islamic hands over motorcycles to entrepreneur programme participants

CIMB Group net profit jumps to RM1.08b in Q2

Daily Express | 31 August

StarBizweek



The Star | 25 September

Banking on wealth management

The Star | 25 September

CIMB extends assistance worth RM86b to more than 490,000 customers



The Star | 29 September

CIMB Singapore pergi digitalisasi, S'pura kekal hab penting



Berita Harian, Singapore | 27 May

OCTO Mobile CIMB Niaga Dinobatkan sebagai 'The Most Innovative Mobile App of the Year'

Bisnis Indonesia | 9 December

CIMB Thai opens wealth centre at Central Ladprao



Wealth Centre Manager | 29 March

CIMB in sustained earnings uptrend

Net profit soars to RM3.84bil in nine-month period

CORPORATE

PETALING JAYA: CIMB Group Holdings Berhad's net profit for the nine-month period ended Sept 30, 2021, rose 20.4% to RM3.84bil, while net profit surged 285.7% to RM1.2bil.

The bank's net profit for the year-to-date also jumped 211.8% y-o-y to RM3.4bil.

Its chairman Datuk Abdul Rahman Ahmad said the recovery in its performance was driven

"The nine-month performance indicates continued strong year-on-year recovery across all segments and markets."

Datuk Abdul Rahman Ahmad

The Star | 1 December

You are worth it - CIMB congratulate their ambassador Azizul



The Star | 8 August

CIMB Islamic bangun produk berlandas syariah



Berita Harian | 2 December

Launch of TripART at CIMB Artober Hotel Art Fair



New Straits Times | 6 November

13 Asean youths get scholarships that come with internship and employment



The Star | 21 October

Yayasan CIMB terus main peranan penting Program Pembangunan Skuasy Remaja



CakapSukan | 10 November

Kumpulan CIMB tawar URUS sehingga 31 Januari

CIMB Group Berhad (CIMB) dan CIMB Islamic Bank Berhad (CIMB Islamic) mengumumkan bahawa pada hari ini, 23 November 2021, Kumpulan CIMB (KTM) mencatat RM100 bilion dalam penyelesaian ringgit-danai yang diluluskan sejak awal tahun 2021.

Penyelesaian ringgit-danai yang diluluskan oleh Kumpulan CIMB, Datin Abdul Rahim Mohamed, CEO CIMB Group, termasuk dalam program CIMA, pembiayaan CIMB Islamic, pembiayaan perniagaan dan pembiayaan peribadi. Ia membuktikan

Bulan berlalu, menerusi akaun pelabur CIMB, Kumpulan CIMB telah mencatat penyelesaian ringgit-danai atas peringkat tertinggi dari sejak awal tahun ini. CIMB turut memperkenyatakan amaran bahawa ia akan terus melaksanakan sasaran berkembangnya penyelesaian ringgit-danai, dengan mendekati para pemohon dengan perkhidmatan yang paling baik.



Melalui program URUS, pemohon CIMB daripada golongan B50 yang layak akan diberikan pilihan bantuan pembayaran balik

Abdul Rahman Ahmad,
Retno Perngajah Elokciati | Kumpulan CIMB

Berita Harian | 23 November

CIMB clinches three major awards at Alpha Southeast Asia Best Islamic Finance Awards

The Star | 5 July

CIMB launches OctoSavers, its first fully digital Islamic savings account



Digital offering CIMB Islamic Bank Berhad CEO Ahmad Shahriman Mohd Shariff (first left), CIMB Group consumer banking CEO Samir Gupta (third from right) and transforming customer journey head Kanaga Surendran (second from right) officiating at the virtual launch of CIMB's OctoSavers Account-i and Octo Debit MasterCard. With them are singer and actress Errine Zakri (second from left), celebrity dancer and social media personality Dennis Yin (third from left) and singer and actress Cik Mangle.

The Star | 7 August

Youth Day programme of CIMB Group's The Cooler Earth Sustainability Summit



The Edge | 18 October

CIMB to mobilise RM30b towards sustainable finance by 2024

The Edge Markets | 23 September

CEOs push for ESG agenda

Corporations come together to walk the talk on sustainability

The Star | 2 October

CIMB's Samir Gupta: "Digital now accounts for 48% of total product sales"



The Asian Banker | 31 December

聯昌集團與聯昌基金會再撥千萬令吉救濟基金



聯昌集團和聯昌基金會所推介的“Komuniti Kita COVID-19”救濟項目，為社區提供食品援助及支援國家醫療保健系統。

Sin Chew Daily | 4 September

CIMB Group and CIMB Foundation allocate another RM10 million to relief fund

CIMB's MicroBizReady reaches over 100 entrepreneurs ready for next-level business

Borneo Post Sarawak | 13 July

CIMB Bank notes 323% growth in gross digital transaction value

Business Mirror, Philippines | 8 October

Disrupting the status quo of financial services



The Star | 30 January

CGS-CIMB Securities launches two Shariah-compliant products

The Star | 29 July

CIMB named Malaysia Bond House of the Year in IFR Asia Awards 2020

The Sun | 10 March

Investment opportunity for TNG eWallet users with GO+

Sunday Star | 4 April

CIMB undertakes world's first ringgit-denominated sustainability-linked derivative transaction with Standard Chartered

The Edge Markets | 21 October

CIMB Private Banking takes No. 1 spot in Euromoney survey



The Star | 22 February

Principal Asset Management's AUM up 5.1% y-o-y to RM92.6b in 2020



The Edge Markets | 27 January

CIMB joins Khmer Silk Centre in preserving silk heritage



Khmer Times | 19 February

RUPSLB CIMB Niaga Sahkan Lani Darmawan Jadi Presdir Baru



Investor Daily Indonesia | 18 December

CIMB commits RM2m in community aid, offers payment relief to customers affected by floods

The Edge Markets | 20 December

How CIMB and Finhay Are Delivering Diversification Through Embedded Finance in Vietnam

Fintechnews Vietnam | 14 May

CIMB unveils EVA, first-in-market chatbot for commercial banking



Borneo Post Sarawak | 24 July

SHAREHOLDERS' STATISTICS

as at 1 March 2022

Issued and Paid-up Share Capital : RM27,099,681,491.82 comprising 10,221,451,675 ordinary shares
 Class of Shares : Ordinary shares
 Voting Rights : One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

(AS PER THE RECORD OF DEPOSITORS)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares [^]	% of Issued Shares
1 – 99	4,676	5.85	161,858	0.00
100 – 1,000	29,707	37.13	13,856,446	0.14
1,001 – 10,000	34,411	43.01	127,177,844	1.24
10,001 – 100,000	9,416	11.77	246,482,621	2.41
100,001 – 511,072,582 ^(*)	1,794	2.24	5,198,237,467	50.86
511,072,583 and above ^(**)	3	0.00	4,635,535,439	45.35
Directors Holding	0	0.00	0	0.00
Total	80,007	100.00	10,221,451,675	100.00

Notes:

* Less than 5% of issued holdings.

** 5% and above of issued holdings.

[^] Excludes 4,908 shares retained as treasury shares as at 1 March 2022.

ANALYSIS OF EQUITY STRUCTURE

(AS PER THE RECORD OF DEPOSITORS)

Category of Shareholders	No. of Holders			No. of Shares			% Malaysian		
	Malaysian			Malaysian			Bumi-	Non-	Non-
	Bumiputra	Bumiputra	Foreign	Bumiputra	Bumiputra	Foreign	putra	Bumi-	Foreign
1) Individual	8,269	52,376	928	22,900,259	337,316,760	14,949,348	0.22	3.30	0.15
2) Body Corporate									
A) Banks/Finance Companies	72	6	0	1,953,596,422	1,862,860	0	19.11	0.02	0.00
B) Investments Trusts/ Foundation/ Charities	0	7	0	0	500,091	0	0.00	0.00	0.00
C) Other Types of Companies	58	572	28	2,608,321,407	80,547,409	27,655,937	25.52	0.79	0.27
3) Government Agencies/ Institutions	4	0	0	30,062,003	0	0	0.30	0.00	0.00
4) Nominees	11,213	4,871	1,603	255,689,377	2,363,131,452	2,524,918,350	2.50	23.12	24.70
5) Trustee	0	0	0	0	0	0	0.00	0.00	0.00
6) Others	0	0	0	0	0	0	0.00	0.00	0.00
	19,616	57,832	2,559	4,870,569,468	2,783,358,572	2,567,523,635	47.65	27.23	25.12
Grand Total	80,007			10,221,451,675			100.00		

DIRECTORS' SHAREHOLDINGS

(AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

	No. of Shares Held			
	Direct Interest	%*1	Deemed Interest	%*1
Dato' Lee Kok Kwan	1,249,167	0.01	90,805	—*2
Didi Syafruddin Yahya	—	—	46,791	—*2

Notes:

*1 Excludes 4,908 shares retained as treasury shares as at 1 March 2022.

*2 Less than 0.01%.

SUBSTANTIAL SHAREHOLDERS

(AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDINGS)

Name of Substantial Shareholders	No. of Shares Held			
	Direct	%*1	Indirect	%*1
Khazanah Nasional Berhad	2,628,759,643	25.72	—	—
Employees Provident Fund	1,557,023,463*2	15.23*2	—	—
Kumpulan Wang Persaraan (Diperbadankan)	633,257,972	6.20	—	—

Notes:

*1 Excludes 4,908 shares retained as treasury shares as at 1 March 2022.

*2 Includes shares held through nominees.

30 LARGEST SHAREHOLDERS

(AS PER REGISTER OF MEMBERS AND RECORDS OF DEPOSITORS)

Name of Shareholders	No. of Shares Held	% of Issued Capital*1
1. Khazanah Nasional Berhad	2,628,759,643	25.72
2. Citigroup Nominees (Tempatan) Sdn Bhd <i>Employees Provident Fund Board</i>	1,397,908,064	13.68
3. Kumpulan Wang Persaraan (DiPerbadankan)	633,257,972	6.20
4. AmanahRaya Trustees Berhad <i>Amanah Saham Bumiputera</i>	483,995,262	4.74
5. AmanahRaya Trustees Berhad <i>Amanah Saham Malaysia 2- Wawasan</i>	223,614,587	2.19
6. AmanahRaya Trustees Berhad <i>Amanah Saham Malaysia</i>	174,825,338	1.71
7. Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt AN For AIA Bhd</i>	142,995,375	1.40
8. Cartaban Nominees (Tempatan) Sdn Bhd <i>PAMB For Prulink Equity Fund</i>	123,076,251	1.20
9. Cartaban Nominees (Asing) Sdn Bhd <i>Exempt an for State Street Bank & Trust Company (West CLT OD67)</i>	122,578,112	1.20

SHAREHOLDERS' STATISTICS

Name of Shareholders	No. of Shares Held	% of Issued Capital ^{*1}
10. Citigroup Nominees (Tempatan) Sdn Bhd <i>Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)</i>	109,573,445	1.07
11. AmanahRaya Trustees Berhad <i>Amanah Saham Bumiputera 2</i>	102,367,985	1.00
12. HSBC Nominees (Asing) Sdn Bhd <i>JPMCB NA For Vanguard Emerging International Stock Index Fund</i>	99,081,808	0.97
13. HSBC Nominees (Asing) Sdn Bhd <i>JPMCB NA For Vanguard Total International Stock Index Fund</i>	90,796,223	0.89
14. AmanahRaya Trustees Berhad <i>Amanah Saham Malaysia 3</i>	77,141,233	0.75
15. HSBC Nominees (Asing) Sdn Bhd <i>JPMCB NA For T. Rowe Price International Funds, Inc. – T.Rowe Price Emerging Markets Discovery Stock Fund</i>	74,574,591	0.73
16. HSBC Nominees (Asing) Sdn Bhd <i>JPMCB NA For T.Rowe Price Emerging Markets Discovery Stock Trust</i>	72,869,826	0.71
17. Cartaban Nominees (Asing) Sdn Bhd <i>GIC Private Limited for Government of Singapore (C)</i>	63,243,989	0.62
18. Citigroup Nominees (Tempatan) Sdn Bhd <i>Employees Provident Fund Board (NOMURA)</i>	59,655,951	0.58
19. Permodalan Nasional Berhad	55,601,055	0.54
20. HSBC Nominees (Asing) Sdn Bhd <i>HSBC BK PLC For the Prudential Assurance Company Limited</i>	52,365,653	0.51
21. HSBC Nominees (Asing) Sdn Bhd <i>HSBC BK PLC for Saudi Central Bank</i>	48,635,522	0.48
22. DB (Malaysia) Nominee (Asing) Sdn Bhd <i>BNYM SA/NV for People's Bank of China (SICL Asia EM)</i>	45,157,103	0.44
23. Citigroup Nominees (Asing) Sdn Bhd <i>CBNY for Norges Bank (FI 17)</i>	38,527,058	0.38
24. Maybank Nominees (Tempatan) Sdn Bhd <i>Maybank Trustees Berhad For Public Regular Savings Fund (N14011940100)</i>	38,082,573	0.37
25. Citigroup Nominees (Tempatan) Sdn Bhd <i>Great Eastern Life Assurance (Malaysia) Berhad (PAR 3)</i>	37,823,595	0.37
26. Cartaban Nominees (Asing) Sdn Bhd <i>SSBT Fund ACDZ for Emerging Markets Fund (AM CEN WRLD MF)</i>	36,255,100	0.35
27. HSBC Nominees (Asing) Sdn Bhd <i>JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II</i>	36,063,200	0.35
28. HSBC Nominees (Asing) Sdn Bhd <i>JPMCB NA For Blackrock Institutional Trust Company, N.A. Investment Funds for Employee Benefit Trusts</i>	35,599,235	0.35
29. Cartaban Nominees (Asing) Sdn Bhd <i>SSBT Fund SWV4 for California Public Employees Retirement System</i>	32,862,819	0.32
30. Citigroup Nominees (Asing) Sdn Bhd <i>Exempt AN for CITIBANK New York (Norges Bank 19)</i>	30,446,383	0.30
Total	7,167,734,951	70.12

Note:^{*1} Excludes 4,908 shares retained as treasury shares as at 1 March 2022

INTERNAL POLICIES, PROCEDURES AND GUIDELINES

Policies are formulated to govern standard day-to-day operations and to manage the expected risks of CIMB Group. As such, the Group's policies are developed from the baseline of current regulatory requirements and industry best practices to govern the business and operations of the Group.

The policies of our business units have been documented, endorsed by the Group Risk & Compliance Committee (GRCC) or its sub-committee(s) and approved by our Board or Board Risk & Compliance Committee for implementation across our Group, where relevant. Operational procedures are approved by Group Policy & Procedure Oversight Committee (GPOC) for implementation. Approved policies and procedures are timely disseminated to stakeholders. Reviews and updates are performed regularly on approved policies, procedures and guidelines. This is done with the intent to ensure continuous improvements in operational efficiency while taking into consideration the changing industry profile on regulatory requirements, risks and internal control measures for mitigation, and new products and services.

Listed below are some of the Group's key policies and procedures:

No. Title	Description
1. a) Group Administration & Property Management Malaysia Policy b) Group Administration & Property Management Malaysia Procedure	These documents relate to the administrative operations of the Group and covers the operational policies governing procurement, property, maintenance services, security services, logistics, telecommunications, insurance and occupational safety and health administration.
2. a) Accounting Policy b) Group Finance – Business Finance Advisory & Financial Reporting Standards Procedures c) Accounting Procedure – Hedge Accounting	These documents define the accounting concepts and policies that are consistent with Malaysia Financial Reporting Standards and Generally Accepted Accounting Practices.
3. a) Group Outsourcing Policy b) Group Outsourcing Procedure	These documents set out how outsourcing arrangements in the Group is managed across the lifecycle of the arrangement to ensure proper controls in place in managing outsourcing risk.
4. a) Business Continuity Management Policy b) Business Continuity Management Procedure	These documents define the minimum Business Continuity Management (BCM) requirements for developing, implementing and testing to ensure that BCM arrangements continue to meet the needs of CIMB Group in the event of a crisis.
5. Group Corporate Communications	This document sets out the framework for the dissemination of information by the Group to its shareholders, media and other stakeholders. Information given by the Group to the general public shall always be timely, accurate, relevant and reliable so as to enable a properly informed view of how the Group is governed, its financial and operational performances, future prospects and key corporate developments.
6. Group Crisis Communications Guidelines	Crises affect organisations in varying degrees and frequency. The challenge for the affected organisation is to manage these crises well in order to get back to the business of running the organisation as quickly as possible. CIMB Group has a Crisis Communications Guide to aid effective response and communication with affected stakeholders in a timely and consistent manner. It defines crisis, crisis classification, escalation procedures, and the establishment of a crisis communication management team and centre.
7. a) Group Data Management Policy Manual b) Group Data Management Procedure	These policies and procedures enable a structured approach to the management of data and dissemination of information throughout CIMB Group. The manual spells out the data governance and management information system frameworks.

INTERNAL POLICIES, PROCEDURES AND GUIDELINES

No. Title	Description
8. a) Group Anti-Money Laundering/ Counter Financing of Terrorism Policy b) Group Anti-Money Laundering/ Counter-Financing of Terrorism Procedure	CIMB Group places importance on, and is committed to establishing an effective internal control system for AML/CFT in compliance with all related laws, regulations, guidelines and industry best practices. The Group AML/CFT policies encompasses all reporting institutions of CIMB Group, to ensure consistency in managing the AML/CFT compliance. The manual governs the appointment of anti-money laundering compliance officers, the monitoring and reporting of suspicious transactions, sanction management, record retention, employee training, risk and status reporting to Board and Senior Management and an independent audit of the internal AML/CFT measures.
9. Recruitment Policy	This document sets out the minimum requirements to ensure that a standard and professional approach is adopted to assist the Group in talent acquisition through proper sourcing, selection and appointment, from the date the position becomes available or vacant to the date the position is filled.
10. Risk Management of Travel Policy	This document addresses flight travel for staff in order to minimise the potential risks to CIMB Group in terms of continuity of leadership and operations. The policies cover senior management, staff at department levels and staff in general.
11. Policy & Procedure on Fit and Proper Criteria For Key Responsible Persons	This document sets out the procedures on Fit and Proper assessment for key responsible persons who are accountable or responsible for the management and oversight of the entities in the Group regulated by Financial Services Act 2013, Islamic Financial Services Act 2013 and Insurance Act 1996. These comprise Directors, members of the Shariah Committee, Chief Executive Officers/Executive Directors, any person performing a senior management function who has the primary or significant responsibility for the management and performance of significant business activities; and any person who has primary or significant responsibility of key control functions.
12. Staff Rejuvenation Programme	This document sets out the rules and guidelines to allow staff to take a break from work without any loss in service or disadvantage in career progression.
13. HR Policy on Staff Volunteerism	This document sets out the rules and guidelines to encourage staff to volunteer for CSR activities funded by CIMB Foundation. The policies provide recognition of time spent by staff on CSR activities. This is part of CIMB Group's effort to enhance community projects by contributing expertise, energy, enthusiasm and efforts of staff.
14. Staff Welfare Fund	The Staff Welfare Fund is established to provide financial assistance to our staff and their family members to cope with high medical expenses, as a result of being involved in an accident or due to serious illness. The fund is also used to assist in loss/damage of property due to natural disasters e.g. fire/flood.
15. Sexual Harassment Policy & Guidelines	These documents set out the policies and guidelines to maintain a working environment which is free of sexual coercion and annoyance. CIMB Group is committed to ensure that all employees are protected from harassment of any kind and in particular from sexual harassment. The policy covers all CIMB Group employees including contract and temporary employees.
16. Whistle Blowing Policy	This document is in place to ensure CIMB Group has a disciplined and professional workforce. Under this policy, employees are required to promptly report incident of wrongdoings, malpractices or irregularities at their workplace to the Management for immediate rectification and action and the Management is committed to ensure strict confidentiality and will not only protect the identity of the complainants and will also protect the complainant from any harassment and victimisation at work due to the disclosure.
17. Anti Bribery and Corruption Policy	This document sets out policy matters relating to the prevention of bribery and corruption, and sets out the responsibilities of Group employees and associated persons working for and on behalf of the Group, in observing and upholding the Group's position on anti-bribery and corruption.

No. Title	Description
25. a) Group Compliance Policies b) Group Compliance Procedures	These documents are to establish a compliance programme framework to ensure compliance with relevant laws, regulations, rules, related self-regulatory organisation standards, and codes of conduct applicable to its regulated and licenced activities that govern the overall working of the business and support units within CIMB Group.
26. a) Group Competition Law Policy b) Group Competition Law Procedure	The Malaysian Competition Act came into force in 2012 and has changed the business landscape in Malaysia and affected the way all Malaysian businesses operate. The Competition Law Manual provides an overview of the Competition Act and guides all business units within the Malaysian banking entities of CIMB Group to familiarise and understand the competition laws of Malaysia. It is a general guide on anti-competitive conduct, anti-competitive agreements and compliance reporting of any violations or breach of the Malaysian Competition Act.
27. Group Liquidity Risk Management Policy	This is the primary reference document on matters relating to the key principles for the management of liquidity risk across the banking entities within CIMB Group. The policy sets out key approaches and critical areas for an integrated liquidity risk management process including liquidity risk management strategies, Board and management oversight, roles and responsibilities of various divisions/departments, measurement methodologies, controls, monitoring and reporting procedures to ensure that the Group has sufficient liquidity to meet its obligations as they fall due. Group's contingency funding plan is in place to alert and to enable the management to act effectively and efficiently during a liquidity crisis and under adverse market conditions.
28. Group Reputation Risk Policy	The policy outlines how reputation risk should be managed holistically by identifying the sources of reputation risk, and monitoring and managing these within the defined risk appetite.
29. Group Credit Risk Policy (Non-Retail) (with Islamic addendum and Private Banking addendum)	These documents outline the broad credit/financing guiding principles that are applicable to CIMB Group's conventional and Islamic banking businesses, with the purpose of establishing discipline for orderly extension of credit/financing activities as well as ensuring consistency in credit risk management activities.
30. a) CIMB Group Personal Data Protection Policy b) CIMB Group Personal Data Protection Procedure	These documents outline the requirements of the Personal Data Protection Act 2010 (PDPA) and is intended to assist CIMB Group in meeting its statutory responsibilities as detailed in the PDPA. It serves as a general guide to the PDPA and CIMB Group's related processes and obligations to ensure that all staff within the relevant entities/divisions of the Group in Malaysia is familiar with, understand and comply with the personal data protection laws of Malaysia.
31. a) Group Shariah Review Policy b) Group Shariah Review Procedure	These documents define and explain the overall Shariah compliance review framework applicable to the Islamic banking and finance businesses of CIMB Group to ensure Shariah compliance and handle Shariah non-compliance events.
32. CIMB Group Enterprise-Wide Risk Management (EWRM) Framework	This describes the policies, methodologies/standards and procedures, and provides guidance to the risk management teams towards achieving a common platform and consistent approach to risk management across the Group; provides an overview of each identified risk to promote clear and accountable risk management processes; and facilitates readiness and compliance to Bank Negara Malaysia and other regulatory requirements.
33. Group Market Risk Policy	This policy prescribes a consistent Group-wide framework to manage market risk across all CIMB entities. It serves as a primary reference document for the Group in establishing a sound operating environment for market risk activities that is consistent with the governance and control standards of the Group Risk Appetite Statement.

INTERNAL POLICIES, PROCEDURES AND GUIDELINES

No. Title	Description
18. Global Employee Mobility Policy	This document sets out the terms, benefits and guidelines for CIMB employees deployed on regional secondments. This is part of CIMB Group's effort to encourage movement of talent across borders for business and/or talent development purposes.
19. a) Group Conflict Management & Chinese Wall Policy b) Group Conflict Management & Chinese Wall Procedure	These documents consolidated the Group Chinese Walls Policy and Procedures and the Group Conflict Management Policy and Procedures. The revised policy is to prescribe standards, outline the requirements and provide guidance to ensure processes and controls are in place in order to identify and manage any conflict or when potential conflict of interest situation arises. The Personal Account Dealing (PAD) sections that were previously provided by the Group Conflict Management Policy and Procedures remain valid until the new standalone PAD Policy and Procedures is approved.
20. a) Shariah Advisory and Board Shariah Committee Secretariat Policy b) Shariah Advisory and Board Shariah Committee Secretariat Procedure	These documents define and explain the overall framework applicable to the Islamic businesses of CIMB Group so that they can be conducted in the most effective manner and in line with the Shariah and the regulations of Bank Negara Malaysia (BNM), Securities Commission (SC), the rulings of both Shariah Advisory Councils of BNM and SC (SAC) and the rulings of Group Shariah Committee. Wherever appropriate, reference will also be made to the Shariah rulings issued by the Shariah authorities in other jurisdictions such as Dewan Shariah Nasional, Majelis Ulama Indonesia (DSN-MUI), the Shariah Committee at Authoriti Monetari Brunei Darussalam etc. based on the jurisdictional and locality requirements applicable to regional Islamic businesses of CIMB Group.
21. a) Group T&M – General Policy b) Group T&M – General Procedure	These documents define the policies and procedures on activities carried out by Treasury & Markets department in relation to the Group's markets, sales and trading businesses in interest rates, credit, foreign exchange, commodities, equities and their derivatives, debt capital markets, fixed income investments, and treasury and funding operations for the Group.
22. a) Group Fraud Risk Policy b) Group Fraud Risk Governance and Procedure	These documents outline the commitment of CIMB Group to uphold zero-tolerance approach to fraudulent activities and aim to provide the policies to develop controls that will aid in the prevention, detection and investigation of fraud against CIMB Group, thereby establishing an integrated and robust Group Fraud Risk Management framework in the organisation.
23. a) IT Infrastructure and Service Policy b) Disaster Recover Policy c) IT General Control Policy d) Information Security Policy (E-Banking, Digital & Internet Application Policy + Cyber Security Policy + Information Security Policy) e) Group System Development Policy f) End User Computing Policy (Desktop & Mobility) g) Bring Your Own Device (BYOD) Policy h) IT Service Management Policy i) IT Project Management Policy	These documents govern all aspects of information technology within the Group and provides Management with direction and support in accordance with relevant laws, regulations and business requirements. It is designed to increase adherence to regulatory and internal requirements and ensures consistency in the Group's standards of operations and practices whilst at the same time facilitating sharing of information across the Group and improved controls across the Group when managing information technology. These are global best practices and in accordance with global standards such as COBIT, ITIL, CMMI, ISO etc. This document has been standardised across the Region to facilitate a Regional Operating Model.
24. a) Technology Risk Management Policy b) Technology Risk Management Procedure	These documents provide a consistent and unified approach for developing, managing and improving technology (including Cyber) risk management within the Group's business operations. It is a systematic approach to identify, analyse, evaluate, treat, monitor and communicate technology risks associated with any activity, function or process, thereby protecting the Group by minimising its losses.

No. Title	Description
34. Group Operational Risk Management Policy	This policy sets out the Group's approach in managing operational risk. The policy sets out the tools used by the first line-of-defence to identify, assess, manage and report their operational risks.
35. Group Interest Rate Risk/Rate of Return in the Banking Book Policy	This is the primary reference document on the key principles for the management of interest rate risk in the banking book across the banking entities within CIMB Group. This policy sets out key approaches and critical areas for an integrated management of the interest rate risk in the banking book including Board and management oversight, roles and responsibilities of divisions/departments, measurement methodologies, controls, monitoring and reporting procedures to ensure that the interest rate risk arising from the Group operations is properly identified, measured, monitored and managed over a range of potential changing interest rate environments including stress conditions.
36. a) CIMB Group Shariah Risk Management Policy b) CIMB Group Shariah Risk Management Procedures	a) This document articulates the objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by the Group in managing Shariah Non-Compliance (SNC) risk. b) This document provides the explanation/illustration that could facilitate the Group in identifying, assessing, controlling and monitoring SNC risk inherent in its Islamic products and day-to-day activities.
37. Group New Product Approval Procedure	This procedure sets out the Group's approach for the management and control of risk associated with the development and offering of new products. The objective of New Product Approval Procedure is to provide a consistent and structured approach on the risk management of new products and variations to existing products.
38. Group Retail Credit Policy	This policy serves as an overarching group policy governing all credit aspects of Retail Lending/Financing business. It contains high level key risk principles, risk philosophy statements and credit underwriting standards taking into consideration best market practices and aims to provide both transparency and consistency in standardising our assessment, identification, measurement, monitoring, reporting and controlling of retail credit risk across the Group.
39. Group Internal Capital Adequacy Assessment Process (ICAAP) Policy	This policy describes the policies aspects of ICAAP for all entities within CIMB Group. It ensures adequate policies are in place for efficient and proper conduct of ICAAP across various divisions within the Group. The policy also sets out the key ICAAP requirements which include assessing the risk profile of the bank, assessing capital adequacy, monitoring compliance with regulatory requirement on capital adequacy, reporting to management and regulator on ICAAP and ICAAP governance and independent review.
40. a) Group Delegated Authority Policy b) Group Delegated Authority Procedure	These documents set out the nature and extent of the authority formally delegated from the CIMB Group Holdings Berhad's Board of Directors. The contents cover both financial approval and document execution. This policy does not apply to delegated credit and human resource authorities which are covered separately by the respective Divisions' policies.
41. Group Corporate Assurance Policy	This document sets out the policies governing GCAD in order to deliver an efficient and effective internal audit service (including investigation) in congruence with the goals of the CIMB Group of Companies.

INTERNAL POLICIES, PROCEDURES AND GUIDELINES

No. Title	Description
42. a) Group Entity Governance Policy b) Group Entity Governance Procedure	<p>These documents are developed to put in place the minimum governance requirements for entities across the Group in terms of:</p> <ul style="list-style-type: none"> • Directors' and Responsible Officers' requirements, roles and responsibilities • Management accountability • Committee structure and oversight • Adherence to Group Policies and Procedures • Inter-entity Service Level Agreements • Adherence to the Group Financial Booking Governance • Financial Delegation of Authority <p>The Policy sets out how subsidiaries, joint-venture entities, associates and the like are governed by its parent and the apex entity, through (i) how the entities communicate with each other and (ii) the implementation of controls that are dependent on the entities' categorisation.</p>
43. a) Group Customer Experience Management – Complaints Handling Policy Manual b) Group Customer Experience Management – Complaints Handling Procedure Manual	<p>These documents set out the standard framework and mechanism when dealing with customers' complaints regionally in accordance with regulatory and CIMB Group standards. This is to ensure prompt and constructive responses are given to Customer which in turn will build customer loyalty and confidence towards CIMB Group.</p>
44. a) CIMB Group Customer Exit Handling Policy b) CIMB Group Customer Exit Handling Procedure	<p>These documents provide a common customer exit handling standards which are to be adhered to by all relevant business units and/or departments within CIMB Group entities, in order to effectively safeguard the reputation of the franchise and to mitigate associated negative impacts.</p>
45. a) Group Customer Experience Management – Treating Customers Fairly Policy Manual b) Group Customer Experience Management – Treating Customers Fairly Procedure Manual	<p>These documents are established in line with BNM's Market Conduct and Consumer Empowerment standards. It aims to inculcate the Treating Customers Fairly principles into the corporate culture of CIMB Group.</p> <p>It states the guidelines to be applied in managing and working towards fair treatment of customers and sets out the principles to ensure CIMB Group of employees comply with internal Treating Customers Fairly requirements.</p>
46. a) Disclosure of Customer Information to Law Enforcement Agency Policy Manual b) Disclosure of Customer Information to Law Enforcement Agency Procedure Manual	<p>These documents describe the broad principles on disclosure of customer documents or information to law enforcement agency(ies) with the purpose to facilitate the investigation or prosecution by law enforcement agency(ies). It is established to provide a clear guidance on the circumstances that a disclosure of customer documents or information is permitted and the method of such disclosure is to be released to the Law Enforcement Agency. This is to ensure compliance with the guidelines issued by BNM on disclosure of customer information.</p>
47. Group Sustainability Policy (GSP)	<p>This document outlines our overarching principles and approach to sustainability, including sustainability risks.</p>
48. Group Sustainable Financing Policy (GSFP)	<p>This document identifies, assesses, manages and mitigates risks arising from financing and capital raising activities of our non-individual clients, especially pertinent in sectors that are most vulnerable to environmental and social risks. 28 economic activities in six sectors have been identified to have high environmental and social risk, and Sector Guides are in place for palm oil, forestry, oil & gas, construction & real estate (including infrastructure) and coal. A structured due diligence and escalation is in place for clients and transactions identified to have high sustainability risk.</p>

TOP 10 PROPERTIES OF CIMB GROUP

Location	Description/Existing Use	Tenure/ Date of Expiry	Remaining Lease (years)	Age of Property (years)	Net Book Value* (MYR)	Year of Acquisition	Date of Revaluation
MENARA CIMB 1 Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia	40 storey office building with 6 storey of basement car park. Building majority occupied by CIMB Group of companies with partial lower zone leased out to 3rd party.	Freehold	n/a	7	670,000,000	2015	Dec-21
CIMBTHAI Langsuan Building 44 Langsuan Road, Lumpini Patumwan, Bangkok 10330	25 storey office building with 1 basement level. Premises occupied by CIMB Thai Bank (Head Office Branch), CIMB Thai Bank's division offices and subsidiary company offices.	Freehold	n/a	22	300,153,345	1999	Sep-16
WISMA CIMB No. 11, Jalan 4/83A Off Jalan Pantai Baru 59200 Kuala Lumpur	7 storey office building together with 3 levels of basement car park. Building majority occupied by CIMB Bank with Ground floor leased out to 3rd party.	Freehold	n/a	14	117,393,701	2018	Aug-17
Menara Sentraya Lt. 28, 29, 30, 31, 32 Jl. Iskandarsyah No. 2, Melawai Blok M Jakarta Selatan	41 storey office building, CIMB Niaga owned 5 storey.	Freehold	n/a	5	111,441,667	2015	May-19
Wisma CIMB Niaga Jl. Gatot Subroto No. 2, Bandung	11 storey office building used as CIMB Niaga Head Office and some floors are rented to 3rd party.	Leasehold expiring on 6 December 2023	2	31	71,497,182	2001	May-19
Jl. Gajah Mada 18 Jakarta Pusat	3 storey office building used as CIMB Niaga Head Office and Branch.	Leasehold expiring on 17 January 2036	15	31	52,039,981	2006	May-19
CIMB Niaga Lippo Cikarang Jl. MH Thamrin Lippo Cikarang	8 storey office building used as CIMB Niaga Head Office and some floors are rented to 3rd party.	Leasehold expiring on 5 May 2023	2	29	50,451,972	2012	May-19
Synergy Building Jl. Sutera Barat Kav 17 Alam Sutera, Serpong Tangerang, Banten	20 storey office building, CIMB Niaga owned 7 Floors (GF, UG, 1st, 2nd, 3rd, 5th, 6th), used as CIMB Niaga Branch and Head Office business support.	Leasehold expiring on 3 April 2024	3	10	35,468,147	2014	May-19
Puri Indah Financial Tower Lt. 21, 23, 25 & 26 Jl. Puri Linggar Dalam Blok T8, Kembangan Jakarta Barat	29 storey office building, CIMB Niaga owned 4 Floors (21st, 23rd, 25th & 26th), used as CIMB Niaga Head office.	Freehold	n/a	-	33,073,310	2020	May-19
CIMB Niaga Kebon Sirih Jl. Kebon Sirih 33 Jakarta Pusat	CIMB Niaga Branch premises.	Leasehold expiring on 22 August 2031	10	37	32,732,330	2003	May-19

CORPORATE INFORMATION

as at 1 March 2022

BOARD OF DIRECTORS

Datuk Mohd Nasir Ahmad
Chairperson/Independent Director

Dato' Abdul Rahman Ahmad
Group Chief Executive Officer/
Executive Director

Teoh Su Yin
Senior Independent Director

Robert Neil Coombe
Independent Director

Dato' Mohamed Ross Mohd Din
Independent Director

Dato' Lee Kok Kwan
Non-Independent Director

Afzal Abdul Rahim
Independent Director

Didi Syafruddin Yahya
Independent Director

Shulamite N K Khoo
Independent Director

Serena Tan Mei Shwen
Non-Independent Director

GROUP COMPANY SECRETARY

Datin Rossaya Mohd Nashir
LS 0007591/PC No. 202008000361

AUDIT COMMITTEE

Dato' Mohamed Ross Mohd Din
Chairperson/Independent Director

Didi Syafruddin Yahya
Member/Independent Director
(Appointed as Member on 1 November 2021)

Teoh Su Yin
Member/Senior Independent Director

Datuk Mohd Nasir Ahmad
Member/Independent Director
(Resigned as Member on 1 November 2021)

BOARD RISK AND COMPLIANCE COMMITTEE

Didi Syafruddin Yahya
Chairperson/Independent Director
(Appointed as Chairperson on 1 April 2021)

Datuk Mohd Nasir Ahmad
Member/Independent Director

Dato' Mohamed Ross Mohd Din
Member/Independent Director

Dato' Lee Kok Kwan
Member/Non-Independent Director

Serena Tan Mei Shwen
Member/Non-Independent Director

Robert Neil Coombe
Chairperson/Independent Director
(Resigned as Chairperson on 1 April 2021)

Teoh Su Yin
Member/Senior Independent Director
(Resigned as Member on 30 September 2021)

GROUP NOMINATION AND REMUNERATION COMMITTEE

Teoh Su Yin
Chairperson/Senior Independent Director

Dato' Mohamed Ross Mohd Din
Member/Independent Director

Didi Syafruddin Yahya
Member/Independent Director

Shulamite N K Khoo
Member/Independent Director

Serena Tan Mei Shwen
Member/Non-Independent Director

Afzal Abdul Rahim
Member/Independent Director
(Appointed as Member on 1 September 2021)

Robert Neil Coombe
Member/Independent Director
(Resigned as Member on 1 April 2021)

Datuk Mohd Nasir Ahmad
Member/Independent Director
(Resigned as Member on 1 November 2021)

GROUP SUSTAINABILITY AND GOVERNANCE COMMITTEE

Teoh Su Yin
Chairperson/Senior Independent Director

Datuk Mohd Nasir Ahmad
Independent Director

Robert Neil Coombe
Independent Director

Shulamite N K Khoo
Independent Director

Didi Syafruddin Yahya
Independent Director

GROUP SHARIAH COMMITTEE

Dr. Shafaai Musa

Chairperson/Independent Member

Sheikh Professor Dr. Yousef Abdullah

Al Shubaily

Independent Member

Associate Professor Dr Aishath Muneeza

Independent Member

Ahmed Baqar Rehman

Independent Member

Dr Ahmad Sufian Che Abdullah

Independent Member

Associate Professor Dr Muhammed Fairooz Abdul Khir

Independent Member

REGISTERED OFFICE

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur, Malaysia

Tel: 603-2261 8888

Fax: 603-2261 0099

Website: www.cimb.com

Investor Relations: ir@cimb.com

Senior Independent Director:
cimbSID@cimb.com

Social media:
www.facebook.com/CIMBMalaysia
www.twitter.com/CIMB_Assists
www.instagram.com/cimbmalaysia/
www.linkedin.com/company/cimb

REGISTRAR

Boardroom Share Registrars Sdn Bhd

(199601006647 (378993-D))

11th Floor Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor, Malaysia

Helpdesk: 603-7890 4700

Fax: 603-7890 4670

E-mail address:
info.my@boardroomlimited.com

AUDITORS

PricewaterhouseCoopers PLT

(LLP0014401-LCA & AF 1146)

Chartered Accountants

Level 10, 1 Sentral, Jalan Rakyat

Kuala Lumpur Sentral

PO Box 10192

50706 Kuala Lumpur, Malaysia

Tel: 603-2173 1188

Fax: 603-2173 1298

STOCK EXCHANGE LISTING

Listed on Main Market of Bursa Malaysia Securities Berhad since 3 November 1987

Stock Code: 1023

GROUP MANAGEMENT

Dato' Abdul Rahman Ahmad

Group Chief Executive Officer/
Executive Director, CIMB;
Country Head, Malaysia;
Chief Executive Officer/Executive Director,
CIMB Bank Berhad; and
Acting Chief Executive Officer,
Group Wholesale Banking

Lani Darmawan

Country Head, Indonesia; and
President Director & Chief Executive
Officer, PT Bank CIMB Niaga Tbk

Paul Wong Chee Kin

Country Head, Thailand; and
President & Chief Executive Officer,
CIMB Thai Bank PCL

Victor Lee Meng Teck

Country Head, Singapore;
Chief Executive Officer,
CIMB Bank, Singapore; and
Chief Executive Officer,
Group Commercial Banking

Samir Gupta

Chief Executive Officer,
Group Consumer Banking

Rafe Haneef

Chief Executive Officer,
Group Transaction Banking; and
Chief Executive Officer, CIMB Foundation

Effendy Shahul Hamid

Chief Executive Officer,
CIMB Digital Assets; and
Group Chief Executive Officer,
Touch 'n Go Group

Ahmad Shahriman Mohd Shariff

Chief Executive Officer/Executive Director,
CIMB Islamic Bank; and
Chief Executive Officer,
Group Islamic Banking

Khairul Rifaie

Group Chief Financial Officer

Gurdip Singh Sidhu

Group Chief People Officer; and
Group Chief Sustainability Officer

Haniz Nazlan

Group Chief Strategy Officer

Vera Handajani

Group Chief Risk Officer

Kwan Keen Yew

Group Chief Legal & Compliance Officer;
and Group Chief Integrity & Governance
Officer

Amran Mohamad

Group Chief Internal Auditor

GROUP CORPORATE DIRECTORY 2021

CIMB Group Holdings Berhad

Level 13, Menara CIMB
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CIMB Bank Berhad

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CIMB Investment Bank Berhad

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PT Bank CIMB Niaga Tbk

Graha CIMB Niaga
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CIMB Thai Bank Public Company Limited

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CIMB Bank PLC

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Sangkat Phsar Chas
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CIMB Bank Berhad LONDON BRANCH

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CIMB Bank Berhad

HONG KONG BRANCH

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CIMB Bank Berhad PHILIPPINES BRANCH

28th Floor, ORE Central Building
9th Avenue Corner 31st Street
Bonifacio Global City, Taguig
1634 Philippines
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CIMB Bank (L) Limited

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Bandar Seri Begawan BS8111
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**CIMB Thai Bank Plc
VIENTIANE BRANCH**

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Vientiane, Lao Pdr
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Touch 'n Go Sdn. Bhd.

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CIMB Commerce Trustees Berhad

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iCIMB (Malaysia) Sdn. Bhd.

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Fax : 603 2602 0119
Website : www.cgs-cimb.com.my

CGS-CIMB Securities International

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Fax : 603 2084 8899
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Principal Islamic Asset Management Sdn. Bhd.

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**CIMB Bank Berhad
YANGON REPRESENTATIVE OFFICE**

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Website : www.cimb.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 65th Annual General Meeting ("AGM") of CIMB Group Holdings Berhad ("CIMB" or "the Company") will be held fully virtual at the broadcast venue at Level 31, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Thursday, 21 April 2022 at 10.00 a.m. to transact the following businesses, with or without modifications:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 and the Reports of the Directors and Auditors thereon.
Please refer to Explanatory Note 7
2. To re-elect the following Directors who retire pursuant to Article 81 of the Company's Constitution:
 - 2.1 Ms. Teoh Su Yin
 - 2.2 Dato' Lee Kok Kwan
 - 2.3 Dato' Mohamed Ross Mohd Din
 Please refer to Explanatory Note 8
3. To approve the payment of Non-Executive Directors' fees with effect from the 65th AGM until the next AGM of the Company, as follows:

	Retainer Fee - per annum (RM)	Chairperson's Premium - per annum (RM)
Board		
– Chairperson	170,000	510,000
– Member	170,000	N/A
Board Committee		
– Chairperson	N/A	100,000
– Member	N/A	N/A

Please refer to Explanatory Note 9

4. To approve the payment of allowances and benefits payable to Non-Executive Directors of the Company up to an amount of RM3,895,000 from the 65th AGM until the next AGM of the Company.
Please refer to Explanatory Note 9
5. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Board of Directors to fix their remuneration.
Please refer to Explanatory Note 10

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:

6. Proposed Renewal of the Authority for Directors to Allot and Issue Shares.

'THAT pursuant to Section 76 of the Companies Act, 2016, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being **AND THAT** the Directors be and are hereby given full authority to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held in accordance with the provisions of the Companies Act, 2016, whichever is the earlier."

Please refer to Explanatory Note 11

Ordinary Resolution 7

7. Proposed Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares in the Company (CIMB Shares) in Relation to the Dividend Reinvestment Scheme that provides the Shareholders of the Company with the Option to Elect to Reinvest Their Cash Dividend Entitlements in New Ordinary Shares in the Company (DRS).

'THAT pursuant to the DRS approved at the Extraordinary General Meeting held on 25 February 2013 and renewed at the Annual General Meeting held on 15 April 2021, approval be and is hereby given to the Company to allot and issue such number of new CIMB Shares for the DRS until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new CIMB Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted 5-day volume weighted average market price (VWAMP) of CIMB Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of CIMB Shares at the material time;

Ordinary Resolution 8

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company."

Please refer to Explanatory Note 12

NOTICE OF ANNUAL GENERAL MEETING

8. Proposed Renewal of the Authority to Purchase Own Shares.

"**THAT** subject to the Companies Act, 2016 (as may be amended, modified or re-enacted from time to time), the Company's Constitution and the requirements of the Bursa Malaysia Securities Berhad (Bursa Securities) and approvals of all the relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (Proposed Shares Buy-Back) as may be determined by the Board of Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time and an amount not exceeding the total retained earnings of approximately RM267.4 million based on the Audited Financial Statements for the financial year ended 31 December 2021 be allocated by the Company for the Proposed Shares Buy-Back **AND THAT** the ordinary shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or retained as treasury shares and cancel the remainder of the shares **AND THAT** where such shares are held as treasury shares, the Directors of the Company may distribute the shares as dividends, re-sold on Bursa Securities, transfer the shares under the employees' share scheme or as purchase consideration or otherwise use the shares for such other purposes as the Minister may by order prescribe **AND THAT** the Board of Directors of the Company be and is hereby given full authority generally to do all acts and things to give effect to the Proposed Shares Buy-Back with the full power to assent to any conditions, modifications, revaluations and/or amendments (if any) as may be imposed by the relevant authority with full power to do all such acts and things thereafter on any part of the shares bought back in accordance with the Companies Act, 2016, Company's Constitution, Main Market Listing Requirements of Bursa Securities and any other rules and regulations that may be in force from time to time **AND THAT** such authority shall commence immediately upon passing of this ordinary resolution until:

- i. the conclusion of the next Annual General Meeting of the Company in 2023 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- ii. the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- iii. revoked or varied by an ordinary resolution passed by the Shareholders of the Company in a general meeting;

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by the Bursa Securities and/or any other relevant authorities."

Please refer to Explanatory Note 13

9. To transact any other business of which due notice shall have been duly given in accordance with the Companies Act, 2016.

Ordinary Resolution 9

BY ORDER OF THE BOARD

Datin Rossaya Mohd Nashir

Group Company Secretary
SSM PC No. 202008000361
LS 0007591

Kuala Lumpur
23 March 2022

EXPLANATORY NOTES

VIRTUAL AGM

- As part of the initiatives to curb the spread of COVID-19, the 65th AGM of the Company will be conducted entirely on virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting facilities which are available on Boardroom Share Registrars Sdn Bhd's website at Boardroom Smart Investor Online Portal at www.boardroomlimited.my. Please follow the procedures provided in the Administrative Details for the 65th AGM in order to register, participate and vote remotely.
- The venue of the 65th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The venue of the 65th AGM is to inform shareholders where the electronic AGM production and streaming would be conducted from. No shareholder(s)/proxy(ies) from the public will be physically present at the meeting venue.

PROXY

- Section 334 of the Companies Act, 2016 provides that a member of a company shall be entitled to appoint another person or persons as his/her proxy or proxies to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the company. A proxy may, but need not, be a Member of the Company. A Member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy. A member shall be entitled to appoint only one (1) proxy unless he/she has more than 1,000 shares in which case he/she may appoint up to five (5) proxies provided each proxy appointed shall represent at least 1,000 shares.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if such appointer is a corporation, under its Seal or the hand of its attorney.
- This instrument duly completed must be deposited at the Registrar's office at Boardroom Share Registrars Sdn. Bhd., 11th Floor Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, not less than twenty-four (24) hours before the time appointed for holding the meeting which is no later than 10.00 a.m. on Wednesday, 20 April 2022.
- Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of 65th AGM will be put to vote on a poll.

MEMBERS ENTITLED TO ATTEND

- For the purpose of determining a member who shall be entitled to attend the 65th AGM, the Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 59(c) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at 15 April 2022. Only a depositor whose name appears on the Record of Depositors as at 15 April 2022 shall be entitled to attend the said meeting or appoint proxies to attend, participate, speak and/or vote on his/her behalf.

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

- This Agenda item is meant for discussion only pursuant to the provisions of Section 340(1)(a) of the Companies Act, 2016 and will not be put forward for voting.

RE-ELECTION OF DIRECTORS

- Article 81 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at the AGM of the Company and be eligible for re-election. Three out of nine Directors are to retire in accordance with Article 81 of the Company's Constitution. The Shareholders' approval is sought under **Ordinary Resolutions 1, 2 and 3**.

The suitability of a Director as a Board member is in accordance with the Bank Negara Malaysia (BNM) Corporate Governance Policy Document and the Group's Fit and Proper Policies and Procedures for Key Responsible Persons. The Group Nomination and Remuneration Committee (GNRC) considered the following criteria in determining the eligibility of the Directors to stand for re-election at the 65th AGM:

- The Director's competency in specialised areas of practice and level of contribution to the Board through their knowledge, skills and expertise;
- The level of independence demonstrated by the Directors, and their ability to act in the best interest of the Company;
- Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and
- Financial integrity, where the Directors must manage their debts or financial affairs prudently.

The GNRC has also conducted an assessment on the independence of the Independent Directors seeking re-election at this AGM based on the criteria set by the Company and guided by the definition of "Independent Director" as prescribed by the Main Market Listing Requirements of Bursa Securities and BNM Corporate Governance Policy Document. The Board has assessed their time and commitment to effectively discharge their respective roles as Directors of the Company. The retiring Directors had abstained from any deliberation and decision on their own eligibility to stand for re-election at the relevant GNRC and Board meetings, where applicable. The Board is satisfied that the Directors seeking re-election have maintained their independence during the financial year ended 31 December 2021.

Section 54(2)(a) of the Financial Services Act 2013 (FSA) provides that the appointment, re-appointment, election or re-election as Chairman, Director or Chief Executive Officer of the Company are subject to approval by BNM. In this respect, BNM's approval for the tenures of the Directors seeking re-election is still effective under **Ordinary Resolutions 1, 2 and 3**.

The profiles of the Directors seeking re-election and re-appointment are set out in the Profile of Directors' section of the Company's Annual Report 2021.

NON-EXECUTIVE DIRECTORS FEES AND BENEFITS PAYABLE

- Section 230(1) of the Companies Act, 2016, provides amongst others, that "fees" of the directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, Shareholders' approval is sought for the payment of fees and benefits payable to the Non-Executive Directors, in 2 separate Resolutions:

- Ordinary Resolution 4:** To approve the payment of the Non-Executive Directors' fees with effect from the 65th AGM until the next AGM of the Company

NOTICE OF ANNUAL GENERAL MEETING

The Board of Directors is recommending the Directors' fees for the Company and its subsidiaries as approved at the previous AGM of the Company, for Shareholders' approval. There is no revision to the amount proposed.

<u>For the Company</u>		Retainer Fee – per annum (RM)	Chairperson's Premium – per annum (RM)
Board	– Chairperson	170,000	510,000
	– Member	170,000	N/A
Board Committee			
– Chairperson		N/A	100,000
– Member		N/A	N/A

<u>For Subsidiaries of the Company</u>			
Name	Position Held	Fee Type	Amount
Datuk Mohd Nasir Ahmad	CIMB Bank Berhad	<u>Fixed Fee:</u>	
	• Chairperson	Chairperson's premium – per annum	RM150,000
		Board Retainer Fee – per annum	RM150,000
Dato' Lee Kok Kwan	CIMB Bank (Cambodia) PLC	<u>Fixed Fee:</u>	
	• Chairperson	Board Retainer Fee – per annum	USD7,000
		Monthly Allowance	USD1,200
	• Audit Committee Member	Board Retainer Fee – per annum	USD4,500
Dato' Lee Kok Kwan	CIMB Bank Berhad	<u>Fixed Fee:</u>	
	• Director	Board Retainer Fee – per annum	RM150,000
Dato' Mohamed Ross Mohd Din	CIMB Islamic Bank Berhad	<u>Fixed Fee:</u>	
	• Chairperson	Chairperson's premium – per annum	RM140,000
		Board Retainer Fee – per annum	RM140,000
Encik Didi Syafruddin Yahya	CIMB Investment Bank Berhad	<u>Fixed Fee:</u>	
	• Director	Board Retainer Fee – per annum	RM140,000
Ms. Teoh Su Yin	PT Bank CIMB Niaga Tbk	<u>Fixed Fee:</u>	
	• Board of Commissioner	Retainer Fee – per annum	IDR1,302,000,000
Ms. Teoh Su Yin	CIMB Investment Bank Berhad	<u>Fixed Fee:</u>	
	• Chairperson	Chairperson's premium – per annum	RM140,000
		Board Retainer Fee – per annum	RM140,000

- (ii) **Ordinary Resolution 5:** To approve the payment of allowances and benefits payable to Non-Executive Directors of the Company up to an amount of RM3,895,000 from the 65th AGM until the next AGM of the Company.

The amount payable to Non-Executive Directors comprises allowances, benefits-in-kind and other emoluments payable to them by the Company and its subsidiaries, details of which are as follows:

<u>For the Company</u>		Meeting Allowance – per meeting (RM)	Benefits-in-kind
Board	– Chairperson	5,000	Club membership fees, driver, leave passage, company car, medical coverage and other claimable benefits
	– Member	5,000	Medical coverage and benefits that are claimable including reimbursable expenses incurred in the course of carrying out their duties as Directors
Board Committee	– Chairperson & Member	5,000	N/A

In determining the estimated amount of benefits payable for the Non-Executive Directors, various factors, including the number of scheduled meetings for the Board, Board Committees and Boards of subsidiaries as well as the number of Non-Executive Directors involved in these meetings were considered. The Board is hereby recommending up to an amount of RM3,895,000 as payment of allowances and benefits payable from the 65th AGM until the next AGM of the Company.

<u>For the Subsidiaries</u>			
Name	Position Held	Fee Type	Amount
Datuk Mohd Nasir Ahmad	CIMB Bank Berhad	<u>Variable Fee:</u>	
	• Chairperson	Meeting allowance – per meeting	RM5,000
Dato' Lee Kok Kwan	CIMB Bank (Cambodia) PLC	<u>Variable Fee:</u>	
	• Chairperson	Meeting allowance – per meeting	USD1,000
	• Audit Committee Member		USD600
Dato' Lee Kok Kwan	CIMB Bank Berhad	<u>Variable Fee:</u>	
	• Director	Meeting allowance – per meeting	RM5,000
	• Board Risk and Compliance Committee member		

Name	Position Held	Fee Type	Amount
Dato' Mohamed Ross Mohd Din	CIMB Islamic Bank Berhad	Variable Fee:	
	• Chairperson	Meeting allowance – per meeting	RM5,000
Encik Didi Syafruddin Yahya	CIMB Investment Bank Berhad	Variable Fee:	
	• Director	Meeting allowance – per meeting	RM5,000
	PT Bank CIMB Niaga Tbk	Variable Fee:	
	• President	Meeting allowance	
	Commissioner	– per meeting	IDR30,000,000
	• Risk Oversight Committee Member		
	• Nomination and Remuneration Committee Member		
Ms. Teoh Su Yin	CIMB Investment Bank Berhad	Variable Fee:	
	• Chairperson	Meeting allowance – per meeting	RM5,000

Subject to the shareholders' approval for Ordinary Resolutions 4 and 5, the payment for the fees and benefits for the period commencing from the 65th AGM until next AGM will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred. The Board is of the view that the payments to the Non-Executive Directors are just and equitable taking into account their roles and responsibilities towards the Group and the contribution and services they render to the Company and its subsidiaries.

In addition, the Directors and Officers of the Group and the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year for the Group and the Company amounted to RM1,481,872 (2020: RM1,069,623) and RM Nil (2020: RM Nil).

Please refer to the Notes to the Financial Statements for the amount of Directors' Remuneration at the Group and the Company, for the Financial Year Ended 2021 comprising fees and benefits of RM10.918 million and RM3.232 million, respectively. The remuneration of each Director is set out in the Corporate Governance Overview on page 132 of the Company's Annual Report 2021.

APPOINTMENT OF AUDITORS

- The Audit Committee (AC), at its meetings held on 6 December 2021, 31 January 2022, 4 March 2022 and via a Circular Resolution dated 11 March 2022 completed its annual assessment on the external auditors in accordance with CIMB's Guidelines for the Appointment/ Re-appointment of External Auditors. In its assessment, the AC considered several factors before recommending the re-appointment of the external auditors, as follows:
 - Level of knowledge, capabilities, experience and quality of previous work;
 - Level of engagement with the AC;
 - Ability to provide constructive observations, implications and recommendations in areas requiring improvements;

- (iv) Adequacy in audit coverage, effectiveness in planning and conduct of audit;
- (v) Ability to perform audit work within the agreed timeframe; and
- (vi) Non-audit services rendered by the external auditors did not impede independence; and
- (vii) The external auditors demonstrated unbiased stance when interpreting standards/policies adopted by the Company.

Being satisfied with Messrs. PricewaterhouseCoopers' (PwC) performance in 2021, their technical competency and audit independence as well as fulfillment of criteria as set out in CIMB's Guidelines for the Appointment/Re-appointment of External Auditors, the AC recommended the appointment of PwC as external auditors for the Financial Year ending 31 December 2022. The Board, at its meetings held on 28 January 2022, 7 March 2022 and via a Circular Resolution dated 11 March 2022, approved the AC's recommendation for the re-appointment of PwC as external auditors of the Company for the Financial Year ending 31 December 2022. The Shareholders' Resolution is sought under **Ordinary Resolution 6**.

AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES

- Ordinary Resolution 7** is proposed for the purpose of renewing the general mandate for issuance of Shares by the Company under Section 76 of the Companies Act, 2016. If passed, it will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate, if granted, will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

The Company has not issued new shares pursuant to Section 76 of the Companies Act, 2016 under the general mandate sought at the 64th AGM held on 15 April 2021, which will lapse upon the conclusion of the forthcoming 65th AGM to be held on 21 April 2022.

AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN RESPECT OF THE DR'S

- The proposed **Ordinary Resolution 8** will give authority to the Directors to allot and issue new ordinary shares in the Company in respect of the DR'S, until the conclusion of the next AGM. A renewal of this authority will be sought at the subsequent AGM.

AUTHORITY TO PURCHASE OWN SHARES

- Ordinary Resolution 9**, if passed, will authorise the Directors to purchase CIMB shares through Bursa Securities up to 10% of the issued and paid-up share capital of the Company. Details of the Proposed Shares Buy-Back are contained in the Statement Accompanying Notice of AGM.

ABSTENTION FROM VOTING

- Any Director referred to in **Ordinary Resolutions 1, 2 and 3**, who is a Shareholder of the Company will abstain from voting on the resolutions in respect of his/her re-election at the 65th AGM.
- All Directors who are Shareholders of the Company will abstain from voting on **Ordinary Resolutions 4 and 5** concerning Directors' remuneration at the 65th AGM.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 12.06(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

A. PROPOSED RE-ELECTION OF DIRECTORS PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The profile of the Directors who are standing for re-election (as per Ordinary Resolutions 1 to 3 as stated in the Notice of Annual General Meeting) at the 65th Annual General Meeting of CIMB Group Holdings Berhad which will be held fully virtual at the broadcast venue at Level 31, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Thursday, 21 April 2022 at 10.00 a.m. are as follows:

1. MS. TEOH SU YIN

(Senior Independent Director)

Nationality | Malaysian

Age | 51

Gender | Female

Date of Appointment | 8 October 2014

Length of Tenure | 7 years

MEMBERSHIP OF BOARD COMMITTEES

- Chairperson of the Group Nomination and Remuneration Committee and Group Sustainability and Governance Committee
- Member of the Audit Committee

QUALIFICATION

- Bachelor of Arts (Hons) Business Studies, Sheffield Hallam University, United Kingdom
- Business and Technology Education (BTEC) Higher National Diploma (HND) in Business Studies, Sheffield Hallam University, United Kingdom
- Diploma, Chartered Institute of Marketing, United Kingdom

AREAS OF EXPERTISE

- Banking, Finance and Sustainability

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Nil

RELEVANT EXPERIENCE

Ms. Teoh Su Yin is the Senior Independent Director of CIMB since 20 October 2018. She has almost 20 years' experience in equity research and investments.

Ms. Teoh began her career with JP Morgan Malaysia as a Junior Analyst in 1994. In 2000, she became Head of Research with sector coverage experience in infrastructure, plantations, power, gaming, real estate and conglomerates.

In 2002, she left JP Morgan to join Deutsche Bank Malaysia Berhad, initially as a Senior Analyst and later as Managing Director, Head of Malaysia and ASEAN Equity Research. As individual analyst, Ms. Teoh was ranked Top 3 by Asiamoney in 2008 and 2009.

She currently serves on the Board of Albizia ASEAN Opportunities Fund in Singapore, the Board of World Wildlife Fund-Malaysia and holds directorships in various other private companies.

The Board is of the view that Ms. Teoh's experience is invaluable to CIMB. She has extensive exposure and knowledge in the areas of banking, finance and sustainability all of which are complementary to the diversity of skill sets of the Board of CIMB. Ms. Teoh continues to offer sound judgment and broad perspective to the deliberations of the Board and Board Committees. She also challenges prevailing opinions, while balancing this with the need to remain a good team player.

The Board hereby recommends the re-election of Ms. Teoh Su Yin for the Shareholders' approval.

2. DATO' LEE KOK KWAN

(Non-Independent Director)

Nationality | Malaysian

Age | 56

Gender | Male

Date of Appointment | 20 July 2015

Length of Tenure | 6 years

MEMBERSHIP OF BOARD COMMITTEES

- Member of the Board Risk and Compliance Committee

QUALIFICATION

- Masters in Business Administration, Simon Fraser University, Canada
- Bachelor of Business Administration (First Class Joint Honours in Economics), Simon Fraser University, Canada

AREAS OF EXPERTISE

- Banking & Finance and Capital Market

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Non-Independent Director of CIMB Bank Berhad
- Non-Executive Director of Cagamas Holdings Berhad
- Independent Director of RAM Rating Services Berhad

RELEVANT EXPERIENCE

Dato' Lee Kok Kwan was the Deputy Chief Executive Officer (CEO) of CIMB prior to his Board appointments. His areas of responsibilities included Corporate Banking, Transaction Banking and Sales and Trading businesses in interest rates, credit, foreign exchange, bonds, equity, commodities and their derivatives, treasury and funding for the Group, fixed income investments and debt capital markets which he developed since joining CIMB in 1996, and has since grown the businesses to be one of the largest global markets operations in ASEAN.

Prior to joining CIMB in 1996, Dato' Lee had more than seven years of markets and treasury experience in the Canadian banking industry. He was the Treasury Portfolio Manager responsible for interest rates and optionality risk and return for a leading Canadian bank and a member of its Senior Asset-Liability Management Committee.

Dato' Lee is also a member of the Board of Trustees of the Capital Markets Development Fund (CMDF) and Chairperson of the Bond and Sukuk Information Platform Sdn Bhd with effect from 3 November 2017 and 22 November 2017, respectively. He also holds directorships in various other private companies.

Dato' Lee has continuously shown determination, commitment and professionalism as a Board member. The Board believes that with his vast experience as well as his extensive knowledge of financial and banking technicalities and deep understanding of the Treasury & Markets business, Dato' Lee will continue to provide insights and varied perspectives to the Board and Board Committees, as well as provide the Board with the right mix and balance.

The Board hereby recommends the re-election of Dato' Lee Kok Kwan for the Shareholders' approval.

3. DATO' MOHAMED ROSS MOHD DIN

(Independent Director)

Nationality | Malaysian

Age | 69

Gender | Male

Date of Appointment | 19 April 2016

Length of Tenure | 6 years

MEMBERSHIP OF BOARD COMMITTEES

- Chairperson of the Audit Committee
- Member of the Board Risk and Compliance Committee and Group Nomination and Remuneration Committee

QUALIFICATION

- Banking Diploma (Part 1), Institute of Bankers, United Kingdom

AREAS OF EXPERTISE

- Banking and Finance, Operations and International Experience

DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB)

- Nil

Public Companies

- Chairperson/Independent Director of CIMB Islamic Bank Berhad

RELEVANT EXPERIENCE

Dato' Mohamed Ross Mohd Din joined HSBC Bank Malaysia Berhad (HSBC) in early 1972 and served in various capacities ranging from Corporate and Retail Banking and Branch Management. He also served as Head of Treasury Malaysia and Head of Group Audit Malaysia between 1987 and 1996. During this period, he also worked for a year in Hong Kong, London and New York in areas of Foreign Exchange and Treasury. As the Managing Director in 2003, he was responsible for HSBC Amanah's Islamic onshore business franchise in Malaysia until he retired on 31 December 2007.

Upon retirement, Dato' Mohamed Ross was appointed as an Executive Director and Senior Advisor of HSBC Amanah Takaful Malaysia Sdn Bhd until December 2008. At the same time and until April 2016, he was an Independent Director of HSBC Amanah Malaysia Berhad, where he sat as Chairman of the Risk Committee and was a member of the Audit Committee and Nominations Committee.

Dato' Mohamed Ross currently also sits on two Advisory Boards overseeing a Private Equity Fund (Ekuinas OFM Programme) as an Independent Member. Additionally, he is also a Trustee on the Board of Lembaga Zakat Selangor and also serves as an Independent Director on the Board of an Asset Management company. Earlier in 2021, he was appointed as a member of the Investment Panel of Kumpulan Wang Persaraan (Diperbadankan) (KWAP).

The Board is of the view that CIMB will benefit from having Dato' Mohamed Ross on the Board given his vast experience in banking. Dato' Mohamed Ross has been very open in expressing his views during meetings. He tends to have strong views in certain aspects but has proven to be a team player when it comes to making collective decisions. Dato' Mohamed Ross has contributed greatly as member of the Board and Board Committees.

The Board hereby recommends the re-election of Dato' Mohamed Ross Mohd Din for the Shareholders' approval.

The directors listed above do not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company.

The directors listed above have not been convicted of any offence within the past five (5) years nor have they been imposed of any public sanction or penalty by any relevant regulatory bodies in 2021.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

B. PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ISSUE SHARES PURSUANT TO PARAGRAPH 6.03(3) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The details of the proposed renewal of the authority for Directors to issue shares by the Company under Section 76 of the Companies Act, 2016, are stated in the Explanatory Notes of the Notice of Annual General Meeting.

C. PROPOSED SHARES BUY-BACK PURSUANT TO PARAGRAPH 12.06(1) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. INTRODUCTION

1.1 RENEWAL OF AUTHORITY FOR CIMB TO PURCHASE ITS OWN SHARES (PROPOSED SHARES BUY-BACK)

At the last Annual General Meeting of the Company held on 15 April 2021, the Company had obtained the Shareholders' approval to purchase its own shares as may be determined by the Board of Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of ordinary shares purchased and/or held does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time and an amount not exceeding the total retained earnings of approximately RM267.4 million based on the Audited Financial Statements of the Company for the financial year ended 31 December 2021.

The authority obtained by the Board of Directors for purchasing the Company's own shares in accordance with the Main Market Listing Requirements of Bursa Securities governing shares buy-back by listed companies, will lapse at the conclusion of the forthcoming 65th Annual General Meeting to be held on 21 April 2022, unless renewed by an ordinary resolution.

On 9 March 2022, the Company announced its intention to seek shareholders' approval at the forthcoming 65th Annual General Meeting, for the proposed renewal of the authority for the Company to purchase its own shares.

1.2 PURPOSE OF STATEMENT

The purpose of this Statement is to provide relevant information on the Proposed Shares Buy-Back and to seek your approval for the ordinary resolution to renew the authority for the Company to purchase its own shares, to be tabled at the forthcoming 65th Annual General Meeting. The Notice of Annual General Meeting together with the Proxy Form is set out herewith.

2. DETAILS OF THE PROPOSED SHARES BUY-BACK

The Board proposes to seek Shareholders' approval for a renewal of the authority to purchase and/or hold its own shares in aggregate of up to 10% of the issued and paid-up share capital of the Company at any point of time through Bursa Securities. Based on the issued and paid-up share capital of the Company as at 1 March 2022 of RM27,099,681,491.82 comprising 10,221,451,675 ordinary shares in the Company (CIMB Shares), a total of 1,022,145,167 CIMB Shares may be purchased by the Company pursuant to the Proposed Shares Buy-Back. The maximum number of shares that can be bought back under this authority will take into account the number of shares previously bought back and retained as treasury shares, if any.

Such authority, if approved, will be effective immediately upon passing of the ordinary resolution for the Proposed Shares Buy-Back until:

- (i) the conclusion of the next Annual General Meeting of CIMB in 2023 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant authorities.

The Board proposes to allocate an amount of up to retained earnings of the Company for the purchase of its own shares subject to Section 127 of the Companies Act, 2016 (as may be amended, modified or re-enacted from time to time) and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase (Prevailing Laws). The actual number of CIMB Shares to be purchased will depend on market conditions and sentiments of Bursa Securities as well as the retained earnings and financial resources available to the Company. The audited retained earnings of the Company as at 31 December 2021 was RM267.4 million.

CIMB may only purchase its own shares at a price which is not more than 15% above the weighted average market price for the past 5 market days immediately preceding the date of the purchase(s). The Company may only re-sell the purchased shares held as treasury shares at a price which is (a) not less than the weighted average market price of CIMB Shares for the 5 market days immediately preceding the date of re-sale or (b) at a discounted price of not more than 5% to the weighted average market price of CIMB Shares for the 5 market days immediately prior to the re-sale, provided that the re-sale takes place not earlier than 30 days from the date of purchase and the re-sale price is not less than the cost of purchase of the CIMB Shares being re-sold. The Company shall, upon each purchase or re-sale of shares bought back, make the necessary announcements through Bursa Securities.

The Proposed Shares Buy-Back will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period using internally generated funds and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined at a later date, depending on the availability of internally generated funds, actual number of CIMB Shares to be purchased, the anticipated future cash flows of the Group and other cost factors.

The CIMB Shares purchased and held as treasury shares may be distributed as share dividends, re-sold on Bursa Securities in accordance with the relevant rules of Bursa Securities, cancelled or continue to be retained as treasury shares. The decision whether to retain the purchased shares as treasury shares, to cancel the shares purchased, distribute the treasury shares as share dividends and/or re-sell the treasury shares on Bursa Securities will be made by the Board at the appropriate time.

The distribution of treasury shares as share dividends may be applied as a reduction of the retained profits of the Company. The treatment of the purchased shares held as treasury shares, this being to distribute as share dividends or to re-sell on Bursa Securities or both will in turn, depend on the availability of, amongst others, retained profits of the Company.

While the purchased shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number of percentage of shares or of a class of shares in the Company for any purposes including, without limiting the generality of the provision of Section 127 of the Companies Act, 2016, the provision of any laws or requirements of the Constitution of the Company or the Main Market Listing Requirements of Bursa Securities governing substantial shareholding, takeovers, notices, the requisitioning of meetings, quorum for a meeting and the result of a vote on a resolution at a meeting.

The Proposed Shares Buy-Back will be carried out in accordance with the Prevailing Laws at the time of the purchase including compliance with the public shareholding spread as required by the Main Market Listing Requirements of Bursa Securities.

The public shareholding spread of the Company before and after the Proposed Shares Buy-Back is as follows:

	Before the Proposed Shares Buy-Back	After the Proposed Shares Buy-Back
Public shareholding spread	52.84* ¹	58.71* ²

Notes:

*¹ As at 1 March 2022

*² Based on the assumption that:

- (i) the Proposed Shares Buy-Back involves the aggregate purchase of 1,022,145,167 CIMB Shares (being 10% of issued and paid-up capital of the Company as at 1 March 2022) which are to be retained as treasury shares; and
- (ii) the number of CIMB Shares held by the Directors of CIMB, the substantial shareholders of CIMB and person connected to them remain unchanged.

3. RATIONALE FOR THE PROPOSED SHARES BUY-BACK

The Proposed Shares Buy-Back will enable CIMB to utilise its surplus financial resources to buy-back CIMB Shares. The increase in Earnings Per Share, if any, arising from the Proposed Shares Buy-Back is expected to benefit the Shareholders of the Company.

The purchased shares can be held as treasury shares and re-sold on Bursa Securities to realise potential gain without affecting the total issued and paid-up share capital of the Company. The distribution of the treasury shares as share dividends may also serve to reward the Shareholders of the Company.

4. EVALUATION OF THE PROPOSED SHARES BUY-BACK

4.1 ADVANTAGES

The potential advantages of the Proposed Shares Buy-Back are as follows:

- (i) Allow the Company to take preventive measures against excessive speculation, in particular when the Company's shares are undervalued;
- (ii) Allow the Company more flexibility in fine-tuning its capital structure;

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

- (iii) The resultant reduction of share capital base is expected to improve the Earnings Per Share and may strengthen the net tangible assets of the remaining shares as well as the probability of declaring a higher quantum of dividend in the future;
- (iv) To stabilise a downward trend of the market price of the Company's shares;
- (v) Treasury shares can be treated as long-term investments. It makes business sense to invest in our own Company as the Board of Directors is confident with CIMB's future prospects and performance in the long term; and
- (vi) If the treasury shares are distributed as dividend by the Company, it may then serve to reward the Shareholders of the Company.

4.2 DISADVANTAGES

The potential disadvantages of the Proposed Shares Buy-Back are as follows:

- (i) The purchases can only be made out of distributable reserves resulting in a reduction of the amount available for distribution as dividends and bonus issues to Shareholders; and
- (ii) The purchases of existing shares involve cash outflow from the Company which may otherwise be retained and used for the businesses of the Company.

Nevertheless, the Board of Directors will be mindful of the interests of the Company and its Shareholders in exercising the authority to purchase its own shares.

5. EFFECTS OF THE PROPOSED SHARES BUY-BACK

Assuming that the Company buys back up to 1,022,145,167 CIMB Shares representing 10% of its issued and paid-up share capital as at 1 March 2022 and such shares purchased are cancelled or alternatively be retained as treasury shares or both, the effects of the Proposed Shares Buy-Back on the share capital, net tangible assets, working capital, earnings and substantial Shareholders' and Directors' shareholdings are as set out below:

5.1 SHARE CAPITAL

In the event that all CIMB Shares purchased are cancelled, the Proposed Shares Buy-Back will result in the issued and paid-up share capital of CIMB as at 1 March 2022 to be reduced from RM27,099,681,491.82 comprising 10,221,451,675 CIMB Shares to RM24,389,713,342.64 comprising 9,199,306,508 CIMB Shares. However, it is not expected to have any effect on the issued and paid-up share capital if all CIMB Shares purchased are to be retained as treasury shares.

The effects of the Proposed Shares Buy-Back on the issued and paid up share capital of CIMB are illustrated below:

	As Per Audited Financial Statement as at 31 December 2021	As at 1 March 2022	After Share Purchase and Cancellation
Issued and paid-up share capital (RM)	27,099,681,491.82	27,099,681,491.82	24,389,713,342.64*

Note:

*1 Assuming up to 10% of the issued and paid-up share capital of CIMB or 1,022,145,167 CIMB Shares are purchased and cancelled.

5.2 NET ASSET AND WORKING CAPITAL

The effects of the Proposed Shares Buy-Back on the net assets per share of CIMB are dependent on the purchase prices of CIMB Shares and the effective funding cost or loss in interest income to CIMB.

If all CIMB Shares purchased are to be cancelled or retained as treasury shares, the Proposed Shares Buy-Back will reduce the net assets per share when the purchase price exceeds the net assets per share at the relevant point in time. On the contrary, the net assets per share will be increased when the purchase price is less than the net assets per share at the relevant point in time.

The Proposed Shares Buy-Back will reduce the working capital of CIMB, the quantum of which will depend on the amount of financial resources to be utilised for the purchase of CIMB Shares.

5.3 EARNINGS PER SHARE

The effects of the Proposed Shares Buy-Back on the Earnings Per Share of CIMB are dependent on the purchase prices of CIMB Shares and the effective funding cost or loss in interest income to CIMB.

5.4 SUBSTANTIAL SHAREHOLDERS' AND DIRECTORS' SHAREHOLDINGS

The effects of the Proposed Shares Buy-Back on the Substantial Shareholders' and Directors' shareholdings based on the Register of Substantial Shareholders and the Register of Directors' Shareholdings respectively as at 1 March 2022 are as follows:

Substantial Shareholders	No. of CIMB Shares Held							
	Before the Proposed Shares Buy-Back*¹				After the Proposed Shares Buy-Back*²			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Khazanah Nasional Berhad	2,628,759,643	25.72	-	-	2,628,759,643	28.58	-	-
Employees Provident Fund Board	1,557,023,463	15.23	-	-	1,557,023,463	16.93	-	-
Kumpulan Wang Persaraan (Diperbadankan)	633,257,972	6.20	-	-	633,257,972	6.88	-	-

Notes:

*¹ Adjusted for the number of treasury shares held as at 1 March 2022.

*² Assuming that 10% of the issued and paid-up capital is purchased and retained as treasury shares.

*³ Includes shares held through nominees.

Directors	Before the Proposed Shares Buy-Back*¹				After the Proposed Shares Buy-Back*²			
	No. of CIMB Shares Held		% CIMB Shares Held		No. of CIMB Shares Held		% CIMB Shares Held	
	Direct	%	Indirect	%	Direct	%	Indirect	%
Dato' Lee Kok Kwan*⁴		1,339,972*⁴	0.01*³		1,339,972*⁴	0.01*³		
Didi Syafruddin Yahya*⁵		46,791*⁵	0.00*³		46,791*⁵	0.00*³		

Notes:

*¹ Adjusted for the number of treasury shares held as at 1 March 2022.

*² Assuming 10% of the issued and paid-up capital is purchased and retained as treasury shares.

*³ Less than 0.1%.

*⁴ Includes the shareholdings of his spouse.

*⁵ Shareholdings of his spouse.

Save as disclosed above, none of the Directors, substantial Shareholders, and persons connected to the Directors and/or substantial Shareholders held any CIMB Shares.

6. APPROVAL REQUIRED

The Proposed Shares Buy-Back is conditional upon the approval of the Shareholders of CIMB at the forthcoming 65th Annual General Meeting.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

7. SHARE PRICES

The monthly highest and lowest prices per share of CIMB Shares traded on Bursa Securities for the last twelve (12) months from March 2021 to 28 February 2022 are as follows:

2021	High (RM)	Low (RM)
March	4.50	4.08
April	4.31	4.04
May	4.26	3.97
June	4.60	4.35
July	4.54	4.33
August	4.80	4.37
September	4.85	4.68
October	5.41	4.70
November	5.19	5.00
December	5.45	5.03

2022	High (RM)	Low (RM)
January	5.67	5.20
February	5.71	5.24

Note: Based on the actual share price

8. PURCHASES, RESALE AND CANCELLATION OF TREASURY SHARES MADE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

During the financial year ended 31 December 2021, the Company did not buy back any of its issued share capital from the open market.

9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors, substantial Shareholders and/or persons connected to the Directors or substantial Shareholders of the Company have any interest, direct or indirect in the Proposed Shares Buy-Back or the re-sale of treasury Shares.

10. MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2016 (CODE)

The Proposed Shares Buy- Back if carried out in full (whether shares are cancelled or treated as treasury shares) may result in a substantial Shareholder and/or parties acting in concert with it incurring a mandatory general offer obligation. In this respect, the Board is mindful of any implications arising from the Proposed Shares Buy-Back under the provision of the Code.

11. STATEMENT BY BURSA SECURITIES

Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

12. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen and approved by our Board, and our Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

13. DIRECTORS' RECOMMENDATION

If you are in any doubt as to the course of action to be taken, you should consult appropriate independent advisers immediately.

After having considered all aspects of the Proposed Shares Buy-Back, our Board is of the opinion that the Proposed Shares Buy-Back is in the best interest of the Company. Accordingly, they recommend that you vote in favour of the ordinary resolution for the Proposed Shares Buy-Back to be tabled at the forthcoming 65th Annual General Meeting.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470 Kuala Lumpur, during the normal business hours from Monday to Friday (except public holidays) from the date hereof up to the time stipulated for the holding of the AGM:-

- i. The Constitution of the Company;
- ii. The audited consolidated financial statements of our Company for the FYE 31 December 2019 and the FYE 31 December 2020;
- iii. The latest available unaudited consolidated condensed interim financial statements of our Company for the FYE 31 December 2021 which was announced on 28 February 2022; and
- iv. Other related documents which are referred to in this statement.

ADMINISTRATIVE DETAILS FOR 65TH ANNUAL GENERAL MEETING (AGM) OF CIMB GROUP HOLDINGS BERHAD

Due to the unprecedented circumstances arising from the measures that have been implemented nationally to limit the spread of COVID-19, and in particular, the Government of Malaysia (Government)'s official guidance for practising social distancing, the Board of Directors of CIMB Group Holdings Berhad (Board) has decided that the 65th Annual General Meeting (AGM) of CIMB Group Holdings Berhad (the "Company" or "CIMB") shall be held on virtual basis and entirely via Remote Participation and Electronic Voting (RPEV) facilities on the date, time and at the Broadcast Venue, as follows:

Date	Thursday, 21 April 2022
Time	10.00 a.m.
Broadcast Venue	Level 31, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia
Online Meeting Platform	https://meeting.boardroomlimited.my (Domain Registration No. with MYNIC – D6A357657)
Mode of Communication	<ol style="list-style-type: none"> 1. Type text in the meeting platform. The Messaging window facility will be opened concurrently with the Virtual Meeting Portal, i.e. one (1) hour before the AGM, which is from 9.00 a.m. on Thursday, 21 April 2021 2. Shareholders may submit questions in advance on the AGM resolutions and Annual Report 2021 commencing from 23 March 2022 and in any event no later than Friday, 15 April 2022 at 5.00 p.m., via Boardroom's website at https://investor.boardroomlimited.com using the same user ID and password provided in Step 2 below, and select "SUBMIT QUESTION" to pose questions ("Pre-AGM Meeting Questions").

concurrently observes the AGM deadline as stipulated in the Companies Act, 2016. Furthermore, throughout the years, the resolutions in our AGM have been passed electronically, and the adoption of a virtual AGM is one step ahead for good corporate governance and best practice.

Please note that the Broadcast Venue is strictly for the purpose of compliance with Section 327 of the Companies Act 2016 and Article 57 of the Company's Constitution. **NO SHAREHOLDERS/PROXIES/CORPORATE REPRESENTATIVES** should be physically present at or admitted to the Broadcast Venue on the day of the AGM.

VOTING PROCEDURE

1. The voting procedure will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad (Bursa Malaysia) Main Market Listing Requirements. The Company has appointed Boardroom Share Registrars Sdn. Bhd. (Boardroom) as Poll Administrator to conduct the poll by way of electronic voting (e-voting) and Deloitte as Scrutineers to verify and validate the poll results.
2. For the purposes of this AGM, e-voting will be carried out via the following voting devices:
 - a. Personal smart mobile phones tablets or Laptops
3. There are 2 methods for members and proxies who wish to use their personal voting device to vote. The methods are as follows:
 - a. Use QR Scanner Code given in the email to you; OR
 - b. Go to the website URL
<https://meeting.boardroomlimited.my>
(Domain Registration No. with MYNIC – D6A357657)
4. The polling will only commence after the announcement of poll being opened by the Chairman and until such time when the Chairman announces the closure of poll.
5. The Scrutineers will verify the poll result reports upon closing of the poll session by the Chairman and the Chairman will declare whether the resolutions put to vote were successfully carried or not.
6. You must ensure that you are connected to the internet at all times in order to participate and vote remotely when the 65th AGM has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the AGM is maintained. Kindly note that the quality of the connectivity to Virtual Meeting Portal for live webcast as well as for remote online voting is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.

PRECAUTIONARY MEASURES ON COVID-19

1. The Company invites shareholders to participate in the upcoming 65th AGM from their home or office and follow the entire proceedings as the AGM would be conducted via RPEV facilities. The AGM will be conducted in accordance with the practices that have already been adopted by other internationally developed capital markets. The AGM is transparent, has a high level of integrity and is environmentally friendly. Our approach also supports the Government's initiative to ban mass gathering as part of its safety measure to contain the spread of COVID-19, while

ADMINISTRATIVE DETAILS FOR 65TH ANNUAL GENERAL MEETING (AGM) OF CIMB GROUP HOLDINGS BERHAD

ONLINE REGISTRATION PROCEDURE

7. Please note that the RPEV facilities are available to **(i) Individual Members; (ii) Corporate Shareholders; (iii) Authorised Nominee; and (iv) Exempt Authorised Nominee shall use the RPEV facilities to participate and vote remotely at the AGM.**
8. If you choose to participate in the Meeting online, you will be able to view a live webcast of the Meeting, ask questions and submit your votes in real time whilst the Meeting is in progress.
9. Kindly follow the steps below on how to request for login ID and password.

Step 1 – Register Online with Boardroom Smart Investor Portal (for first time registration only)

(Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2. Submit request for Remote Participation user ID and password)

- a. Access website <https://investor.boardroomlimited.com>
- b. Click <<Register>> to sign up as a user.
- c. Complete registration and upload softcopy of MyKAD (front and back) or Passport in JPEG, PNG or PDF format.
- d. Please enter a valid email address and wait for Boardroom's email verification.
- e. Your registration will be verified and approved within one (1) business day and an email notification will be provided.

Step 3 – Login to Virtual Meeting Portal

(Please note that the quality of the connectivity to Virtual Meeting Portal for live webcast as well as for remote online voting is highly dependent on the bandwidth and the stability of the internet connectivity available at the location of the remote users)

- a. The Virtual Meeting portal will be open for login starting an hour (1 hour) before the commencement of AGM at **9:00am on 21 April 2022**.
- b. Follow the steps given to you in the email along with your remote access user ID and password to login to the Virtual Meeting portal. (Refer to Step 2(c) below).
- c. The steps will also guide you on how to view live webcast, ask questions and vote.
- d. The live webcast will end and the Messaging window (for asking questions) will be disabled the moment the Chairman announces the closure of the AGM.
- e. You can now logout from Virtual Meeting Portal.

Step 2 – Submit Request for Remote Participation User ID and Password

(Note: The registration for remote access will be opened on 23 March 2022)

Individual Members

- Login to <https://investor.boardroomlimited.com> using your Login credentials created with Boardroom Smart Investor Portal from Step 1 above.
- Select "**CIMB GROUP HOLDINGS BERHAD (65th) ANNUAL GENERAL MEETING**" from the list of Corporate Meetings and click "**Enter**".
- Click on "Register for RPEV"
- Read and agree to the terms & conditions and confirm the declaration by clicking "**Next**".
- Enter your CDS Account Number and thereafter submit your request.

Appointment of Proxy

- Log in to <https://investor.boardroomlimited.com> using your login credentials created with Boardroom Smart Investor Portal from Step 1 above.
- Select "**CIMB GROUP HOLDINGS BERHAD (65th) ANNUAL GENERAL MEETING**" from the list of Corporate Meetings and click "**Enter**".
- Click on "**Submit eProxy Form**".
- Read and accept the General Terms and Conditions by clicking "**Next**".
- Enter your CDS Account Number and number of securities held.
- Select your proxy – either the Chairman of the meeting or individual named proxy(ies) and enter the required particulars of your proxy(ies).
- Indicate your voting instructions – "**FOR**" or "**AGAINST**", otherwise your proxy will decide your vote.
- Review and confirm your proxy appointment and click "**Apply**".
- Download or print the eProxy form as acknowledgement.

Corporate Shareholders, Authorised Nominee and Exempt Authorised Nominee

- Write in to bsr.helpdesk@boardroomlimited.com by providing the name of shareholder, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative or Form of Proxy (as the case may be) to submit the request.
- Please provide a copy of the Corporate Representative's or Proxy Holder's MyKad (front and back) or Passport in JPEG, PNG or PDF format as well as his/her email address.
- a. You will receive a notification from Boardroom that your request has been received and is being verified.
- b. Upon system verification against the AGM's Record of Depositories, you will receive an email from Boardroom either approving or rejecting your registration for remote participation.
- c. You will also receive your remote access user ID and password along with the email from Boardroom if your registration is approved.
- d. Please note that the closing time to submit your request is at 10:00am on 20 April 2022 to avoid any delay in the registration process.

PARTICIPATION THROUGH LIVE WEBCAST, QUESTION AND VOTING AT THE 65TH AGM

1. The Chairman and the Board will endeavour their best to respond to the questions submitted by shareholders which are related to the resolutions to be tabled at the 65th AGM, as well as financial performance/prospect of the Company.
2. All modes of communications are accepted for the purpose of posting questions to the Chairman and Board before or during the AGM. Shareholders are however encouraged to post questions via the online platform during the AGM.
3. Shareholders may proceed to cast votes on each of the proposed resolutions, to be tabled at the 65th AGM, after the Chairman has opened the poll on the resolutions. Shareholders are reminded to cast their votes before the poll is closed.
4. Shareholders who participate in the AGM are able to view the Company's presentation or slides via the live webcast.

ENTITLEMENT TO PARTICIPATE AND VOTE

In respect of deposited securities, only members whose names appear in the Record of Depositors on **15 April 2022** (General Meeting Record of Depositors) shall be eligible to participate in the AGM or appoint proxy(ies) to participate and/or vote on his/her behalf.

FORM(S) OF PROXY

1. You may download the Proxy form(s) from our website at <https://www.cimb.com/en/investor-relations/annual-reports.html>.
2. If you are unable to attend the online AGM and wish to appoint the Chairman of the AGM as your proxy to vote on your behalf, please deposit your proxy form at the office of the company's share registrar, Boardroom Share Registrars Sdn Bhd at **Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan** no later than 10.00 a.m. on 20 April 2022 (24 hours before the 65th AGM). Any alteration to the Form of Proxy must be initialed.
3. Alternatively, the proxy appointment may also be lodged electronically at <https://investor.boardroomlimited.com>, which is free and available to all individual shareholders no later than 10.00 a.m. on 20 April 2022 (24 hours before the 65th AGM). For further information, kindly refer to the "**Online Registration Procedure**" above.
4. **If you wish to participate in the AGM yourself, please do not submit any proxy form for the AGM. You will not be allowed to participate in the AGM together with a proxy appointed by you.**

REVOCATION OF PROXY

If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in our electronic AGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 24 hours before the meeting.

RECORDING OR PHOTOGRAPHY AT THE ONLINE AGM

No recording or photography of the AGM proceeding is allowed without the prior written permission of the Company.

ANNUAL REPORT 2021 – GO DIGITAL & PAPERLESS!

1. As part of our dedicated commitment to sustainable practices, the Annual Report 2021 can be downloaded from our website at <https://www.cimb.com/en/investor-relations/annual-reports.html> and also at Bursa Malaysia website under "Company Announcements".
2. Since the 65th AGM will be conducted electronically, there will be **NO DISTRIBUTION** of the Annual Report 2021 during the meeting.

PERSONAL DATA PRIVACY

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

ENQUIRY

If you have general administrative enquiries on the AGM, please contact the following during office hours:

Boardroom Share Registrars Sdn. Bhd.

Office Helpdesk	:	+60 3 7890 4700
Encik Mohamed Sophiee Ahmad Nawawi	:	+60 3-7890 4716
Puan Yusliana Md Yusof	:	+60 3-7890 4718
Fax No.	:	+60 3-7890 4670
E-mail	:	bsr.helpdesk@boardroomlimited.com
	:	mohamed.sophiee@boardroomlimited.com
	:	yusliana.yusof@boardroomlimited.com

CIMB

Datin Rossaya Mohd Nashir, Group Company Secretary
Cik Farah Atikah Hasnan
Telephone : +603-2261 0085
Fax No. : +603-2261 0099
Email : cimbagm@cimb.com

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CIMB Group Holdings Berhad 195601000197 (50841-W)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No. _____

I/We _____ (name of shareholder as per NRIC/ID, in capital letters)

NRIC No./ID No./Company No. _____ (new) _____ (old)

of _____
_____ (full address)

being a member of CIMB Group Holdings Berhad ("CIMB" or "the Company"), hereby appoint _____

_____ (name of proxy as per NRIC/ID, in capital letters)

NRIC No./ID No. _____ (new) _____ (old)

or failing whom, _____ (name of proxy as per NRIC/ID, in capital letters)

NRIC No./ID No. _____ (new) _____ (old)

or failing whom, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 65th Annual General Meeting (AGM) of the Company to be held fully virtual at the broadcast venue at Level 31, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Thursday, 21 April 2022 at 10.00 a.m. or at any adjournment thereof.

My/our proxy is to vote as indicated below.

RESOLUTIONS

	FOR*	AGAINST*
1. Receipt of Audited Financial Statements and Reports of the Directors and Auditors.		
2. Re-election of Directors pursuant to Article 81 of the Company's Constitution: 2.1 Ms. Teoh Su Yin 2.2 Dato' Lee Kok Kwan 2.3 Dato' Mohamed Ross Mohd Din	Resolution 1 Resolution 2 Resolution 3	
3. To approve the payment of Non-Executive Directors' fees with effect from the 65th AGM until the next AGM of the Company.	Resolution 4	
4. To approve the payment of allowances and benefits payable to Non-Executive Directors of the Company up to an amount of RM3,895,000 from the 65th AGM until the next AGM of the Company.	Resolution 5	
5. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Board of Directors to fix their remuneration.	Resolution 6	
6. Proposed Renewal of the Authority for Directors to Allot and Issue Shares.	Resolution 7	
7. Proposed Renewal of the Authority for Directors to Allot and Issue Shares in relation to the Dividend Reinvestment Scheme.	Resolution 8	
8. Proposed Renewal of the Authority to Purchase Own Shares.	Resolution 9	

As Witness my hand this _____ day of _____

No. of Shares Held:

Signature of Member(s)

* Please indicate with an "X" how you wish your vote to be cast. (Unless otherwise instructed, the proxy may vote as he thinks fit.)

NOTES:

1. Section 334 of the Companies Act, 2016 provides that a member of a company shall be entitled to appoint another person or persons as his/her proxy or proxies to exercise all or any of his rights to attend, participate, speak and vote at a meeting of members of the company. A proxy may, but need not, be a member of the company. A member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy. A member shall be entitled to appoint only one (1) proxy unless he/she has more than 1,000 shares in which case he/she may appoint up to five (5) proxies provided each proxy appointed shall represent at least 1,000 shares.
3. This instrument duly completed must be deposited at the Registrar's office at Boardroom Share Registrars Sdn. Bhd. 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, not less than twenty-four (24) hours before the time appointed for holding the meeting which is no later than 10.00 a.m. (Wednesday, 20 April 2022).
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if such appointer is a corporation, under its Seal or the hand of its attorney.
5. For the purpose of determining a member who shall be entitled to attend the 65th Annual General Meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 59(c) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at 15 April 2022. Only a depositor whose name appears on the Record of Depositors as at 15 April 2022 shall be entitled to attend the said meeting or appoint proxies to attend, participate, speak and/or vote on his/her behalf.

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AFFIX STAMP

The Share Registrars

BOARDROOM SHARE REGISTRARS SDN. BHD. (1996010006647 (378993-D))

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor, Malaysia

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Our Integrated Annual Report cover, featuring CIMB's chevron, shows CIMB advancing as we help customers and society move Forward into the future. The hexagon on the cover of our Financial Statements depicts a firm foundation that supports our growth on multiple fronts. Finally, our Sustainability Report cover features a blue circle that represents our awareness of our place in and responsibility to a greater world.

Together the three covers of CIMB's 2021 Integrated Annual Report convey our journey of moving Forward, achieving sustainable growth and delivering value for all stakeholders.



SIMPLICITY

We have gone sparse – replacing full scale and massive images with more icons, and limited the use of colours, keeping it rich.



CLEAN LINES

We optimised use of line-drawings, non-filled bar graphs/charts, and clean lines for clarity and visually more pleasing and easier to decipher.



MONOCHROMATIC COLOR PALETTE

By using a single base colour, and its variant shades and tones, we minimised the use of multiple colours that require more ink, with potential wastage.



MINIMAL ART

Our design this year balances between a clever play of space, creative design, and icons and tighter leadings and margins for text to reduce number of pages.



REDUCTIVISM

Where possible, we have avoided and reduced the need for heavy texts, fonts, and design elements including photographs etc.

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