

CIMB GROUP HOLDINGS BERHAD

(Company No. 195601000197 (50841-W))

Minutes of the Sixty-Fifth (65th) Annual General Meeting of CIMB Group Holdings Berhad (“CIMB” or “the Company”) 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.

Present at Broadcast Venue : Datuk Mohd Nasir Ahmad - Chairman
Dato’ Abdul Rahman Ahmad – Group Chief Executive Officer
Dato’ Lee Kok Kwan
Dato’ Mohamed Ross Mohd Din
Encik Didi Syafruddin Yahya
Ms. Teoh Su Yin
Ms. Serena Tan Mei Shwen

Present remotely via Tele-presence : Encik Afzal Abdul Rahim
Mr. Robert Neil Coombe
Ms. Shulamite N K Khoo

And 1,723 shareholders attending or by proxy via RPV as per Attendance List

In Attendance Encik Khairul Rifaie – Group Chief Financial Officer
Datin Rossaya Mohd Nashir – Group Company Secretary

Representatives from Messrs PricewaterhouseCoopers

Ms. Elaine Ng Yee Ling
Mr. Soo Hoo Khoon Yean
Ms. Stefanie Tang Phei Ling

1. CHAIRMAN OF THE MEETING

Datuk Mohd Nasir Ahmad took the Chair.

2. QUORUM

The Group Company Secretary confirmed that there was sufficient quorum in accordance with Article 63 of the Company’s Constitution, and the 65th Annual General Meeting (AGM) of the Company was duly convened.

3. NOTICE OF MEETING

The Notice convening the Meeting was tabled and taken as read.

CHAIRMAN'S
INITIALS

4. CHAIRMAN'S OPENING REMARKS

The Chairman welcomed the shareholders to the 65th AGM of CIMB which was held fully virtual. The Chairman took the opportunity to thank the shareholders for their virtual presence and continuous support to CIMB.

The Chairman then introduced the Board of Directors of CIMB, the Group Chief Financial Officer and the Group Company Secretary.

The Chairman also introduced the representatives from the PricewaterhouseCoopers, the External Auditors, Ms. Elaine Ng Yee Ling, Mr. Soo Hoo Khoon Yean and Ms. Lee Shee Yan who were also present at the broadcast venue.

The Chairman informed that this year marked CIMB's 65th AGM, which was a milestone which Management was truly proud of, a milestone based on effort and contributions which Management in CIMB owed to so many leaders before them. This year's AGM was also the 3rd AGM that Management had conducted virtually since the Covid-19 pandemic started in March 2020.

The Chairman highlighted that the transition from response to recovery remained a complex and challenging process for many and CIMB was not spared of this 'new normal'. The scale and speed at which various government and business machinery responded to Covid-19 had been unprecedented. Management had 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 had reaffirmed Management's commitment to responsible growth and well-being of everyone associated with CIMB's business and the ecosystem.

The Chairman further highlighted that, at CIMB, resilient leadership and commitment to sustainability had been key efforts to recover on its path to achieving future growth. In 2021, Management managed its stakeholder relationships with renewed care and purpose, towards advancing customers and society. Management's priority commitment had been towards rebuilding their lives and livelihoods by understanding their diverse needs, ensuring seamless access to finance and financing solutions and keeping them resilient on their road to recovery. In doing so, Management had improved its orientation during the year to "value creation" and this essentially meant both preserving its ability to create and deliver value to multiple stakeholders as well as improving its communications through Integrated Reporting.

In terms of risk and governance, the Chairman informed that the focus had been on building resilience to both real and perceived risk, present and future. This required Management to reassess if its systems and resources were adequate and sufficiently robust to identify, manage and mitigate future risks. Management's 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, the Board actively deliberated current and emerging business risks associated with technology deployment and digital enablement, people health, productivity and performance, human rights, climate change, supply chain continuity, and community well-being. The Board recognised that such fundamental risk could potentially compromise its ability to create stakeholders value as well as impact its overall sustainability and business performance. The Board also constantly emphasised the need to enhance knowledge, capabilities and capacity to effectively

manage such risks. The primary objective was to ensure that CIMB 'walks the talk' not just in addressing various risks, but also in communicating the strategies and its outcomes efficiently and meaningfully to various stakeholders.

In executing Forward23+ strategies, The Chairman stressed that the priority remained to develop greater understanding of stakeholder needs and expectations, to assist and navigate them through the impacts of Covid-19. If 2020 was 'Year Zero' where CIMB 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.

CIMB had put in place the Target Empowerment and Alignment Model (TEAM) which was not 'one size fits all' model, to ensure seamless implementation of Forward23+ programmes across ASEAN. This model would provide flexibility in implementation. TEAM would also provide clear lines of reporting for different operations and strengthen accountability and efficiency to support the achievement of Forward23+ targets.

Following CIMB's commitment to prohibit new coal financing, Management had entered into the first phase of this process in 2021 with the end objective of achieving a zero-coal portfolio by 2040. In addition, devising programmes internally across the Group to reach net zero GHG Scope 1 and 2 emissions in the operations of Management by 2030 and overall Net Zero GHG by 2050 had been continued. The 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 Management had successfully achieved RM25.9 billion by end-2021.

In relation to the Sustainability and Sustainable Business initiative, a total of RM28.7 million was disbursed for various CSR programmes to support underserved and disadvantaged communities across ASEAN.

Furthermore, despite the relaxation in Standard Operating Procedures when Malaysia entered Phase 4 of the National Recovery Plan in 2021, #teamCIMB still adhered to social distancing measures and a work from home option was encouraged where possible.

On behalf of the Board, the Chairman extended his sincere gratitude to all CIMB stakeholders including employees, customers, partners, suppliers and regulators for their trust and continued association. The stakeholders had been a source of great support and strength for CIMB during this difficult time and CIMB looked forward to continue the mutually rewarding relationship as CIMB embarked on a new journey of recovery and resilient growth.

The Chairman ended his speech by inviting the Group CEO to give his presentation on the 2021 CIMB Group Overview and 2022 Plans.

5. GROUP CEO'S PRESENTATION

Dato' Abdul Rahman Ahmad thanked the Chairman and welcomed all shareholders and guests to the AGM, and presented the Group's key financial performance which included CIMB Today, FYE 2021 Performance, Forward23+ Progress, Journey Towards a Purpose Driven Organisation and Going Forward.

Dato' Abdul Rahman expressed his sincere appreciation to shareholders for taking their time to be with CIMB today.

Dato' Abdul Rahman reiterated that 2021 continued to be another challenging year where CIMB experienced the resurgence of COVID-19 variants leading to recurring lockdowns that adversely impacted its economies and caused financial difficulties to its communities and borrowers. In the second year of this pandemic however, as governments recalibrated and continued to use fiscal policy instruments to nurse their economies back to health, many had also stepped up and adapted to the new normal by transforming the way they live, and how their business operate.

Dato' Abdul Rahman informed that his presentation would cover 5 key areas, as follows:

(i) CIMB Today

CIMB Group today remained the fifth largest bank in ASEAN, with an expanded total asset size of RM622 billion. CIMB's footprint spanned across 15 countries with 630 branches across the region, employing more than 33,000 talents.

CIMB's vision and ambition was to be the leading focused ASEAN bank. Being a local ASEAN bank was CIMB's key differentiator, where CIMB would focus on key markets and segments and play to win. In the long run, CIMB would wish to build a high performing sustainable organisation to help advance customers and society.

Dato' Abdul Rahman then informed that, at last year's AGM, he had shared with the audience CIMB's recalibrated Strategic Plan Forward 23+, which covered five strategic themes - Delivering Sustainable Financial Returns, ensuring Disciplined Execution, emphasis on Customer Centricity, transforming Fundamentals, and ensuring CIMB would become a much more purpose-driven Organisation. He added that FYE 2021 had marked CIMB's first full year of implementation for its Forward23+ Strategic Plan and he was pleased to report that CIMB had been making real meaningful and positive progress.

(ii) FYE 2021 Performance

In FYE 2021, the Group's financial performance rebounded strongly with Net Profit improving by 289.3% Year-on-Year (YoY) to RM4.6 billion, translating into a Return on Equity (ROE) of 8.1%, representing a sharp improvement from 2.1% ROE recorded in FYE 2020. The Cost-to-Income ratio (CIR) further reduced to achieve a new record low of 48.6% as a result of CIMB's strict cost discipline. CIMB also achieved a new record high CET1 capital ratio of 14.5%, ensuring CIMB remain well-capitalised against future headwinds.

In terms of business performance, CIMB's operating income recorded 8.2% YoY growth driven by strong Net Interest Income (NII) growth which offset the marginal decline in Non-Interest Income (NOII) from lower investment trading and Foreign Exchange (FX) gains. Gross loans grew by 3.3% YoY in 2021, after a flat 2020, but CIMB was short of its 5% target as it reshaped its portfolio and rescaled some of its higher risk businesses as well as prioritised judicious growth to protect asset quality. Current Account Saving Account (CASA)

continued its strong momentum and increased by 10.3% YoY, with CASA ratio reaching 42.5% as at December 2021.

CIMB's FYE 2021 operating income surpassed pre-pandemic levels given that the strong revenue growth was broad based for all segments and markets. NII growth was particularly strong at 11.5% driven by expansion in Net Interest Margin (NIM) as CIMB substantially optimised its cost of deposits.

CIMB was pleased to report that the Group made considerable headway and over the last two years, had been able to identify structural cost savings of more than RM1.0 billion as cost optimisation was part of its main priorities since the start of Forward23+.

As a result, operating expenses had increased by only 1.8% in FYE 2021 to RM8.9 billion despite continuous investments in technology and people. Accordingly, CIMB achieved a positive JAW of 6.4% which brought the Bank closer and on track towards its Forward23+ CIR target of 45%. As a result of the positive JAW, Pre-Provision Operating Profit or (PPOP) grew strongly at 14.9% YoY to RM9.4 billion, which represented one of the highest growth amongst banks in Malaysia for the year. All segments and countries experienced positive PPOP growth save for Thailand as CIMB continued with the run-down of the Commercial Banking portfolio and the impact of lower consumer loan book.

Total provisions were also significantly lower from RM6.8 billion recorded in 2020 to RM3.2 billion in FYE 2021 from reduced corporate provisions and overlays. As a result, the Group's credit cost declined to 73 basis points (bps) from 151bps in FYE 2020, when CIMB was at the peak of economic disruption. Credit loss however, remained relatively elevated due to top-up provisions taken on legacy credit accounts impacted by the pandemic as well as provisions prudently taken on customers' other receivables.

As a consequence of higher PPOP and lower provisions, all segments and countries performed well and recorded steep positive improvements in Profit Before Tax (PBT), enabling the Group's PBT to quadruple from 1.5 billion in FYE 2020 to reach RM6.3 billion in FYE 2021.

The strong financial performance enabled CIMB's CET1 Capital Ratio to rise strongly and hit a new record high of 14.5%, compared to 13.3% in 2020, reflecting the Group's capital strength and resilience.

CIMB remained committed to rewarding its shareholders. CIMB declared a Dividend Pay-Out Ratio of 50.1% of reported Net Profit in line with its dividend policy of between 40% to 60%. This translated to payment of dividend of 22.99 sen per share or a total distribution of RM2.3 billion, representing a significant increase to 2020 levels.

In summary, despite the challenging operating environment in 2021, the Group successfully met or exceeded most of its FYE 2021 targets across all profitability metrics. CIMB's FYE 2021 ROE of 8.1% exceeded the target of 7% whilst its CIR of 48.6% was better than the target of 52%.

(iii) Forward 23+ Progress

Dato' Abdul Rahman informed that, in line with CIMB's focused investments approach, the Bank accelerated growth in profitable areas especially in segments such as Consumer Banking, particularly in the Affluent and Wealth Management. At the same time, CIMB had been making positive progress in expanding its CASA franchise with its CASA ratio hitting a 10-year high of 42.5% as CIMB deepened its transaction banking services through increased penetration of Main Operating Current Account (MOCA).

Given that the digital businesses were also gaining traction, CIMB was pleased to report that Touch 'n Go Digital (TnGD) now had more than 7 million annual transacting users and half a million of merchants, while the GO+ investment feature that was launched in March 2021 delivered impressive growth with 2 million investors on-boarded with a total Assets Under Management (AUM) of RM492 million. This had enabled TnGD to successfully undertake its fund raising exercise attracting financial and strategic investors with its valuation. The Group benefited from this exercise crystallising more than RM1.0 billion in deconsolidation gain.

On the other hand, CIMB Philippines had also continued with its steep growth in customer base, exceeding the 5 million mark with deposits at about RM1.3 billion, making it one of the leading digital banking franchise in ASEAN.

In recognition of the importance of digital reliability and the high expectations of customers, CIMB would need to continue to improve in this area. In 2021, there had already been good progress especially in the improvement in uptime performance with CIMB's digital banking platforms as reflected in the published availability performance of CIMB Clicks which exceeded 99%.

Given CIMB's commitment on improving the stability of its platforms and resiliency of its operations, going forward, CIMB planned to invest approximately RM1.2 billion in FYE 2022 to accelerate the digital transformation and further strengthen its technology and operational resilience.

Furthermore, end of last year, CIMB rolled out a new regional operating model, TEAM, to elevate accountability, ensure centralisation and alignment of tasks while empowering day-to-day execution at country level, given CIMB's recognition of the importance of strengthening its execution and underlying fundamentals.

At the same time, multiple initiatives were implemented to further enhance both CIMB's internal and external customer experience that led to positive improvements in the Net Promoter Score (NPS). The Group's key initiatives to transform its fundamentals across capital optimisation, balance sheet management and asset quality improvement were also tracking well.

At the same time, CIMB's investment in human capital and the culture and values of the organisation was doubled down following the refreshed values and culture framework, EPICC, that represents Enabling Talent, Passion, Integrity & Accountability, Collaboration and Customer Centricity.

CIMB, as it approached the endemic phase, introduced hybrid working arrangement to provide flexibility to its employees while ensuring engagement, work quality and productivity were maintained.

CIMB had partnered with Naluri, a digital wellness company, to address the issues associated with the mental wellbeing of its talents as it thrived towards becoming the best organisation for the best talent with the right values.

(iv) Journey Towards a Purpose Driven Organisation

A key pillar under Forward 23+ had been making CIMB a much more purpose-driven organisation, particularly in driving to be at the forefront of the sustainability agenda.

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

- (a) Achieving net zero greenhouse gas (GHG) Scope 1 and 2 emissions in CIMB's operations by 2030 and Net Zero under Scope 3 and financed emissions by 2050;
- (b) Increasing CIMB's sustainable finance commitment target from RM10 billion to RM30 billion by 2024;
- (c) Rolling out CIMB's No Deforestation, No Peat, No Exploitation (NDPE) policy in phases; and
- (d) Investing RM150 million over five years and 100,000 employee volunteer hours annually by 2024.

In ensuring the sustainability agenda was properly monitored and executed, CIMB established a Board-level Group Sustainability and Governance Committee (GSGC) which provided the Board with stronger oversight of its sustainability journey. For better alignment, CIMB also linked top management compensation and its organisational collective scorecards to sustainability Key Performance Indicators (KPIs).

Accordingly, CIMB was making strong progress in delivering on its enhanced Sustainability Commitments. As at the end of 2021, CIMB had mobilised RM25.9 billion in Sustainability Financing, close to its RM30 billion target and entered into the world's first ringgit sustainability-linked derivative with RM2.45 billion notional value.

CIMB had also expanded its engagement and partnership activities by holding its first ever Sustainability Investor Day, in addition to its annual activity, The Cooler Earth Sustainability Summit, which continued to garner extensive attention. In 2021, CIMB was proud to become the first ASEAN bank to be a member of the Net Zero Banking Alliance.

CIMB was pleased that its efforts in Sustainability was showing meaningful results where it achieved 79th percentile in the 2021 S&P Global Corporate Sustainability Assessment, exceeding its F23+ target three years ahead of schedule. CIMB however, recognised that it must not rest on its laurels and continue to ensure that CIMB remain at the forefront of the Sustainability Agenda for the benefit the community and the next generation.

In the context of Sustainability Focus Areas for 2022, CIMB would focus on several main areas such as delivering the GHG Scope 1 and 2 reduction plans whilst establishing Scope 3 financed emissions baseline, rolling out Diversity and Inclusion Plans, driving sustainable finance innovation, and introducing the Group Human Rights Policy, which applied to not only the business but also the stakeholders'.

At the same time, the Group would remain committed to its Corporate Social Responsibility programmes. This could be seen where in 2021, CIMB invested over RM28 million across the region to support around 115,000 beneficiaries. This included the Komuniti Kita project where CIMB committed RM10 million pandemic aid for community in need.

Since the kick-start of the Employee Volunteerism initiative, #teamCIMB had contributed a total of over 67,000 hours in volunteering. CIMB would further expand this in 2022 to ensure the part in giving back to society was executed.

As a bank, CIMB's biggest socially impactful role during the pandemic was to provide financial relief and assistance to borrowers adversely affected by the reduced economic activity. CIMB had worked closely with the regulators in this regard, and to-date, CIMB had provided financial assistance to more than 2 million affected customers with total gross loan value amounting to more than RM270 billion of across the region.

In Malaysia alone, CIMB assisted 1.75 million customers with a total gross loan value of RM253.8 billion, from the initial automatic loan moratorium scheme to the Pemulih Programme and to the current exit programme under Financial Management and Resilience Programme (URUS) together with Agensi Kaunseling dan Pengurusan Kredit (AKPK).

CIMB was pleased to note that a large portion of its borrowers had now successfully migrated out of the assistance programmes and were able to resume repayments. In Malaysia from a high of more than 60%, only 10% of the Malaysia portfolio remained under Repayment Assistance. CIMB remained committed to continue helping those that still required assistance.

(v) CIMB Going Forward

Dato' Abdul Rahman shared CIMB's perspective and outlook for FYE 2022. CIMB expected that the economies in ASEAN region to recover and record positive GDP growth in 2022 following the loosening of pandemic restrictions. CIMB, however, remained cautious given the escalating risks from the resurgence in Omicron variant cases particularly in China, the heightened geopolitical risk from the Ukraine conflict and rising inflation caused by supply disruptions.

Notwithstanding the macro economic conditions, Management's focus in CIMB for 2022 was to continue executing the strategic initiatives under its Forward 23+ plan. In particular, CIMB had identified three main priorities:

- (a) First, to continue to undertake targeted investments and accelerate growth in CIMB's focused segments such as Consumer, Affluent and Wealth Management, Transaction Banking and Wholesale ASEAN Network Business;

- (b) Second, to remain focused on cost discipline, risk management and asset quality to mitigate downside risks; and
- (c) Third, to intensify efforts to improve CIMB's digital services and processes and strengthen its technology and operational resiliency.

Based on this, CIMB expected its performance for FYE 2022 to continue to improve, where CIMB had guided the market with a targeted loan growth of 5 to 6%, core ROE excluding Cukai Makmur of 8.5% to 9.0%, Cost to Income ratio of less than 49%, loan loss charge of between 60bps to 70bps and a healthy CET1 Capital Ratio of more than 13.0%.

Management believed the targeted performance improvements in FYE 2022 would provide a strong platform for CIMB to deliver on its Forward 23+ targets for FYE 2024. CIMB had a clear roadmap and was confident that the ambition to deliver the top quartile financial and non-financial targets across Return of Equity, Cost to Income Ratio and Sustainability, were on track and within reach.

Dato' Abdul Rahman informed that the Board and Management were wholly committed to continue with CIMB's Forward23+ transformation journey and ensure that CIMB would achieve its ambition to be the leading focused ASEAN Bank by 2024.

On behalf of all at CIMB Group, Dato' Abdul Rahman expressed his deepest gratitude to the Chairman and the Board for their confidence and faith in Management and thanked all in #teamCIMB for their perseverance, hard work and continuous commitment through these difficult times. He highlighted that it was a privilege and honour to work together with #teamCIMB. He then thanked the customers, partners and valued shareholders for their kind support, trust and understanding. He looked forward to a new recovery year to bring CIMB forward for mutual benefit.

6. POLLING PROCESS

The Chairman informed that the members, corporate representatives and proxies present had the right to speak and vote on the resolutions set out in the Notice of the 65th AGM dated 23 March 2022.

Before moving to the formal business of the Meeting, the Chairman informed that voting on each of the Resolutions set out in the Notice of AGM would be conducted via online electronic voting. Shareholders had the right to speak and ask questions in real time by clicking on the messaging icon. He also encouraged all present to refer to "documents tab" in the online portal to view the Pre-AGM questions and answers posted by Minority Shareholder Watchdog Group (MSWG), Permodalan Nasional Berhad (PNB) and other individual shareholders.

The Chairman further informed that in his capacity as Chairman of the Meeting, he had been appointed as a proxy by some shareholders, and would be voting in accordance with their instructions.

The Chairman then informed that the Share Registrar, Boardroom Share Registrars Sdn Bhd (Boardroom), would act as a Poll Administrator to conduct the online electronic polling process and Messrs Deloitte was appointed as the Scrutineer to verify the poll results.

The Chairman then invited shareholders and proxy holders to view a short video on the electronic poll voting procedures presented by the poll administrator, Boardroom, details of which were duly noted.

Before proceeding with the Agenda for the AGM, the Chairman informed shareholders that any queries regarding banking-related matters should be directed to CIMB's dedicated email at cru@cimb.com.

The Chairman highlighted that the Group Chief Financial Officer and the Group Company Secretary were also shareholders of the Company. They had offered to be proposer and seconder for all the resolutions. In this respect, Resolution 1 to Resolution 9 were duly proposed and seconded.

7. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman tabled the Audited Financial Statements for the FYE 31 December 2021 and the Reports of the Directors and Auditors.

The Chairman informed that CIMB had published the Annual Report (AR) and Accounts for FYE 2021 to Bursa Malaysia on 23 March 2021 and subsequently uploaded to CIMB's Website on the same day.

The Audited Financial Statements for the FYE 31 December 2021 were only for discussion and would not be put to vote, as it did not require shareholders' approval under the provisions of Section 340 (1)(a) of the Companies Act 2016.

8. RE-ELECTION OF DIRECTORS WHO RETIRE PURSUANT TO ARTICLE 81 OF THE COMPANY'S CONSTITUTION

In line with BNM's Guidelines on Corporate Governance and CIMB's Fit and Proper Policies and Procedures for Key Responsible Persons, the GNRC had conducted an assessment of retiring Directors at the AGM under Article 81 of the Company's Constitution. The assessment criteria for their re-appointment included their attendance and contribution at Board and Committee meetings, their time commitment and level of contribution to effectively discharge their roles as Directors as well as subjective assessment on their conduct, character and competence, amongst others.

The Board had approved the GNRC's recommendations for these Directors to retire by rotation.

The Chairman informed of the following Resolutions for Directors who retired pursuant to Article 81 of the Company's Constitution:

- (i) Agenda 2 on Ordinary Resolution 1 is for the proposed re-election of Ms. Teoh Su Yin who retired under Article 81 of the Company's Constitution;
- (ii) Agenda 2 on Ordinary Resolution 2 is for the proposed re-election of Dato' Lee Kok Kwan who retired under Article 81 of the Company's Constitution; and
- (iii) Agenda 2 on Ordinary Resolution 2 is for the proposed re-election of Dato' Mohamed Ross Mohd Din who retired under Article 81 of the Company's Constitution.

CHAIRMAN'S
INITIALS

9. APPROVAL ON PAYMENT OF NON-EXECUTIVE DIRECTORS' REMUNERATION

The Chairman informed that the next item was Agenda 3, Ordinary Resolution 4 was on the proposed payment of Non-Executive Directors' Remuneration with effect from the 65th AGM until the next AGM of the Company.

Being interested in Ordinary Resolutions 4 and 5, the Chairman handed the chair to the Group CEO to present Ordinary Resolutions 4 and 5.

Dato' Abdul Rahman informed that Section 230(1) of the Companies Act 2016, provided, 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. This proposal was also in line with the recommendation by BNM in its Directors' Remuneration Report.

The Board of Directors recommended the Directors' fees for the Company and its subsidiaries as approved at the previous AGM of the Company, for shareholders' approval. There was no revision to the amount proposed. The proposal, if approved by the shareholders, would allow CIMB to remunerate Directors timely instead of in arrears. This ensured accountability while recognising the effort and contribution of the Non-Executive Directors by paying them in a timely manner without having to wait for the next AGM.

10. APPROVAL ON PAYMENT OF ALLOWANCES AND BENEFITS PAYABLE TO NON-EXECUTIVE DIRECTORS

Dato' Abdul Rahman informed that the next item was Agenda 4, Ordinary Resolution 5 on the proposed 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 comprised allowances, benefits-in-kind and other emoluments payable to them by the Company and its subsidiaries.

In determining the estimated cap payable for the Non-Executive Directors, various factors were considered, 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. The Board recommended 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. There was no revision to the amount proposed since the last AGM.

Dato' Abdul Rahman then invited the Chairperson of the GNRC, to present details of the reduction of Board-related costs in 2021, reinstatement of Board-related costs in 2022 and annual cap payable to the Non-Executive Directors

Ms. Teoh Su Yin, the Chairperson of the GNRC, thanked Dato' Abdul Rahman and proceeded to explain on the following:

Reduction of Board-related Costs

Given the challenging environment in FYE 2020, the Board had agreed previously, on temporary basis, to reduce the Retainer Fees and Chairperson's Premium for CIMB

Group Directors by 10% and Meeting Allowance by 20%, which took effect on 1 June 2020. The Board had reassessed the effectiveness of these temporary measures and agreed to extend the temporary measures until 31 December 2021, taking into account the weak economic conditions and the uncertainty around the COVID-19 pandemic.

The Board recognised that the total remuneration for Non-Executive Directors had reduced slightly from RM5.9 million in FYE 2020 to RM5.88 million in FYE 2021 with the temporary measures.

Reinstatement of Board-related Costs in 2022

Further review was made by the GNRC and the Board in December 2021 and the Board decided that the previous framework of Board Fees and Meeting Allowance be reinstated with effect from 1 January 2022.

This decision was made after taking into consideration the improving condition surrounding the COVID-19 pandemic and in line with increasing expectation by the stakeholders for the Board members to discharge their duties and responsibilities effectively given the challenging economic situation.

Annual Cap

Based on the Annual Cap of RM3.895 million that was approved by Shareholders at the 64th AGM for variable benefits payable to the Non-Executive Directors, the Board noted that the actual variable benefits payable for the financial year 2021 was RM2.31 million resulting in a positive gap of RM1.59 million. With the positive gap of RM1.59 million, the Board viewed that this amount would be sufficient to cover the Board-related cost for the year 2022, and had recommended that this amount be maintained for shareholders' approval.

The Board proposed to maintain the Annual Cap of RM3.895 million for variable benefits payable to the Non-Executive Directors from the 65th AGM until the next AGM of the Company for approval by the shareholders as specified under Ordinary Resolution 5.

At this juncture, Dato' Abdul Rahman over the chairmanship to the Chairman for next agenda.

11. RE-APPOINTMENT OF AUDITORS

The Chairman informed that Agenda 5, Ordinary Resolution 6 was on the proposed re-appointment of Messrs PricewaterhouseCoopers (PwC) as Auditors of the Company for the FYE 31 December 2022 and to authorise the Board of Directors to fix their remuneration.

Being satisfied with PwC's performance in 2021, their technical competency and audit independence as well as fulfilment of criteria set out in CIMB's Guidelines for the Appointment/Re-appointment of external auditor, the Board recommended the reappointment of PwC as external auditors of the company for the FYE 31 December 2022.

The Chairman further informed that the present auditors, PwC, had expressed their willingness to continue in office.

SPECIAL BUSINESS**12. RENEWAL OF AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES**

The Chairman informed the Meeting that the next item on the Agenda, Agenda 6 under Special Business, Ordinary Resolution 7, was to give the authority to the Directors to issue shares at any time until the conclusion of the next AGM, provided the number of shares to be issued did not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all relevant governmental and/or regulatory authorities being obtained for such allotment and issue.

This proposal, which had been approved for the past years, was to give the Directors the authority to issue new shares up to 10% of the capital of CIMB without having to call for an Extraordinary General Meeting. The proposal was however subject to regulatory approvals, namely Bursa Malaysia Securities Berhad and/or BNM, and would only be valid up to the next AGM.

This proposal was a strategic tool available to the Company in managing its capital without being unduly dilutive to existing shareholders. By having this authority in place, the Company was better placed to take advantage of the market movements and gave the Company the flexibility to issue shares for purposes as the Directors deemed would be in the best interests of the Company and shareholders.

13. RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY IN RELATION TO THE DIVIDEND REINVESTMENT SCHEME (DRS)

The Chairman proceeded to the next item of the Agenda, Agenda 7 under Special Business, Ordinary Resolution 8, which was to consider and if thought fit, to pass the Ordinary Resolution to renew the authority for the Company to allot and issue new ordinary shares in the Company in relation to the DRS. The details of the Resolution were as stated in the Notice of AGM.

The shareholders had approved the DRS at the Extraordinary General Meeting held on 25 February 2013.

The shareholders were informed that this proposal would give authority to the Directors to issue ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS, until the conclusion of the next AGM. A renewal of this authority would be sought at the subsequent AGM.

14. RENEWAL OF THE AUTHORITY TO PURCHASE OWN SHARES

The Chairman informed the meeting that the item under Agenda 8 under Special Business, Ordinary Resolution 9, was for the shareholders to consider and if thought fit, to pass the Ordinary Resolution to renew the authority for the Company to purchase its own ordinary shares, details of which were as stated in the Notice of AGM.

The Chairman further informed that shareholders had approved a similar motion for the past years and that the last approval would lapse at this meeting. In view of this, the Board sought the shareholders' approval for a new mandate until the next AGM.

CHAIRMAN'S
INITIALS

The details of the Proposed Share Buy-Back were as stated in the Statement Accompanying Notice of AGM.

By having this authority in place, the Company would be able to utilise any of its surplus financial resources to purchase CIMB shares in the market. The increase in Earnings per Share, if any, from the Proposed Share Buy-Back was expected to benefit the shareholders of the Company.

The purchased shares could be held as Treasury Shares and re-sold through Bursa Securities with the intention of realising potential gain without affecting the total issued and paid-up share capital of the Company. The distribution of the Treasury Shares as share dividend also served to reward the shareholders of the Company. The share buy-back would only be made after careful consideration, and where the Board was of the opinion that the Proposed Share Buy-Back was in the best interest of the Company and shareholders.

15. QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP (MSWG)

The Chairman informed that there were questions received from MSWG and invited Dato' Abdul Rahman to address them accordingly.

Dato' Abdul Rahman provided CIMB's written replies in response to the 6 questions raised by MSWG and a snapshot of the questions and responses were also provided online for the benefits of the shareholders.

Question 1:

In January 2022, the Group identified errors that were related to a specific third party financial remittance service, which led to a group of customers receiving duplicate credits in their accounts.

As such, the reliability and integrity of CIMB's information technology systems had been called into question. It had also tarnished CIMB's standing as a reliable and reputable financial institution.

- (a) How many customers/accounts were affected by these processing errors?
- (b) What was the total amount involved?
- (c) What was the outcome of CIMB's recovery engagement with customers? How much of the wrongly credited monies had been recovered by CIMB?
- (d) What had gone wrong with CIMB's transaction processing infrastructure that resulted in this error? Were the weaknesses in CIMB's processing infrastructure identified in the Group's internal audit reports previously?
- (e) What were the directives from Bank Negara Malaysia to CIMB following these processing errors?
- (f) What were the remedial actions taken to address these processing errors? How did the Group plan to prevent similar errors from occurring in the future?
- (g) When would the Group complete the "major review" of mitigating controls, policies and procedures, surrounding its transaction processing infrastructure (page 164 of IAR 2021)?
- (h) The Group had provided an expected credit losses (ECL) of RM280.9 million in FYE 2021 due to this incident (page 206, Financial Statements 2021). What percentage of these impairments were expected to be recoverable?

Response:

The processing error related to a specific third party financial remittance service affected only 11,800 customers, out of close to 8.1 million Bank customers.

Management was able to disclose the total amount involved given it was still in engagement and recovery process. However as disclosed, Management had taken a provision amounting to RM280.9 million in its FYE 2021 results, which represented the majority of the exposure. Based on the engagement and recovery outcomes, an additional and final provision amount which would be lower than this amount, might be taken in the first quarter of FYE 2022.

Notwithstanding these provisions, CIMB announced strong results for FYE 2021 where CIMB met targets across all financial metrics including ROE and credit cost with Core Net Profit reaching RM4.65 billion.

CIMB's efforts to engage with customers and recovery measures were still on-going, and it was too early to meaningfully share the current and forecasted recovery outcomes.

The processing error was caused by the concurrent operation of both manual and automated credit postings of incoming MoneySend transactions.

CIMB had taken immediate actions to address this processing error and implemented additional controls to prevent similar errors from occurring in the future. CIMB had also embarked on an overall review of policies and procedures as well as mitigating controls surrounding transaction processing infrastructure.

The immediate actions to address and remedy the processing error as well as implementing additional controls had all been completed whilst the larger comprehensive work of reviewing and enhancing the policies and procedures and mitigating controls surrounding transaction processing infrastructure was currently on-going and was on track of its programme timelines.

Throughout this incident, CIMB worked closely with BNM, where Management provided regular update and findings of the ongoing investigation.

CIMB had taken note of BNM's call to ensure fair treatment to customers, and Management was fully committed to adhering to BNM's Policy on Fair Treatment of Financial Consumers in dealing with this matter.

Question 2:

Despite CIMB's effort to resolve this incident amicably, a group of 650 CIMB Bank account holders were reported to have filed a RM650 million class-action suit against the Bank for negligence over a processing error that left their accounts frozen and in debt.

What was CIMB's stance on this issue?

Response:

As part of its recovery measures, CIMB had exercised its contractual and legal right to initially earmark accounts of the affected customers based on the amount double

credited in line with standard banking practice. The accounts of the customers were not frozen and customers were free to utilise any amount above the earmarked amount. Consequently, and in line with the terms and conditions of the accounts, the Bank debited the accounts of a limited number of customers who had not, directly or through lawyers, responded or engaged with the Bank, despite attempts by the Bank. This was only done after prior notice was given.

All recovery measures taken were in line with industry-standard practice and after due notice and notification.

The Bank remained committed to ensure a fair and managed resolution and would continue to engage all affected customers who received the double credits.

Insofar as matters that were the subject of legal proceedings, CIMB would strongly defend its position and leave the outcome to the due process of court.

Question 3:

The allowance for impairment losses on loans, advances and financing (LAF) declined to RM2.61 billion as compared to RM5.34 billion in FYE 2020. Meanwhile, its loan loss charge was lower at 73bps, as compared to 151bps in the year before.

(a) What would CIMB's asset quality look like in FYE 2022?

Response:

The FYE 2022 asset quality was expected to continue to improve in light of the economic recovery as well as the cushion of the significant amount of management overlays and macroeconomic factor adjustments already taken in the last 2 years.

Nevertheless, CIMB remained vigilant in monitoring all exposures closely especially for those customers that were migrating out of the repayment assistance programmes and corporates in sectors still impacted by the pandemic.

(b) The management opined that credit cost would remain elevated in FYE 2022. What was CIMB's credit cost guidance for FYE 2022? What were the assumptions behind this guidance?

Response:

The Group projected a credit cost of 60bps to 70bps for FYE 2022, an improvement over the 73bps in FYE 2021. CIMB remained prudent given the various uncertainties related to the pandemic, the impact in the rise in inflation and the risks posed by recent geo-political events.

Question 4:

Under Budget 2022, the Malaysian government had announced the one-off Prosperity Tax on companies with chargeable income over RM100 million for the year of assessment 2022. Under this tax regime, companies would be levied at a tax rate of 33%, instead of the blanket 24% rate previously, for chargeable income over RM100 million.

To what extent would CIMB's earnings and return on equity (ROE) be dampened by this one-off windfall tax in FYE 2022? Having factored in this one-off tax, would the Group be able to achieve the FYE 2022 ROE target of 8.5% to 9% (FYE 2021: 7.5%)?

Response:

Cukai Makmur was expected to have a 1% impact on the Group's ROE for 2022. The Group's 2022 target for underlying/core ROE was 8.5% to 9.0% whilst the target reported ROE after factoring Cukai Makmur was between 7.5% to 8.0%.

Question 5:

In FYE 2020 and FYE 2021, CIMB had made RM7.96 billion of provisions for LAF in segments that were impacted by the COVID-19 pandemic (page 63, IAR 2021).

What was the visibility of writing back these provisions?

Response:

CIMB was still cautious to provide a definitive estimate of recoveries at this juncture given the various prevailing uncertainties particularly as migration of customers out of repayment assistance programmes were still on-going.

The initial progress of borrowers resuming payments post exit of repayment programmes was positive and if this continued, would present the opportunity to write back the significant management overlays and MEF provisions that had been made earlier. The Group would continue to pursue rigorously recoveries as well as prudently evaluate the potential for write-back of overlays to ensure the best outcome for shareholders.

Question 6:

Touch 'n Go Sdn Bhd (TnG), a unit of CIMB, had launched GOpinjam micro loan scheme via Touch 'n Go e-wallet, to allow one to borrow from as low as RM100 to a maximum of RM10,000. Gopinjam scheme's interest rate would run between 8% and 36% per annum, which had been deemed exorbitant by some.

(a) How did a loan scheme with an interest rate as high as 36% per annum fit into CIMB's Green, Social, Sustainable Impact Products and Services (GSSIPS) framework?

Response:

CIMB's GSSIPS framework included the provision of affordable financial services to those who had not been traditionally able to access them.

GOpinjam was a product introduced by TnGD, CIMB's associate company, as a new first-of-its-kind low-amount (from as low as RM100) and short-tenure financing product (from as short as 1 week), and these borrowing options were not available anywhere else. It was designed specifically to enable financial inclusivity for all market segments within a secure, safe and regulated environment.

This product also allowed repeat customers, with good repayments to build a sustainable credit history. With this, they would be able to enjoy more competitive

rates and also have access to other main-stream lending like mortgage or auto, as they moved along in their lifecycle needs.

On interest rates, this product was built to operate on risk based pricing, ranging from 8% to 36% flat per annum (p.a) and it varied for each customer. Various factors were taken into consideration to determine the final interest rate chargeable such as credit records, repayment behaviour, loan tenure and others.

Next, 36% flat p.a was the maximum pricing of this product and was needed to support this business, so that CIMB would be able to cover the basic cost of processing and the credit risk being taken. As examples, a loan of RM3,000 at an interest rate of 36% p.a. and a tenure of 3 weeks would attract interest of RM62.30, and a loan of RM100 at the same interest rate and tenure of 1 week would attract interest of only 69 sen.

CIMB expected only a small percentage of customers to be in this max pricing category and most customers to incur significantly lower interest rates in line with the prevailing market rates charged for unsecured loans.

- (b) The targeted segment of the GOpinjam scheme was the underserved population which required lower credit amounts for a shorter period or those who otherwise would not have been able to access formal credit facilities.
- i. Would not such high interest loan scheme leave applicants in a cycle of living paycheck-to-paycheck and ultimately being unable to meet their financial obligations?

Response:

All applicants were subject to bureau credit checks to ensure proper affordability assessment and observation of prudent debt service ratios. This was in line with BNM's responsible lending guidelines.

TnGD and CIMB were committed to only providing loans to those customers who could afford to take them and were able to repay as well as educating customers on the importance of maintaining a good repayment record and to build a sustainable lending behaviour in the country.

- ii. How did the Group ensure that the applicants were aware of the terms and conditions for such loans especially the calculation of interest rate?

Response:

TnGD was committed to and had ensured full and transparent disclosures of the terms and conditions for GoPinjam loans in adherence to the BNM's Product Transparency and Disclosure guideline.

Applicants for the loan would have access to all detailed terms of the loan at any point of time, and at all stages of the application.

In the product terms and conditions Frequently Asked Questions (FAQs), users would be able to see how much they could potentially borrow up to and could select the amount and tenure based on their affordability and did not need to commit to a higher amount or longer tenure if they did not need to. All

instalment amounts and interest rates were shown to users before they accepted the loan, directly promoting full transparency and choice.

GOpinjam did not charge any processing fees, stamp duties or withdrawal fees, nor did it charge any early settlement fees in the event users repay earlier.

16. QUESTIONS FROM PERMODALAN NASIONAL BERHAD (PNB)

The Chairman informed that there were questions received from PNB and invited Dato' Abdul Rahman to address them accordingly.

Dato' Abdul Rahman provided CIMB's written replies in response to the 9 questions raised by PNB and a snapshot of the questions and responses were also provided online for the benefits of the shareholders.

Question 1:

Delivering Sustainable Financial Returns (Page 34 of Annual Report 2021)

Reshaping Portfolio

- (a) In line with 'reshaping of portfolio', it was mentioned that the Group had reduced its allocation to Commercial (ex-SME) in Indonesia and Singapore. Had the Group already achieved its optimal exposure to commercial banking (ex-SME) for both geographies? If no, what was the target reduction in exposure to this segment for both geographies, within FYE 2022 and FYE 2022 to FYE 2024?

Response:

The Group Commercial Banking business registered positive operating income growth for FYE 2021, with positive performance outcomes from both geographies.

The Commercial Business in Indonesia and Singapore had been rescaled based on CIMB's risk appetite and CIMB expected the portfolio size to remain relatively stable going forward. CIMB would continue to monitor and evaluate based on the business environment and opportunities and recalibrate its portfolio allocation strategy where necessary.

- (b) Following the reduction in this underperforming business, had the Group seen positive impact on RAROC for commercial segments and both geographies mentioned above?

Response:

As mentioned, the Group Commercial Banking business registered positive operating income growth for FYE 2021. At the same time, both the Indonesia and Commercial businesses had showed improved RAROC and LLC driven by prudent and pro-active asset quality management strategy.

Driving cost efficiency

- (a) Given the expectation on escalating operational cost and constant need for investment in Information Technology and digitalisations, could CIMB share any

identified structured cost initiatives to ensure CIMB would be able to achieve its long long-term target CIR of $\leq 45\%$ by 2024?

Response:

Over the last two years, CIMB had identified more than RM1 billion of cost savings, with RM195 million crystallised in FYE 2021 alone, enabling cost for the year to rise only by 1.8%.

CIMB would continue to focus on realising the identified structural cost savings such as commercial exit for Thailand, rightsizing for Singapore, cost optimisation for Indonesia, and driving optimal organisation structure while managing CIMB's spending prudently, particularly in non-productive areas.

At the same time, CIMB was conscious of the need to continue spending in the right areas which would drive sustainable growth, in particular investments in its core technology platforms, digital enablement, operational resiliency and human capital development.

CIMB believed that with the execution of these cost and investment initiatives together with the delivery of its targeted income growth, CIMB was on track to achieve its CIR FYE 2024 target of 45%.

Question 2:

Meeting the ROE of 11.5% to 12.5% (Top Quartile within ASEAN) by 2024.

Under CIMB's ROE trajectory for Forward23+, there were 5 key deliverables that include:

- i. Grow assets judiciously
- ii. Grow Non Non-Interest Income ("NOII") aggressively
- iii. Improve provisions
- iv. Reduce cost
- v. Undertake capital management

CIMB's NOII continued to decline by 1.1% YoY in FYE 2021, after dropping by 13% YoY in FYE 2020. Given the continued uncertainty in market and interest yield environment, would "Grow NOII aggressively" remain under CIMB's key ROE trajectory? If yes, what would be the plans to grow NOII going forward?

Response:

Notwithstanding the macro challenges, NOII remained one of CIMB's priority areas under Forward23+ to deliver sustainable financial returns and diversify its income structure.

CIMB's efforts to drive NOII would continue to focus on expanding its wealth and affluent business, deepening its penetration in transaction banking and growing the wholesale fee income.

Question 3:Commitment 1: Achieve Net Zero GHG by 2030

It was mentioned that CIMB would consider purchasing carbon offsets (as Lever 4) to achieve the net zero GHG by 2030. As at 31 December 2021, CIMB had reduced its GHG emission by 24% to 71,965 tCO tCO₂e from 2019 baseline of 94,834 tCO tCO₂e, which almost met the target of 25% reduction by 2024.

Based on CIMB's Sustainability Investor Day presentation, the next reduction plan beyond 2024 would rely largely on carbon off sets, which was 50,000 tCO tCO₂e (around 53% reduction). Given this, would CIMB be purchasing the carbon offsets sooner than its initial plan, and if yes, what would be the estimated cost?

Response:

The 24% reduction recorded in 2021 was partly a result of energy reductions due to work from home (WFH) arrangements and reduced mobility in light of pandemic restrictions. As CIMB slowly returned to a more normal or hybrid working arrangement, some of these reductions might be reversed in 2022 and beyond, which explained that initiatives to meet CIMB's 25% reduction target by 2024 still need to be carried out.

CIMB's strategy was to optimise emissions reduction via long-term business changes (Lever 1), energy use reduction (Lever 2), and shifting to renewable energy (Level 3) initiatives.

CIMB estimated that a large proportion of its emissions would be reduced through these measures. Only after all feasible options were exhausted, carbon offsets would be purchased post-2026 as a means to address the residual carbon emissions.

As CIMB conducted energy audits and explored new technologies and options, CIMB expected to identify additional Lever 1-3 initiatives. Hence, the need for offsets (Lever 4) would likely decrease accordingly.

Based on CIMB's current analysis of planned projects, the cost to achieve net zero GHG1-2 by 2030 would not be significant, and could even be cost-neutral.

Question 4:Commitment 2: Minimising Harm

- (a) The current exposure to coal was 0.7% of total gross loans. What was the average remaining maturity of these loans?

Response:

The average remaining maturity of loans related to coal was currently five years.

CIMB no longer provided project financing and capital raising for greenfield thermal coal mines and/or greenfield CFPP projects, as well as expansions, in any locations. Therefore, Management anticipated the portfolio would decrease and average tenure would become shorter over time.

- (b) What were the example of time time-bound action plans that CIMB imposed on these clients? What was the progress of implementation by the clients, if any?

Response:

An action plan example was where Client was asked to develop time-bound diversification strategy to reduce coal share in their energy generation mix and report on progress annually.

The progress had been positive where the Client had developed diversification strategy and committed towards short-term and long-term diversification goals.

Another example was where the action plan was for the Client to improve specific environmental and/or social standards in coal mining operations.

To date, the Client had taken corrective action and would continue to provide periodic updates until full remediation.

Question 5:

Commitment 3: To Mobilise RM30 Billion Towards Sustainable Finance

- (a) Corporate Banking of CIMB had disbursed RM287 million in sustainability linked financing to two corporate clients, namely OUE C C-REITs and Sabah Credit Corporation. The financing provided interest or profit rebate depending on the clients' sustainability performance against targets. How did CIMB see the traction in loans demand from this segment?

Response:

Overall, there had been very good traction to CIMB's Sustainability Linked Loans (SLL) offering, a flagship sustainable financing product under the Corporate Banking arm. Since its launch in 2020, RM1.2 billion worth of loans/financing had been accepted across the region, and CIMB anticipated this to grow moving forward.

- (b) What was the target for this type of financing by 2022, if any?

Response:

CIMB did not have a specific target for SLL, however, CIMB would continue to build on a healthy pipeline.

For Malaysia, CIMB would be working towards ensuring that the remainder of the RM3 billion allocation for SLL would be fully taken up by 31 December 2024. CIMB would also ramp up its engagements in the regional markets especially in Singapore and Indonesia.

In addition, CIMB had a clear target to mobilise RM30 billion sustainable finance by 2024 which formed a critical part of its Sustainability Commitment.

Question 6:**Commitment 4: Creating Social Impact**

CIMB only achieved 67,278 hours of employee volunteerism, falling short of original annual target of 100,000 hours. For FYE 2022, was the company on track to achieve the 100,000 annual hours' target? Apart from education and recycling initiatives, were there any new initiatives proposed for the year?

Response:

CIMB's target was to achieve 100,000 volunteer hours annually by 2024, ramping up from about 4,000 hours in 2020.

The volunteering initiatives by CIMBians in 2021 covered a wide range of activities based on employees' interests and passion, and included amongst others, community aid activities, assisting the disabled community, environment based projects and education.

CIMB also contributed significantly to FINCO activities, where last year we won 5 out of 6 volunteerism awards. Details of the various initiatives were shared in page 73 of the Sustainability Report.

CIMB anticipated that programmes would be similarly wide ranging and diversified in 2022.

Question 7:**Credit Cost**

- (a) Guidance: As reported in the recent news, Sapura Energy had been granted a restraining order for three months starting from 10 March 2022. Could CIMB share the potential impacts to CIMB arising from this development (any change in credit cost guidance) and what would be the next course of actions?

Response:

Management was unable to comment on specific customer accounts in line with banking confidentiality regulations).

To-date, CIMB made the appropriate provisions for its Oil & Gas sector exposures in line with accounting standards.

CIMB expected credit cost to continue to be in line with its current Group's credit cost target of 60bps to 70bps for FYE 2022.

- (b) Exposure to Oil Traders: Oil traders made up 11% of the total Oil & Gas loan book of CIMB as at December 2021. Given the gradual improvement in oil price, did CIMB see any surge in demand for loan facilities from these clients? If yes, how did CIMB ensure that it was protected against potential risk of escalated provisions like what happened in FYE 2020?

Response:

The Group did not expect to increase its exposure to oil traders in line with the portfolio recalibration under Forward23+. In all circumstances, the Group adopted stringent risk assessment matrix to ensure careful evaluation of client's risk profiles and financial health.

Question 8:Digital Assets & Group Funding

In the previous AGM, it was mentioned that the Touch 'n Go Group and Digital Banking in Philippines and Vietnam were loss-making due to substantial upfront investment to acquire customers. Based on the current progress, when did CIMB project the businesses to break-even and start making profits?

Response:

Touch 'n Go as a company had been a profitable business on a business as usual (BAU) basis and would continue to be in the foreseeable future, especially with movements returning to normal post-COVID-19, higher take up of RFID as well as expansion of mobility related businesses.

As for TnGD, operator of the e-Wallet business where the Group owned an associate stake, the Company remained in investment and growth phase. With over 16 million registered users and monthly transacting users hitting 5 million in FYE 2021, TnGD was accelerating its shift into monetisation phase. CIMB would continue to invest with its fellow shareholders to ensure TnGD continued on its path towards generating sustainable returns and crystallisation of value.

CIMB Philippines had achieved scale, acquiring over 5 million customers within its first 3 years. CIMB focused on growing its lending portfolio together with other revenue lines and had identified a clear path to profitability by 2024. However, CIMB had to balance this with the opportunity to accelerate growth further given the size of the digital banking market in Philippines.

As for CIMB Vietnam, Management had spent the last two years building capability and transforming it into a platform-centric digital bank. CIMB was shifting into growth mode and focusing on customer acquisition and doubling down on strategic partnerships in the coming 18 months. CIMB expected to have a clearer view of profitability timeframes after this phase.

Question 9:Succession Planning

Former CEO of Group Wholesale Banking, Omar Siddiq had left CIMB in January 2022 and currently Dato' Abdul Rahman was the acting CEO for the segment. Had CIMB identified the candidate to fill in the position and what was the progress to date?

Response:

CIMB had immediately activated its succession process and had recently completed its search and assessment. The Bank would make the appropriate announcement in due course.

17. PRE-AGM QUESTIONS FROM SHAREHOLDERS

The Chairman informed that CIMB received pre-AGM questions which the Group CEO and himself would read the questions and answer on behalf of the Board.

The Chairman, the Group CEO and Encik Khairul Rifaie then addressed the following questions from the shareholders:

- (i) CIMB received quite a few queries from shareholders about door gifts for those who attended the AGM today.

The Chairman informed that as a token of appreciation, shareholders or proxies attending the AGM would receive a Touch 'n Go eWallet reload pin worth RM35 after the AGM. To reload the eWallet, the Chairman requested shareholders to download and register their Touch 'n Go eWallet applications on their mobile phones. He further informed that the reload pin, careline number and guide on how to redeem the Touch 'n Go e-wallet would be emailed by Boardroom Share Registrar at a subsequent date after the AGM.

- (ii) Mr. Chok Siew Kwong enquired on the potential impact when BNM adjusted the interest in the coming month.

Encik Khairul Rifaie responded that at the current juncture, CIMB was expecting a 25bps to 50bps OPR hike in Malaysia in 2022. In Malaysia, every 25bps rate hike would provide an annualised NII uplift of RM80 million to RM100 million, translating to around 2bps NIM uplift at the Group.

- (iii) Mr. Loh Mun Seong informed that the federal fund rate (FFR) had been hiked in March 2022 and queried whether the Bank expected any possibility of OPR increase.

Encik Khairul Rifaie responded that at the current juncture, as above, CIMB was expecting a 25bps to 50bps OPR hike in Malaysia in 2022.

- (iv) Ms. Teo Cher Ming queried on the exposure that CIMB had in the cruise industry and Oil & Gas industry and whether the exposure would create huge credit risk and credit cost to CIMB.

Encik Khairul Rifaie informed that the Group had limited exposure in the cruise industry and Oil & Gas represented a very small portion of CIMB's total portfolio. While Management noted that both the Leisure industry and Oil & Gas industry had been impacted, Management had to-date undertaken the appropriate provisions in line with accounting standards.

- (v) Mr. Lee Mun Hoe queried whether CIMB had any intention to impose carbon interest rate pricing/lower interest rate to those applicants'/company depositor account holder who were non-compliant with ESG.

Dato' Abdul Rahman informed that for CIMB's non-individual financing clients in sectors with high Environmental or Social Risk, Management had a clear sector requirements or a time-bound action plan which they need to comply with. On the other end of the spectrum, for clients or activities that Management would consider Green or having a positive Social impact, Management had incentives in the form of interest rate rebates if certain conditions were met.

Dato' Abdul Rahman further informed that CIMB also had EcoSave, a green savings account for individuals, where Management would set aside a certain percentage of deposits for conservation and other Green activities. He then added that CIMB was not at the stage where Management would penalise Brown clients via worse terms, but we do foresee that financial markets would start heading towards that direction in the medium-term.

- (vi) Mr. Loh Mun Seong queried on the strategy of CIMB that would see the Bank return to its pre-COVID-19 performance, given that some other peers bank such as Public Bank and RHB Bank were returned to pre-covid-19 performance particularly on net profit.

Dato' Abdul Rahman responded that for FYE 2021, CIMB had already achieved pre-pandemic levels as per FYE 2019, on Revenue and Pre Operating Profit levels. Given expectations of gradual economic recovery across all key markets, Management was confident that the Group would return to its pre-COVID-19 performance in 2022 on a core net profit basis. This would be underpinned by the Forward23+ strategic plan, which should keep CIMB on track towards meeting the 2024 ROE target of 11.5% to 12.5% and CI ratio of $\leq 45\%$.

- (vii) Mr. Loh Mun Seong then posed a question to understand on how the IT hiccup should be mitigated.

Dato' Abdul Rahman responded that CIMB had been making significant investments, over the past few years, to transform the systems and infrastructure to strengthen service resiliency and minimise disruptions to the customers. This was evident in the significant availability improvements of CIMB Clicks (99.51% in 2020 to 99.80% in 2021) and year-on-year improvements for the Regional Transactional Banking (RTB) services (with no high severity incidents recorded in 2021).

CIMB would continue to invest in and implement new technologies including the imminent roll-out of new customer base mobile banking platform (the Next Generation of Clicks), revamping the infrastructure and data platforms to enable a much higher resiliency of services and installing a 24/7, real-time, multi-dimension, monitoring dashboards to provide wide visibility of potential systems and infrastructure issues.

- (viii) Mr. Lee Mun Hoe enquired on new acquisition in the pipeline.

Dato' Abdul Rahman responded that the focus was on executing and delivering the Forward23+ strategic plan. There were no specific acquisition plans in the immediate pipeline but the Group would continue to explore Merger & Acquisition (M&A) opportunities that were aligned to and could potentially accelerate achievement of the F23+ aspirations.

- (ix) Mr. Kong Kar Hoe informed that digital asset, undeniably, would be one of major choices for the investment trend/ company reserve. To this, he enquired whether CIMB had ever considered converting a portion (10%) of the company reserve to digital asset such as Bitcoin.

Dato' Abdul Rahman responded that CIMB would continue to be focused on delivering its Forward23+ strategic plan on the digital front, with internal plans to maintain progress towards digitalising the core business across products, services, channels and operations. This would ensure CIMB's ability to future proof its business.

Notwithstanding, CIMB would continue to follow key developments and trends in the industry but did not have any specific plans at the moment to venture into bitcoin or cryptocurrencies.

CIMB's digital business currently revolved around expanding growth via TnGD as well as driving the digitally-led business model in Vietnam and the Philippines.

- (x) Mr. Kong Kar Hoe queried on CIMB's plans to maintain the growth and profitability at the same time complying to ESG in order to mitigate the current risk of extremely volatile global condition.

Dato' Abdul Rahman responded that the Forward23+ strategic plan remained the foundation of the Group's growth trajectory whereby Management would focus on accelerated growth in targeted segments such as consumer, wealth and ASEAN wholesale, expanding on the CASA franchise and NOII through transaction banking and keeping focus on cost management and on asset quality.

At the same, CIMB considered Sustainability as an opportunity area given the expected strong growth for demand for sustainability finance.

- (xi) Mr. Lee Choon Meng posed 4 questions, as follows:
- (a) He requested Management to provide any new business plan/new business venture.
 - (b) He sought clarification on whether the common shareholders of the Group and iCIMB were the same. He then queried on the functions and roles played by iCIMB.
 - (c) He requested Management to share whether there was any plan for CIMB to outsource some business function to third party.
 - (d) He requested Management to simplify application form, process flow and documentation required for consumer and SME loan, in view of intense competition.

Dato' Abdul Rahman responded to the above questions, details were as follows:

- (a) CIMB's focus would be on executing its management strategic plan for 2022 rather than new business ventures. However, Management would also continuously take stock of the business environment and identify areas of opportunity for future investment, if appropriate.
- (b) iCIMB (M) was a fully owned subsidiary of CIMB Bank, which in turn was owned by CIMB Group Holdings Bhd. iCIMB (M) was an entity dedicated to

provide shared services across CIMB Bank primarily focusing on back office operations (loan processing, SST monitoring, cheque processing, credit card issuance and others).

- (c) There were no specific plans in the immediate term to outsource, but the Group continued to assess business model options with regard to outsourcing, insourcing or partnering. These decisions would be driven by both operational and financial considerations of the Group.
- (d) In recent years, CIMB had put in place various measures to improve its loan application process. This included simplifying the Consumer loan application forms and making them available online. For existing customers, Management was able to pre-populate data and minimise inputs required for loan application. For SME loans, Management had also simplified the documentation required. For instance, Business registration documents were obtained directly by the bank from Suruhanjaya Syarikat Malaysia (SSM), with consent from customers and Management had reduced the number of pages for the Letter of Offer and Facility Agreement for SME loans by more than 50%. CIMB recognised the importance of having a quick and simplified loan process to compete effectively and would continuously strive to improve its customer journey through further improvements in line with the market and regulatory requirements.

- (xii) Mr. Lee Shew Loong queried on how well TnG business would contribute positively to the group financial performance in the coming 2Q 2022 result.

Dato' Abdul Rahman responded that TnG as a company had been a profitable business on a BAU basis and would continue to be in the foreseeable future, especially with movements returning to normal post-COVID, higher take up of RFID as well as expansion of mobility related businesses.

As for CIMB's associate company, TnGD, an operator of the eWallet business, it remained in investment and growth phase. Management had begun shifting into monetisation phase and had a clear path to profitability, and would continue to invest with its fellow shareholders to ensure Management had a strong position to generate sustainable returns in the long run.

- (xiii) Mr. Teo Cher Ming posed 2 questions, as follows:
 - (a) He enquired whether TnG eWallet was open to cross-selling banking products from other banks in the application or this was only exclusively available to CIMB Bank.
 - (b) He then queried on the public response and the application numbers in regard to GOpinjam.

The Group CEO responded to the above questions, details were as follows:

- (a) The TnG eWallet was built to be an agnostic platform, and as such Management was in a position to pursue partnerships with multiple financial institutions, including banks. However, given the natural synergistic relationship between TnGD and CIMB, Management did not expect to see preferred partnership arrangements with CIMB Bank as TnGD rolled out their financial products to market.
- (b) Application numbers had thus far been positive and within CIMB's expectations. Management was unable to share specifics at this stage as it was still early days. Management would be watching progress and developments closely, whilst ensuring that the portfolio was sufficiently monitored as it grew.

- (xiv) Mr. Tan Wei Siang was of the view that TnG personal loan rate of 36% was very high and requested Management to justify the rate to the public.

Dato' Abdul Rahman briefed that GOpinjam was product introduced by TnGD, CIMB's associate company, as a new first-of-its-kind low-amount (as low as RM100) and short-tenure financing product (as short as 1 week), and these borrowing options were not available anywhere else. It was designed specifically to enable financial inclusivity for all market segments within a secure, safe and regulated environment.

This product also allowed repeat customers, with good repayments to build a sustainable credit history. With this, they would be able to enjoy more competitive rates and also had access to other main-stream lending like mortgage or auto, as they move along in their lifecycle needs.

On interest rates, this product was built to operate on risk based pricing, ranging from 8% to 36% flat p.a. and it varied for each customer. Various factors were taken into consideration to determine the final interest rate chargeable such as credit records, repayment behaviour, loan tenure and others.

The 36% flat p.a. was the maximum pricing of this product and was needed to support this business, so that CIMB could cover the basic cost of processing and the credit risk being taken. As examples, a loan of RM3,000 at an interest rate of 36% p.a. and a tenure of 3 weeks would attract interest of RM62.30, and a loan of RM100 at the same interest rate and tenure of 1 week would attract interest of only 69 sen.

Management expected only a small percentage of customers to be in this max pricing category and most customers to incur significantly lower interest rates in line with the prevailing market rates charged for unsecured loans.

TnGD and CIMB were committed to only providing loans to those customers who could afford to take them and were able to repay.

GOpinjam and its underlying product (e-Zi Tunai by CIMB Bank) were fully regulated with the right codes of conduct in place with appropriate and clear disclosures. It also followed the Responsible Lending Guidelines issued by BNM as Management ensured consumer protection was always at the forefront of the offerings.

- (xv) Mr. Yap Khoon Sim requested Management to provide if there was any plan for TnG to be listed on Bursa Malaysia.

Dato' Abdul Rahman responded that TnG and TnGD were in respectively in transformation and investment phase, and Management's focus would be to grow these businesses. There were no plans to list TnG or TnGD at this point in time.

- (xvi) Mr. Lee Mun Hoe enquired whether there would be a new reward loyalty programme introduced to existing bank customers by the tie up with TnG eWallet.

Dato' Abdul Rahman responded that the TnG eWallet deployed numerous reward and loyalty initiatives for its 17 million registered users, and

Management expected to continue doing so as a mean of creating value-add for its customers. This involved commercial tie ups with multiple partners, including CIMB.

- (xvii) Mr. Yap Khoon Sim and Mr. Loke Jianxin had similar request to understand whether CIMB had any plans to venture into or acquire a digital banking license.

Dato' Abdul Rahman responded that CIMB had no plans at the moment to venture into or acquire digital banking license as Management was focused on its internal digitisation and digitalisation plans for the products and services to ensure CIMB remained competitive in serving its customers better.

On the other hand, TnG Group saw significant opportunities for collaborations with digital banks as it started putting financial services to market via the TnG eWallet, and would continue to explore such opportunities.

- (xviii) Mr. Cheong Kai Liang requested Management to provide its plans to manage risks associated with loans and plans to increase earning.

Dato' Abdul Rahman responded that Management continuously monitors asset quality and recoveries across all segments and businesses. The Group's ECL in 2021 was significantly lower YoY at RM2.61 billion compared to RM5.34 billion in 2020. The decrease was from lower provisions in Commercial and Corporate Banking, as well as lower management overlays and macroeconomic factor adjustments.

The earnings growth plans were guided by the Forward23+ plan which included reshaping the regional portfolio, growing assets in targeted segments such as the Affluent segment, expanding the non-interest income contribution, continuous rationalisation of costs and heightened monitoring of asset quality to bring provisions back to normalised levels.

- (xix) Mr. Lee Shew Loong queried on whether there would be any more impairment provision in the coming 2Q 2022 and would it be highly affecting the group performance.

Dato' Abdul Rahman responded that, at the current juncture, there were no expectations of any significant chunky provisions in 2Q 2022. For FYE 2022, CIMB projected a credit cost of 60 to 70bps which would be an improvement over the 73bps in FYE 2021.

- (xx) Mr. Jonathan Searcy requested Management to share the percentage breakdown by total asset value and number of mortgages of the mortgages held by the bank that fall into the following categories:

- (a) owner occupiers;
- (b) property held for rental and rented out;
- (c) property held for rental but vacant;
- (d) property held for asset appreciation without intention to occupy or rent out;
- (e) property held by developers; and
- (f) any other categories the bank sees fit to disclose.

Dato' Abdul Rahman informed that, of the over 350,000 mortgage accounts in Malaysia and Singapore, approximately 86% of outstanding mortgage loans were owner occupied as at end of December 2021, while the remaining 14% are for investment purposes.

- (xxi) Mr. Lim San Kim enquired on the lost cost by CIMB incurred due to Hong Kong Genting bankrupt.

Encik Khairul Rifaie responded that Management was unable to comment on specific customer accounts in line with banking confidentiality regulations. To-date, Management had made sufficient provisions for its leisure sector exposures which had been severely impacted by the pandemic.

- (xxii) Mr. Kwong Kum Hon enquired on whether the debt restructuring of Sapura Energy Berhad would affect the financial performance of CIMB. He further asked how serious this would affect the dividend payout.

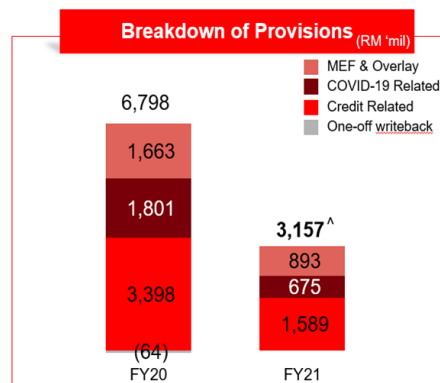
Dato' Abdul Rahman responded that Management was unable to comment on specific customer accounts in line with banking confidentiality regulations. To-date, Management had made the appropriate provisions for its Oil & Gas sector exposures and was not expected to have a material impact on the Group's performance going forward.

As such, CIMB did not expect this matter to affect the Group's dividend payout going forward.

- (xxiii) Mr. Teo Cher Ming highlighted that the LLC cost for 2021 was RM3.2 billion which was almost half of RM6.8 billion in 2020. To this, he requested Management to provide the breakdown of the RM3.2 billion in terms of management overlay, macroeconomic factors, COVID-19 related and specific accounts.

Dato' Abdul Rahman provided the breakdown of the RM3.2 billion is as follows:

- (a) RM893 million was provided for Consumer and Commercial overlays in Malaysia and Indonesia;
- (b) RM675 million were for COVID-19 related provisions mainly from the Malaysia corporate Oil & Gas and leisure sectors; and
- (c) The remaining RM1.6 billion were underlying credit related provisions, which declined by 52.3% YoY.



- (xxiv) Mr. Teo Cher Ming posed 3 questions, as follows:
 - (a) He requested Management to provide the expected impact of Cukai Makmur on dividend and profitability for FYE 2022.
 - (b) It was noted that RM1.6 billion of legacy goodwill had been impaired in FYE 2021 to improve ROE. To this, he requested Management to provide a

timeframe for the process to be completed and the possibility this impairment could be reversed in subsequent years unless it was being written off from the books.

- (c) He requested Management to provide the credit cost guidance and NIM outlook for 2022.

Dato' Abdul Rahman responded to the above questions, details were as follows:

- (a) Cukai Makmur was expected to have a 1% impact on the Group's ROE for 2022. The Group's 2022 target for underlying/core ROE was 8.5% to 9.0% whilst the target reported ROE after factoring Cukai Makmur was between 7.5% to 8.0%. It was not expected to have a material impact to CIMB Group's dividend policy.
- (b) The impairment of the CIMB Thai goodwill taken in the third quarter of 2021 was non-cash and non-recurring, with no impact to CIMB's liquidity and capital position. This would improve the Group's ROE by about 20bps p.a. from 2022. The intention at the start of the Forward23+ program was to narrow the gap between ROTCE and ROE by reducing goodwill. Following a full review, it was concluded that Management was unlikely to impair any further goodwill as the businesses were performing well. As per accounting standards, the goodwill impairment was not reversible.
- (c) For 2022, the Group projected a credit cost of 60bps to 70bps and expected NIMs to be flat to -10bps on a year-on-year basis.
- (xxv) Mr. Chong Kam Ho queried on when CIMB would buy back its shares. He then highlighted that the share price was very low and it was not performing in recent years. To this, he requested Management to explain on how CIMB would plan to hit share price of RM8.

Dato' Abdul Rahman informed that the Group was actively looking at various options to optimise capital. One of the considerations include a share buyback programme. However, these options had to be deliberated taking into account the capital level and other business requirements.

CIMB share price improved by 30.9% in 2021, significantly outperforming the FBMKLCI by 34.6% and the KLFIN by 29.3% over the year and made CIMB the best performing financial stock for the year.

As highlighted, Management embarked on the Forward23+ strategic plan which aimed to improve CIMB's ROE going forward. This would hopefully create further increase in CIMB shareholders' value going forward.

- (xxvi) Mr. Lim Ay Seng requested Management to provide the company dividend policy in future and queried on whether CIMB would prioritise dividend policy together with DRS in future on dealing with dividend paid out.

Encik Khairul Rifaie informed that the Group had been maintaining a dividend payout ratio of 40% to 60%, and would continue to assess its earnings distribution capabilities, taking into account its financial and capital levels.

In view of the current global situation, the dividend policy of the Group and its subsidiaries was being continuously reviewed against the capital position to

ensure capital adequacy and efficiency. The Group would assess its Dividend and DRS plan by taking into account its financial and capital levels.

- (xxvii) Mr. Yap Khoon Sim enquired whether the company had any plan to increase the ratio of dividend in near future.

Encik Khairul Rifaie informed that the Group had been maintaining a dividend payout ratio of 40% to 60%, and would continue to assess its earnings distribution capabilities, taking into account its financial and capital levels. In view of the current global situation, the dividend policy of the Group and its subsidiaries was being continuously reviewed against the capital position to ensure capital adequacy and efficiency.

- (xxviii) Mr. Lim Hock Siong sought clarification whether the Board of Directors could re-look on dividend payout in cash rather than investment in the new norm.

Encik Khairul Rifaie informed that the Group would assess its Dividend and DRS plan by taking into account its financial and capital levels.

- (xxix) Mr. Loh Mun Seong sought explanation on the Board Members' remuneration/meeting fees that had increased drastically against the dividend payout that was maintained or lower.

Dato' Abdul Rahman explained that the total remuneration in FYE 2021 increased to RM10.91 million from RM8.95 million in FYE 2020. This amount, however, included the Group CEO/Executive Director's remuneration, which comprised salary and other remuneration, amounting to RM5.03 million in FYE 2021 and RM3.00 million in FYE 2020, given the Group CEO served only half a year as he joined in June 2020.

Without the Group CEO/Executive Director's remuneration, the Non-Executive Directors' remuneration payable for the Group in FYE 2021 amounted to RM5.88 million. This amount was lower than RM5.95 million in FYE 2020 as a result of continued temporary voluntary lower fees accepted by Non-Executive Directors FYE 2021 and lesser total number of Board and Board Committees meetings from 65 in FYE 2020 to 61 in FYE 2021. Details were as follows:

Non-Executive Directors' Remuneration

Non-Executive Directors	2021 (RM '000)	2020 (RM '000)
Retainer Fees	2,438	2,330
Other Remuneration (Chairperson's Premium & Meeting Allowances)	3,360	3,546
Benefits-in-kind	81	81
Total	5,879	5,957

On the dividend payout, Dato' Abdul Rahman informed that the dividend paid out in 2021 was significantly higher at RM2.33 billion compared to RM0.48 billion paid out in FYE 2020. The Group had been maintaining a dividend payout ratio of 40% to 60%, and would continue to assess its earnings distribution capabilities to ensure it was optimal and meet shareholders' expectations.

- (xxx) Mr. Lim Chew Lin requested Management to provide printed annual reports prior to the AGM.

Dato' Abdul Rahman responded that Shareholders could request for the hardcopy of the Annual Report by downloading the request form which was available at CIMB's website at <https://www.cimb.com/en/investor-relations/agm-2022.html> and submit the request to Boardroom Share Registrar.

As part of CIMB's dedicated commitment to sustainable practices, shareholders were highly encouraged to download the digital copy of the Annual Report 2021 from CIMB's website.

- (xxxi) Mr. Loh Mun Seong highlighted that BNM would announce 5 digital banks license at the end of March 2022. He then requested Management to provide the challenges that would be faced by traditional banks and the impacts it would have on traditional banks, particularly on the unserved and underserved segment/ portions.

Dato' Abdul Rahman responded that the Group had strong end to end fundamentals in banking and an established franchise in the region.

The emergence of new digital banks in Malaysia would admittedly increase competition for traditional banks including CIMB. Management however, saw this as a positive development for the industry as there would be increased healthy competition amongst banks. At the same time, it was expected that the digital banks would focus on the underserved market which would make it complementary to the services currently provided by traditional banks.

Amidst this development, the Group would remain focused in pursuing its internal digitisation and digitalisation plans for its products and services to ensure CIMB remained competitive in serving its customers better.

- (xxxii) Mr. Lee Mun Hoe posed 2 questions, as follows:
- (a) He enquired whether CIMB would reward all employees with 100 odd lot share or with Employee Share Option Scheme (ESOS).
 - (b) He requested Management to publish all shareholder queries for transparency and learning purpose.

Dato' Abdul Rahman responded to the above questions, as follows:

- (a) At this juncture, there was no plan to allocate shares or ESOS in the Group to all employees. Performance-based rewards for CIMB's employees were given annually through bonuses. It was not CIMB's general practice to give shares to all employees. Having said that, Management would continue to assess the right mix of short term and long term incentives and in this regard would assess the role that shares or ESOS could play in the future.
 - (b) Questions by the shareholders and answers would be documented in the Minutes of AGM. The minutes of AGM would be published on CIMB Group website at <https://www.cimb.com/en/who-we-are/corporate-governance/shareholders.html> within 30 days from the date of the AGM.
- (xxxiii) Mr. Teo Cher Ming queried, in relation to the double crediting issue, on the measure that CIMB had taken to avoid recurrence. He then noted that CIMB had made provision on the issue, to this, he queried on the probability that the provision could be written back.

Dato' Abdul Rahman responded that the processing error was caused by the concurrent operation of both manual and automated credit postings of incoming MoneySend transactions.

Management had taken immediate actions to address this processing error and implemented additional controls to prevent similar errors from occurring in the future. Management had also embarked on an overall review of policies and procedures as well as mitigating controls surrounding transaction processing infrastructure.

CIMB's efforts to engage with customers and recovery measures were still ongoing, and it was too early to meaningfully share the current and forecasted recovery outcomes.

- (xxxiv) Mr. Wong Chie Kheong requested Management to provide a transparent investigation details to all shareholders, CIMB customers and the public on the recent CIMB processing errors that froze many CIMB customers' accounts.

Dato' Abdul Rahman responded that upon identification of the double processing error, the Board had immediately conducted detailed investigations, both via internal audit and independent third-party investigators.

Immediate actions were taken to rectify the error and Management had also implemented additional controls, reviewed, and revamped CIMB's processes to prevent such errors from occurring in the future. At the same time, Management had also embarked on an overall review of policies and procedures as well as mitigating controls surrounding transaction processing infrastructure.

The Board and Management viewed this matter seriously and regretted the processing error on the part of the Bank. CIMB was wholly committed to ensure that all the necessary actions would be taken to ensure such incident would not recur again.

- (xxxv) Mr. Lee Mun Hoe suggested to the Bank to engage less premium auditor firms such as Baker Tilly Malaysia, YYC Advisors, AG Accounting Services and many others, instead of the big four auditor firms in order to support local based firm and lower auditor fee.

Dato' Abdul Rahman responded that several factors were considered in the appointment of the external auditors. Key considerations included the following (but not limited to):

- (a) Depth of knowledge, capabilities, experience and industry experience in ensuring the quality and standard of the audit firm;
- (b) Sufficiency and scale of resources to provide adequate and effective audit coverage of the Group (taking into account the size, structure and core business activities across the region); and
- (c) To perform the audit work within the agreed timeframe.

Appointment of external auditors follow guidelines provided by BNM and requires BNM's approval.

18. ONLINE QUESTIONS FROM SHAREHOLDERS DURING THE AGM

The Chairman then opened the Questions and Answers (Q&A) session and invited shareholders to submit questions online for the Board/Management's response. The Chairman informed that the Board would endeavour to respond to these questions. The questions posed online would be reviewed to avoid repetition of questions of similar in nature, and if they were lengthy the Board would summarise them.

The Chairman further informed that CIMB had appointed the Independent Scrutineers, Messrs. Deloitte, to verify and oversee the Q&A process.

The Board/Management then addressed questions from the shareholders, as follows:

- (i) Mr. Wah Wan Yin queried on the impact of Cukai Makmur on Net Profit, EPS, Dividend Payout for 2022.

Dato' Abdul Rahman informed that as earlier mentioned, Cukai Makmur was expected to have a 1% impact on the Group's ROE for 2022, or about 6-8% of 2022 PBT. It was not expected to have a material impact to CIMB Group's dividend policy.

- (ii) Mr. Ooi Cheng Kooi noted he debts owed by Sapura Energy to CIMB. He then queried whether there was any possibility of writing off the debts, given that this would also affect the distributable profits to shareholders in the near future if such write off happened.

Dato' Abdul Rahman informed Management was unable to comment on specific customer accounts in line with banking confidentiality regulations. To-date, Management had made appropriate provisions for Oil & Gas names under financial difficulties.

- (iii) Mr. Teh Peng Tin queried on the amount CIMB spent on this virtual AGM. He then added whether the Board would consider giving shareholder with RM50 Touch n' Go eWallet as a token of appreciation for attending.

Dato' Abdul Rahman informed that the actual cost of this year's virtual AGM would be ascertained post-AGM. For this year, Management was expecting to incur approximately RM150,000. CIMB had increased the door gift of the Touch 'n Go e-wallet reload pin from RM25 in 2021 to RM35 in 2022.

- (iv) Mr. Yap Soon Cheng enquired on the performance of CIMB's investment/ventures in overseas and requested Management to provide the ROI and expected payback period.

Dato' Abdul Rahman informed that the performance of CIMB's core overseas markets had been progressing well through the years. CIMB Niaga and CIMB Thai recorded an ROE of 10.7% and 5.7% respectively in 2021. CIMB's ventures in Vietnam and Philippines had been growing well. The Group was guided by its Forward 23+ plan, which included clear strategies of growth in its overseas markets.

- (v) Mr. Kwong Kum Hon queried on the impact of Russian-Ukraine War with sanctions on Russia and sanctions on China by the United States on CIMB's coming year profit.

Dato' Abdul Rahman affirmed that CIMB did not have direct exposures to Russia and Ukraine. CIMB's indirect exposure was not material from both a supplier or revenue perspective.

- (vi) Mr. Yap Yik Yong queried if there was a third wave of lockdown, how the Bank would be impacted. He further queried on what the Bank had learnt from the past two lockdowns.

Dato' Abdul Rahman informed that the past two lockdowns reinforced CIMB's belief in humanity's ability to rise above adversity and remain resilient. Businesses transformed their operations and while business leaders had to adapt and shape the new normal.

At CIMB, Management supported its most critical and at-risk stakeholders with proactive financial relief schemes and solutions. Management also consolidated its ASEAN franchise, drove recovery of the financial performance, managed its capital prudently and achieved a 31% YoY accretion on shareholder value in 2021.

CIMB believed that it would be able to draw on its past experiences and was confident that the Bank would be able to face any challenges ahead.

- (vii) Mr. Tan Wei Siang queried whether TnG application was envisioned to be as huge as China's super applications, Alipay and WeChatPay.

Dato' Abdul Rahman informed that TnGD remained the market leader in Malaysia's eWallet space, and Management had made strong progress in its efforts to proliferate digital financial services in 2021.

Management would continue to pursue this in 2022 and expand its financial services suite beyond investment and insurance, with plans to move into the lending space. Management would continue its focus to grow the business and explore any collaborative opportunities to do so.

- (viii) Ms. Look Sai Hoo queried on the outlook for the coming years and the expected impact of decentralised finance.

Dato' Abdul Rahman informed that decentralised finance would admittedly increase competition for traditional banks including CIMB. CIMB however, saw this as a positive development for the industry as there would be increased healthy competition amongst banks.

- (ix) Mr. Chua Song Yun posed 5 questions, details of which were as follows:

- (a) He noted that the Gross Impaired Loans (GIL) Ratio had slightly improved from 3.6% to 3.5% in FYE 2021. This ratio however, was still much higher

than the industry average. He then requested Management to answer the following questions:

- Whether CIMB's GIL ratio that was higher than peers was due to the lending strategies or less prudent lending practices.
- Whether there was a KPI on the GIL ratio in Forward23+ and whether there was a plan from Management to bring down the GIL ratio.

(b) He requested Management to provide the following:

- The total pro-active provision or overlay that had been provided and still remained that could provide a buffer for future bad loans.
- The total outstanding loans that were still under assistance (under any relief programs) as of today.

(c) It was reported that CIMB had entered into a sustainability-linked derivative (SLD) transaction with Standard Chartered Malaysia with a notional value of RM2.45 billion, which would enjoy a reward if pre-determined targets were achieved, but a penalty if not. He requested Management to answer the following questions:

- The benefits of entering into this kind of derivative.
- The maximum penalties in monetary value that would incur if CIMB failed to achieve the target
- The maximum benefits in monetary value that CIMB would receive if the target was achieved
- Whether this would lead to rigidity in CIMB's lending policy, hence, forcing the Bank to underwrite unprofitable green loans.

(d) It was reported that CIMB aimed to double AUM under Preferred Segment by 2025. He then requested Management to answer the following questions:

- The current AUM under Preferred Segment in FYE 2021.
- The revenue and profit contribution from Preferred Segment in FYE 2021.

(e) It was noted that CIMB organised a "pre-first quarter of 2022 results briefing" with analysts. Although it was good to engage analysts more often, however, it also raised the concerns that these analysts would have earlier access to private material information than retail shareholders and the general public, which would give them and institutional investors unfair advantage. Therefore, to uphold the principle of fairness, he requested the Board to ensure that the records of these briefings to be posted on the CIMB website, and email to notify shareholders and provide link on the same day, whenever such an event happened.

Dato' Abdul Rahman provided the answers to the above questions as follows:

(a) CIMB GIL balances had been fairly stable and include several legacy accounts which had been impaired in the past. The Group was currently in the midst of recovery process for these impaired accounts and would write

off balances which were deemed irrecoverable. The Group continued to place significant focus on asset quality initiatives to ensure continuous improvement in its credit underwriting processes and early detection of impaired credits.

- (b) Referring to Note 58.1.7 of the Financial Statements (page 253), CIMB's total overlays and adjustments for ECL arising from the COVID-19 pandemic amounted to RM1.4 billion of the total ECL made on loans advances/financing as at 31 December 2021. Total loans under Repayment Assistance Programme amounted to RM75.2 billion as at December 2021. The details were also on page 10 of CIMB's Financial Statements.
- (c) The Derivative was to hedge against interest rate fluctuations on CIMB's existing funding instruments, with KPIs linked to its corporate Greenhouse Gas emissions and overall sustainability performance. The SLD underpinned CIMB's commitment to ESG, and put the Bank in a good position to offer similar sustainability-linked derivatives to its clients. While the SLD incentivised CIMB to improve its own Sustainability performance, it would not have direct impact the lending policies. Both the benefit and penalty amount were sufficient to demonstrate the Bank's commitment to sustainability, and in line with general acceptable market practices. Any financial impacts had been appropriately accounted for. It was CIMB's intent that financials benefit received would be channeled to CIMB Foundation for philanthropic purposes.
- (d) CIMB achieved its targeted Preferred customers' growth in all markets with enhanced proposition of Preferred Customer Relationship Rates, best remittance FX rates and regional benefits. CIMB also achieved Regional Preferred loans growth of +26.0% YoY, revenue growth of +15.3% YoY, and PBT growth of +10.6% YoY. CIMB would continue to double down on providing best-in-class service and personalised solutions to meet the changing needs of today's emerging and affluent ASEAN segment
- (e) In a bid to ensure all shareholders would have an equal information transparency, CIMB kept shareholders updated on latest investor materials on its website. CIMB now uploaded recordings of its quarterly results briefings on its website. Pre-closed period meetings provided shareholders with periodic update on the Group's operations. Retail shareholders would receive this information through research reports and the media. Moving forward, CIMB would evaluate the option of providing this information to retail shareholders on a timely basis.
- (x) Mr. Goh Teng Ching requested to explain on measures that had been taken to enhance the Group's performance going forward.

Dato' Abdul Rahman informed that the Group had embarked on the Forward23+ strategic plan which aimed to improve its ROE going forward. This plan remained the foundation of the Group's growth trajectory where

Management would focus on accelerated growth in targeted segments such as Consumer, Wealth and ASEAN Wholesale, expanding on the CASA franchise and NOII through Transaction Banking and keeping focus on cost management and asset quality.

- (xi) Mr. Tan Wai Guan queried whether CIMB would consider to list TnG on Bursa Malaysia.

Dato' Abdul Rahman informed that TnG was in transformation and investment phase, and the focus would be to grow the business. There were no plans to list TnG at this point in time.

- (xii) Mr. Chin Kok Wei informed that during this pandemic, most consumers used e-Wallet such as TnG e-Wallet for online and offline purchases. At the same time, there were many e-Wallet competitors actively penetrating the market with the launch of digital banks soon in Malaysia. He enquired on how CIMB and TnG would position itself during this challenging environment and the unique differentiation that would enable CIMB and TnG to be the number one e-Wallet (digital banking service) in Malaysia and ASEAN region.

Dato' Abdul Rahman informed that TnGD solidified its position as Malaysia's leading e-Wallet and successfully rolled-out financial services. With over 16 million registered users and monthly transacting users hitting 5 million in FYE 2021, TnGD was accelerating its shift into monetisation phase. As mentioned, the TnG eWallet platform was agnostic, allowing TnG to pursue partnerships with multiple financial institutions, including banks.

Moving forward, Management would continue to expand the financial services suite beyond investment and insurance, with plans to move into the lending space.

- (xiii) Mr. Gan Wei Fong queried whether shareholders would be able to know if Khazanah Nasional Berhad disposed shares through open market.

Dato' Abdul Rahman informed that shareholders were able to view any acquisition or disposal of shares by the substantial shareholders through announcements made through Bursa Malaysia.

- (xiv) Mr. Lew Chee Leong and Encik Mohamad Syafiq bin Abg Abdul Rahim queried on the conduct of the AGM in the future.

Dato' Abdul Rahman informed that CIMB has considered having fully physical, full virtual or hybrid meetings and would continue to be flexible and assess ever-changing circumstances to determine whether fully physical, fully virtual or hybrid meetings were feasible in future.

- (xv) Mr. Lee Ming Jun informed that some companies absorbed RM10 stamp hasil when DRP shares were issues. To this, he queried whether the same was possible in CIMB in all future Dividend Reinvestment Plan issues.

Dato' Abdul Rahman informed that Management had taken note the request and would study the implication and would consider it going forward.

- (xvi) Mr. Cheah Yew Boon noted that the dividend was declared twice a year and queried whether the Board would consider to declare Dividend on quarterly basis.

Dato' Abdul Rahman informed that the capacity and frequency to pay dividends would be assessed based on CIMB's financial performance from time to time.

- (xvii) Mr. Ravichandran A/L Ramakrisna queried on how talent was valued in CIMB and whether there was a designated management team to identify and value talent.

Dato' Abdul Rahman informed that the people agenda at CIMB was among the forefront of its priorities. CIMB's success was linked to its people, their ideas, skills and commitment. CIMB aspired to be the best place for the best talent. CIMB's employee value proposition focused on:

- (a) Competitive remuneration and benefits.
- (b) Learning and talent development.
- (c) Diversity, sustainability and corporate responsibility.
- (d) Health, safety, well-being and Welfare.

Dato' Abdul Rahman then expressed that by being true to #teamCIMB mindset, its refreshed values and culture framework EPICC (which stood for Enabling Talent, Passion, Integrity and Accountability, Collaboration and Customer Centricity) specified Enabling Talent as CIMB's first core tenet.

- (xviii) Mr. Chiam Kim Hock sought an affirmation whether the Group's shares could achieve a new high or break the market capitalisation of more than RM100 billion in the future.

Dato' Abdul Rahman informed that CIMB share price performed strongly in 2021, rising 30.9% and significantly outperforming the FBMKLCI. CIMB was the best performing financial stock last year. As CIMB continued to deliver on its Forward23+ strategic plans, Management aimed to drive the ROE towards the top quartile in 2024 and hoped this would directly translate to increased CIMB shareholders' value.

The Chairman thanked shareholders for all questions and reiterated that if there were questions yet to be answered, Management would revert to shareholders via email soonest possible.

With that, the Chairman declared that the Q&A session closed.

The Chairman then declared that the Audited Financial Statements together with the Directors and Auditors Reports for the FYE 31 December 2021 were deemed received.

19. POLLING AND CLOSE OF POLLING

The Chairman informed that additional 10 minutes would be provided for all resolutions to be voted on by poll and another 10 minutes for the Independent Scrutineers to verify the results. In the meantime, the Corporate Videos would be shown on screen and the Chairman declared that the Meeting would resume in 20 minutes.

20. ANNOUNCEMENT OF POLL RESULTS

The Chairman resumed the Meeting at 1.00 pm for the declaration of results. He informed that he had received the poll results from Boardroom and Deloitte and proceeded to read out the poll results, as follows:

- (i) Re-election of Ms. Teoh Su Yin who retired pursuant to Article 81 of the Company's Constitution

The Chairman announced the poll result in respect of **Ordinary Resolution 1** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,198,897,151	99.7021
Against	24,498,122	0.2979

“THAT Ms. Teoh Su Yin, who retired pursuant to Article 81 of the Company's Constitution, be re-elected as Director of the Company.”

- (ii) Re-election of Dato' Lee Kok Kwan who retired pursuant to Article 81 of the Company's Constitution

The Chairman announced the poll result in respect of **Ordinary Resolution 2** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,220,720,659	99.9825
Against	1,439,838	0.0175

“THAT Dato' Lee Kok Kwan, who retired pursuant to Article 81 of the Company's Constitution, be re-elected as Director of the Company.”

- (iii) Re-election of Dato' Mohamed Ross Mohd Din who retired pursuant to Article 81 of the Company's Constitution

The Chairman announced the poll result in respect of **Ordinary Resolution 3** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,206,964,378	99.8005
Against	16,403,939	0.1995

“THAT Dato' Mohamed Ross Mohd Din, who retired pursuant to Article 81 of the Company's Constitution, be re-elected as Director of the Company.”

- (iv) Approval on Payment of Non-Executive Directors' fees

The Chairman announced the poll result in respect of **Ordinary Resolution 4** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,217,849,358	99.9501
Against	4,104,552	0.0499

“THAT the payment of Non-Executive Directors' Remuneration with effect from the 65th Annual General Meeting until the next Annual General Meeting of the Company be approved.”

- (v) Approval on Payment of Allowances and Benefits Payable to Non-Executive Directors

The Chairman announced the poll result in respect of **Ordinary Resolution 5** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,033,121,111	97.8099
Against	179,870,749	2.1901

“THAT 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 Annual General Meeting until the next Annual General Meeting of the Company be approved.”

- (vi) Reappointment of Auditors

The Chairman announced the poll result in respect of **Ordinary Resolution 6** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,161,364,524	99.2459
Against	62,016,336	0.7541

“THAT Messrs. PricewaterhouseCoopers be re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Board of Directors be authorised to fix their remuneration.”

- (vii) Renewal of the Authority for Directors to Allot and Issue Shares

The Chairman announced the poll result in respect of **Ordinary Resolution 7** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,038,198,101	97.7482
Against	185,175,689	2.2518

“**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.”

- (viii) Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares in the Company in Relation to the Dividend Reinvestment Scheme

The Chairman announced the poll result in respect of **Ordinary Resolution 8** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,220,117,618	99.9603
Against	3,266,654	0.0397

“**THAT** pursuant to the Dividend Reinvestment Scheme (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 and not less than the par value of CIMB Shares at the material time;

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.”

(ix) Renewal of the Authority to Purchase Own Shares

The Chairman announced the poll result in respect of **Ordinary Resolution 9** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,167,529,421	99.3311
Against	55,003,924	0.6689

“**THAT**, subject to the Companies Act, 2016 (as may be amended, modified or re-enacted from time to time), the Company’s Articles of Association 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 billion 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 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 are 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 Articles of Association, 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 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.”

21. ANY OTHER BUSINESS

The Chairman had been duly advised by the Group Company Secretary that the Company had not received any notice of any other business. Therefore, there was no other business to be transacted of which due notice had been given in accordance with the Companies Act, 2016.

22. CLOSE OF MEETING

The Chairman declared the 65th AGM of the Company closed and thanked all members present for their participation.

There being no other business, the Meeting concluded at 1.15 p.m. with a vote of thanks to the Chair.

Confirmed

Datuk Mohd Nasir Ahmad
Chairman

Date : 30 May 2022

CHAIRMAN'S
INITIALS