

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 1023  
**COMPANY NAME** : CIMB Group Holdings Berhad  
**FINANCIAL YEAR** : December 31, 2021

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("the Board") of CIMB Group Holdings Berhad ("CIMB") sets the strategic direction and vision of the CIMB Group and takes full responsibility in leading, governing, guiding and monitoring the entire performance of the Group and enforces standards of accountability. The Board reviewed, challenged and approved Management's proposal on a strategic plan for the CIMB Group, taking into account the sustainability of the Group's business, with attention given to the environmental, social and governance aspects of the business and the creation of long-term value, for the shareholders and other stakeholders.</p> <p>For the financial year ended 31 December 2021 ("FYE 2021"), the Board had 17 meetings to deliberate the main areas of oversight-</p> <ul style="list-style-type: none"> <li>• Strategic/business plans and Management's performance in implementing the strategies and plans</li> <li>• Annual budget</li> <li>• Principal risks, appropriate internal controls and mitigation measures</li> <li>• Succession planning</li> <li>• Communications Policy</li> <li>• Governance and Integrity framework</li> <li>• Group CEO's and Directors' appointments and their emoluments and benefits</li> <li>• Annual effectiveness and performance of the Board Committees</li> <li>• Financial statements and interim dividend</li> <li>• Corporate organisation structure</li> <li>• Controls and systems to measure implementation of policies</li> <li>• Internal control systems and management information systems</li> <li>• Plans/strategies for a sustainable organisation, taking into account environmental, economic and social aspects</li> </ul> <p>During FYE 2021, the Board also spent a considerable amount of time reviewing and discussing with Management, the impact of</p>

	<p>Covid-19 on CIMB business operations, including the actions taken to safeguard the health and safety of our employees, fortify the financial performance, ensure uninterrupted services to customers and lend measures to assist deserving customers.</p> <p>The Board put in place a framework of good corporate governance within the Group, including the processes for financial reporting, risk management and compliance. To assist in exercising its roles and responsibilities, the Board established the following Board Committees-</p> <ul style="list-style-type: none"> <li>(i) Audit Committee (“AC’)</li> <li>(ii) Board Risk and Compliance Committee (“BRCC”)</li> <li>(iii) Group Nomination and Remuneration Committee (“GNRC”)</li> <li>(iv) Group Sustainability and Governance Committee (“GSGC”)</li> <li>(v) Board Shariah Committee</li> </ul> <p>The Board delegates responsibility for the overall business and day-to-day management of CIMB to the Group Chief Executive Officer (“Group CEO”), Dato’ Abdul Rahman Ahmad. The Group CEO assumes the overall responsibility for the implementation of the Group’s strategy and in carrying out the Board’s directions, managing the businesses of the Group and driving performance within strategic goals and commercial objectives. The Group CEO is assisted by the Group Executive Committee and other Management Committees.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board is helmed by Datuk Mohd Nasir Ahmad, an Independent Director, who plays a key role in ensuring the Board operates effectively and fully discharges its legal and regulatory responsibilities. As the Chairperson, he also leads the Board in the oversight of the Management and in inculcating the right culture, values and behaviours, both at the top and throughout the entire organisation.</p> <p>The Chairman carries out a leadership role in the conduct of the Board and its relations with shareholders and other stakeholders. To ensure balance of authority, increased accountability and a greater capacity for independent decision-making, the roles of Chairman and Group CEO are distinct and separate with a clear division of responsibilities between the Chairman and the Group CEO, so that no individual or group dominates the decision-making process.</p> <p>There are two (2) main aspects to the Chairman's role. They are the Chairman's role within the Boardroom and the Chairman's role outside the Boardroom.</p> <p>Pertaining to the Boardroom, the role of the Chairman is to:</p> <ol style="list-style-type: none"><li>(a) Chair Board meetings;</li><li>(b) Establish the agenda of Board meetings in consultation with the Group CEO/Executive Director ("ED") and the Group Company Secretary;</li><li>(c) Ensure that appropriate procedures are in place to govern the Board's operations;</li><li>(d) Ensure that Board meetings are effective in that decisions are taken on a sound and well-informed basis, including ensuring that:<ul style="list-style-type: none"><li>• all strategic and critical issues are considered by the Board;</li><li>• matters are considered carefully and thoroughly;</li><li>• all Directors are given the opportunity to effectively contribute;</li><li>• Directors receive the relevant information on a timely basis, including being properly briefed on issues arising at Board meetings; and</li><li>• the Board comes to clear decisions and resolutions are noted.</li></ul></li></ol>

	<p>(e) Ensure that the Group CEO/ED look beyond his executive functions and accept his full share of the responsibilities of governance;</p> <p>(f) Guide and mediate the Board's actions with respect to organisational priorities and governance concerns;</p> <p>(g) Be clear on what the Board has to achieve, both in the long and short term;</p> <p>(h) Ensure that the Board behaves in accordance with its Board Charter;</p> <p>(i) Lead efforts to address the Board's development needs; and</p> <p>(j) Perform other responsibilities, as assigned by the Board, from time to time.</p> <p>Outside the Boardroom, the role of the Chairman is to:</p> <ul style="list-style-type: none"> <li>• Undertake appropriate public relations activities in conjunction with the Group CEO/ED.</li> <li>• Be the spokesperson for the Company at the Annual General Meeting and in the reporting of performance and profit figures;</li> <li>• Be the major point of contact between the Board and the Group CEO/ED;</li> <li>• Be kept fully informed of current events by the Group CEO/ED on all matters which may be of interest to Directors;</li> <li>• Regularly review progress on important initiatives and significant issues facing the Company and/or the Group in conjunction with the Group CEO/ED, and other relevant Key Senior Management or such other appropriate Key Senior Management, progress on important initiatives and significant issues facing the Company and/or Group;</li> <li>• Provide mentoring for the Group CEO/ED; and</li> <li>• Initiate and oversee the annual Group CEO/ED performance evaluation process.</li> </ul>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.3**

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of a clear division of responsibility between the Chairperson and the Group CEO /ED . The roles of Chairperson and Group CEO are therefore exercised by separate individuals to ensure optimal balance, resulting in increased accountability and enhanced decision-making.</p> <p>The Board delegates responsibility for the overall business and day-to-day management of CIMB to the Group CEO, Dato' Abdul Rahman Ahmad. The Group CEO is responsible for leading the management and for making and implementing operational decisions, and is assisted by the Group Executive Committee and other Management Committees.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	In compliance with Practice 1.4 of the Malaysian Code of Corporate Governance ("MCCG"), the Chairperson of Board, Datuk Mohd Nasir Ahmad had retired to be the member of the AC and GNRC effective from 1 November 2021.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has appointed the Group Company Secretary who, under the direction of the Chairperson, is accountable for all matters with regard to the proper functioning of the Board as well as to facilitate effective information flows within the Board and Board Committees and between Senior Management and Non-Executive Directors. Datin Rossaya Mohd Nashir is currently the Group Company Secretary and has been with the Group since 2002.</p> <p>Datin Rossaya began her career with the Time Engineering Group. She has extensive industry knowledge, with over 25 years of experience in corporate secretarial practice. Previously, she was with Permodalan Nasional Berhad where she assumed the position of Joint Company Secretary for several of its subsidiaries.</p> <p>Datin Rossaya serves as a member of the Companies Commission of Malaysia's Corporate Practice Consultative Forum and is a Director of several subsidiaries in the CIMB Group.</p> <p>The primary responsibilities of the Company Secretary include:</p> <ul style="list-style-type: none"><li>(a) ensuring that Board procedures and applicable rules are observed;</li><li>(b) maintaining records of the Board and Board Committees and their respective meetings and ensuring effective management of the company's records;</li><li>(c) preparing comprehensive minutes to document Board and Board Committees proceedings and ensure conclusions are accurately recorded;</li><li>(d) timely dissemination of information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements;</li><li>(e) assisting the Board with interpreting legal and regulatory acts related to the listing rules and international regulations and developments; and</li><li>(g) advising the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis.</li></ul>
<b>Explanation for departure</b>	:	



<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Before each Board meeting, the Chairperson oversees the setting of the agenda of Board meetings, in consultation with the Group CEO, to ensure that there is sufficient information and time to address all agenda items. The agenda also allows for flexibility when needed. All materials for Board and Board Committees meetings are uploaded onto a secure portal which can be accessed on tablet devices provided to the Directors.</p> <p>The Board Charter states that Directors should receive meeting materials five (5) days prior to the Board's and Board Committees' meetings to allow sufficient time for Directors to review and analyse relevant information. From 2Q to 3Q of FYE 2021, 96% of the papers/materials were circulated to the Board within the stipulated timeline. Any departure from the said timeline will be reported to the Group Executive Committee on a quarterly basis for improvement. The deliberations and decisions arrived at during Board meetings are clearly minuted in a timely manner and action items for Management will be communicated to the relevant parties within 24 hours after the Board meetings. The draft minutes are then tabled at the following meeting for confirmation and thereafter signed by the Chairperson.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

**Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company’s website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The CIMB Board Charter is reviewed every three years or as change arises to ensure CIMB remains at the forefront of best practices in governance and to ensure it remains relevant.</p> <p>The Board Charter outlines-</p> <ul style="list-style-type: none"> <li>(i) the collective roles, responsibilities and authority of the Board;</li> <li>(ii) the legal and fiduciary duties of individual Director;</li> <li>(iii) the roles and responsibilities of the Board Committees;</li> <li>(iv) the roles of Executive and Non-Executive Director, Independent Director, Senior Independent Director;</li> <li>(v) the roles of Group CEO;</li> <li>(vi) the roles of Company Secretary;</li> <li>(vii) a formal schedule of matters specifically reserved for Board’s decisions; and</li> <li>(viii) Board’s delegated matters.</li> </ul> <p>A copy of the Board Charter is available on CIMB’s corporate website at <a href="http://www.cimb.com">www.cimb.com</a></p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a Code of Conduct which is underpinned by the core philosophy of "Creating Value, Enabling Our People and Acting with Integrity". The Code of Conduct sets out the standards of behaviour that are expected of all employees of CIMB in terms of engagement with customers, business associates, regulators, colleagues and other stakeholders. Further, the Code of Conduct provides guidance in areas where employees may need to make personal and ethical decisions. In addition to providing guidance, the Code of Conduct makes references to specific Group Policies and Procedures relating to conflicts of interest, bribery, corruption, money laundering/counter-financing of terrorism, customer management, whistle blowing and fraud management.</p> <p>In addition, the Board has also adopted a Code of Conduct for Directors that sets out the fundamental guiding principles and standards for Directors to carry out their duties. This Code applies to all the Directors of CIMB Group and is primarily based on the five fundamental principles of competence, integrity, fairness, confidentiality and objectivity as recommended by the Code of Ethics for the Financial Services Industry published by Financial Services Professional Board.</p> <p>Details of the Code of Conduct and Code of Conduct for Directors can be found on CIMB's website at <a href="http://www.cimb.com">www.cimb.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>CIMB's Whistle Blowing Policy sets out avenues for legitimate concerns to be objectively investigated and addressed. Under this Policy, individuals will be able to raise concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal. CIMB's Whistle Blowing Policy is applicable to all employees, suppliers, vendors, associated stakeholders and CIMB's customers. Individuals will be able to raise concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal.</p> <p>Whistleblowing is the voluntary disclosure of inappropriate, unethical or unlawful behaviour and practices by the management or employees. It includes how employees, customers and investors are treated. The following are generally accepted as improper and reportable conduct for whistleblowing, of which the list is not exhaustive:</p> <ul style="list-style-type: none"><li>(a) Any unlawful or illegal activities, whether criminal or breach in civil law;</li><li>(b) Breach of policies and/or procedures;</li><li>(c) Fraud, theft, embezzlement or dishonesty;</li><li>(d) Corruption/bribery;</li><li>(e) Bullying and harassment;</li><li>(f) Actions which can cause physical danger/harm to another person and/or can give rise to risk of damage to properties/assets;</li><li>(g) Forgery or alteration of any documents belonging to the Company, customers, another Financial Institution, or agents of the Company;</li><li>(h) Poor or unethical sales practices, including mis-selling;</li><li>(i) Profiteering as a result of insider knowledge;</li><li>(j) Gross mismanagement or dereliction of duties;</li><li>(k) Conflict of interest;</li><li>(l) Misuse of position or information; and</li><li>(m) Any other similar or related irregularities.</li></ul> <p>Any reports on wrongdoings, malpractices or irregularities may be e-mailed to <a href="mailto:whistleblowing@cimb.com">whistleblowing@cimb.com</a>, where the matter will be investigated accordingly.</p>

	The Group is wholly committed to ensure strict confidentiality and will not only protect the identity of the complainant but will also protect the complainant from any harassment and victimisation at work due to the disclosure.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>CIMB's Sustainability Operating Model sets out the sustainability roles and responsibilities of the Board and Management as part of Forward23+ strategy to become a purpose-driven organisation.</p> <p>The Board is the highest governance body accountable for CIMB's sustainability strategy, material Environmental, Social and Governance ("ESG") issues, as well as opportunities and risks, including those pertaining to climate change. The sustainability-related roles and responsibilities of the Board are incorporated in the Board Charter, which sets out seven (7) principal roles and responsibilities of the Board which include overseeing the development and implementation of a sustainability framework for CIMB Group.</p> <p>Based on the Directors' profile, two of the Board members have Sustainability background experience as at 31 December 2021.</p> <p>On 15 September 2021, the Board formalised the set-up of a new Board Committee, namely the Group Sustainability and Governance Committee ("GSGC"), to provide greater oversight and stewardship over the Group's sustainability opportunities and risks. The GSGC's primary purpose is to assist the Board in fulfilling its responsibilities in advocating and fostering a culture/DNA of sustainability, ethical conduct, and integrity across the Group. The GSGC provides oversight and input to the Management's implementation, operation and assurance of policies and standards in alignment with the CIMB's sustainability and climate change strategy, and takes a proactive approach to create a net positive impact on environmental, social and governance material matters arising from the Group's capacity as a lender / financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer. The GSGC also oversees the management of bribery, corruption and other related risks and the consequence</p>

management of breaches thereof. GSGC convenes on a quarterly basis.

The BRCC provides oversight and advice to the Board and Management in respect of sustainability and climate-related risks including monitoring of the

Group's exposure to high sustainability risk sectors and clients, sustainability risk appetite setting as well as regulatory compliance. The AC supports the Board in ensuring there is a reliable and transparent reporting and internal control system for sustainability-related matters, while the GNRC ensures the growth in sustainability knowledge and competence among Directors, taking into account board diversity and sustainability experience in Director nominations.

At the management level, Group Transformation Council ("GTC") and Group Sustainability Council ("GSC") are two (2) main governing committees for sustainability at CIMB.

The GTC, which is chaired by the Group CEO, is responsible for directing and steering CIMB's overall corporate strategy, including sustainability, which is a key programme under CIMB's Forward23+ strategy. Specifically, the GTC is responsible for, among others, reviewing and approving CIMB's sustainability strategic plans, overseeing the sustainability risk profile of the Group's business activities and ensuring the implementation of appropriate policies, procedures, and controls, as well as overseeing sustainable business growth and championing the development of green, social, sustainable impact products and services (GSSIPS) across all key business units. Sustainability-related matters are deliberated by GTC on a bi-monthly basis, or as and when required.

The GSC, on the other hand, is established to assist the Group Chief Sustainability Officer ("GCSO") in leading the development and successful execution of CIMB's sustainability priorities, in line with strategic outcomes set by the Board, the GSGC and/or Group CEO. The GSC's roles and responsibilities include monitoring the sustainability risk profile of the Group's business activities and ensuring the implementation of appropriate sustainability policies, procedures, and controls. The GSC reports to the GTC.

Implementation of the Group's sustainability strategy is executed by various Business Units and Business Enablers, catalysed and supported by the Group Sustainability Division. The GCSO reports to the Group CEO, and leads the Sustainability and Corporate Responsibility teams across the region. The Group Corporate Responsibility department has also been integrated into the Group Sustainability Division for better synergy.

As per Sustainability Operating Model stated above, below are some examples of initiatives or discussions that took place in 2021 in line with Practice 4.1:

- Deliberation of and approval for CIMB's strengthened sustainability commitments by GSC, GTC and GSGC, i.e.



	<p>RM30 billion sustainable finance by 2024, net zero operational Scope 1 and 2 emissions by 2030 and overall emissions by 2050, No Deforestation, No Peat, No Exploitation (NDPE) commitment, coal phase-out target by 2040, investment of RM150 million in Corporate Social Responsibility (“CSR”) initiatives over five years and 100,000 in employee volunteerism hours annually by 2024, and reviewed the Group’s stakeholder engagement and advocacy framework for sustainability including The Cooler Earth platform;</p> <ul style="list-style-type: none"> <li>• Sustainability Risk Dashboard and Sustainability Risk Hotspots and Emerging Sustainability Risks reporting to Group Risk and Compliance Committee (“GRCC”) and BRCC to monitor the Group’s level of exposure to sustainability risks, in particular sustainable financing risk;</li> <li>• Updates on CIMB’s Sustainability Risk Management Framework and sustainability risk project status. The Sustainability Risk Management Framework defines how we govern sustainability risks in our business via appropriate policies and procedures, risk assessment tools, due diligence at portfolio and client level, a risk management culture, as well as robust controls, measurements and reporting. At the overall organisational level, sustainability risks are managed under the Group Sustainability Policy (GSP), while sustainability risks in non-retail financing is addressed through the Group Sustainable Financing Policy (GSFP);</li> <li>• Endorsement and approval for the revised Group Sustainability Policy (“GSP”) and Group Sustainable Financing Policy (“GSFP”) by the GSC, the Group Policy &amp; Procedure Oversight Committee (“GPOC”) and the Group Board. Part of the approved revisions was to allow for escalation of selected high sustainability risk cases to the Group Executive Committee (“GEXCO”) or the Group Board as the final approver in the event of non-concurrence of Group Sustainability’s recommendation on high sustainability risk cases by the business units. Sustainability risks, including climate-related physical and transition risks, and human rights risks, are also integrated into both the Group Risk Library and the Enterprise-Wide Risk Management (“EWRM”) Framework;</li> <li>• Reporting of CIMB’s progress with respect to Forward23+ Sustainability Programme and projects (e.g. CIMB’s percentile ranking within the global banking industry in the S&amp;P Global Corporate Sustainability Assessment, which forms the basis of the Dow Jones Sustainability Index. (DJSI); CIMB’s regional GSSIPS achievements vis-à-vis 2021 targets) to the GSC and GTC. CIMB sustainability efforts have shown results, and CIMB ranks in the 79<sup>th</sup> percentile of banks globally in the S&amp;P Global Corporate Sustainability Assessment;</li> <li>• Approval by the GSC for CIMB Sustainable Development Goals (SDG) Bond i.e. CIMB has successfully priced its US\$500 million RegS/144A Sustainable Development</li> </ul>
--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>Goals Bond (SDG Bond), marking the first ever RegS/144A SDG Bond to be issued by a Malaysian bank in the international capital markets; and facilitated the Government of Malaysia's dual tranche US\$1.3 billion (RM5.4 billion) sukuk wakala offering, and US\$800 million sustainability tranche which was the world's first US dollar sustainability sukuk offered by a sovereign;</p> <ul style="list-style-type: none"> <li>• RM2.45 billion sustainability-linked derivative transaction in the form of an interest rate swap with Standard Chartered Malaysia;</li> <li>• Approval for 2020 sustainability materiality matrix by the GSC.</li> </ul>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

## Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>CIMB regularly communicates sustainability strategies, priorities and targets as well as performance with external stakeholders.</p> <p>Sustainability KPIs are also carried by the Group CEO as well as approximately 100 top management members in key countries, business units and enablers that contribute towards the advancement of sustainability in CIMB. KPIs set consist of leading indicators e.g. sustainability capacity building, and lagging indicators aligned to our strategy, e.g. green, social and sustainable finance mobilised, and reduction in greenhouse gas ("GHG") emissions. Success on these KPIs directly contributes to bonus pool funding of the respective department, thereby linking the compensation of the whole department to success of sustainability initiatives.</p> <p>Depending on the information needs of CIMB stakeholder groups (e.g. investors, clients, vendors, partners), several channels are used. These include:-</p> <ul style="list-style-type: none"> <li>• <b>Standalone sustainability reports</b> which are issued annually as part of CIMB's annual financial filings. The outline and contents of the sustainability reports are reviewed and approved by the GSGC, GTC, GSC and/or responsible business units/enablers;</li> <li>• <b>Public events, briefing sessions, focus groups and/or one-on-one meetings</b> which are held regularly throughout every year (e.g. The Cooler Earth ("TCE") Sustainability Summit, investor briefing sessions, client engagements on CIMB's Group Sustainable Financing Policy ("GSFP") requirements and GSSIPS offerings);</li> <li>• <b>CIMB's corporate sustainability website</b> (<a href="#">Sustainability   Our Pledge   CIMB</a>) which is updated on a regular basis ; and</li> <li>• <b>Press releases</b> as and when there is any material sustainability-related developments by CIMB.</li> </ul> <p>Internally, engagements with business units and enablers are regularly undertaken, through training sessions, focus groups, one-on-one meetings, and/or EDM marketing, to share perspectives and updates on sustainability in the context of our business and CIMB's purpose of advancing customers and society. In particular, a series of sustainability training</p>

	programmes were held for Board members, senior management and employees in 2021 to raise awareness and build technical capacity on sustainability and sustainable finance. As at 31 December 2021, more than 40 in-house training sessions on sustainability were held and more than 15,000 employees trained on various sustainability topics.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In FYE 2021, Directors attended various training programs to ensure that they are well equipped with the necessary skills and knowledge to perform their duties and meet the challenges facing the Board. The trainings include topics on Accounting &amp; Audit, Capital Markets &amp; Financial Industry, Governance, Information Technology, Islamic Banking, Leadership &amp; Strategy, Risk Management &amp; Sustainability.</p> <p>For sustainability related topics, a dedicated in-house training is held for the board on an annual basis to keep them up to date on the latest sustainability developments and topics. In 2021, two (2) sessions on Human Rights Risk Management and Net Zero were conducted for Board members and the senior management, and were delivered by invited speakers from ELEVATE (a global sustainability and supply chain service provider) and the UNEP FI respectively. In addition, invitations to public events such as The Cooler Earth Sustainability Summit and the Joint Committee on Climate Change (JC3) Flagship Conference on #FinanceForChange are also extended to Board members on a regular basis.</p> <p>CIMB also conducted Senior Management Training, real-time online training programmes aim to equip senior employees to integrate sustainability principles into their operations. In 2021, 67% of senior management completed basic sustainability related training.</p> <p>CIMB targets to roll out a targeted capability building plan next year including appointment of Cambridge Institute for Sustainability Leadership as an external trainer to further develop the sustainability competency of Board members and senior management within CIMB.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

## Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p><u>At the Board level</u></p> <p>The Board is the highest governance body accountable for CIMB's sustainability strategy, material ESG risks and opportunities, including but not limited to climate-related risks and opportunities. The annual Board Effectiveness Assessment ("BEA") includes assessment on how the Board critically evaluates and integrates sustainability considerations in deliberating Management's proposed strategic directions, acquisitions, divestments and budgets.</p> <p>CIMB conducts a Sustainability due-diligence as part of the procedures in the appointment of new Director.</p> <p><u>At Senior Management level</u></p> <p>Based on the CIMB Group Remuneration Policy, the Group's performance is determined in accordance with a balanced scorecard which includes key measures sustainability performance and initiatives.</p> <p>Since 2019, CIMB linked the KPIs of selected senior management, including the Group CEO, with sustainability performance. Sustainability KPIs have been expanded in 2020 across the Group and carried by the Group CEO, top management, country heads and relevant senior management in key business units and enablers that contribute significantly towards the advancement of sustainability in CIMB.</p> <p>As part of Group-wide rollout of sustainability KPIs in 2021, several climate-focused KPIs were also put in place based on CIMB sustainability aspirations, as well as country and business priorities. These included:</p> <ul style="list-style-type: none"><li>• Reduction in Scope 1 and 2 GHG emission intensity;</li><li>• Implementation of climate scenario analysis pilot projects;</li><li>• Green financing, including renewable energy financing for small and medium-sized enterprises customers, and green mortgages and green vehicle financing for retail customers.</li></ul>

	Progress vis-à-vis these KPIs are monitored by Group Sustainability, with regular reporting to the GSC, GTC and GSGC.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.5- Step Up**

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	Group Chief Sustainability Officer was appointed in October 2020. He chairs the Group Sustainability Committee (GSC) in leading the development and successful execution of CIMB's sustainability priorities, in line with strategic outcomes set by the Board, GSGC and/or Group CEO. The Group Chief Sustainability Officer also reports to the Group CEO, and leads the Sustainability and Corporate Responsibility teams across the region. In addition, the Group Head of Sustainability also oversees adequacy and effectiveness of the strategic sustainability implementation across the businesses, monitors key ESG regulatory developments, and ensures alignment and provides updates to governance committee on sustainability related matters, risks and areas of concern as identified from time-to-time.

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter sets out that the Board, with the assistance of the GNRC, determines and regularly reviews the composition of the Board having regard to the optimum number and skill mix of Directors, subject to the limits imposed by the Company's constitution and the terms served by existing Non-Executive Directors.</p> <p>One-third (1/3) of the Board members are required to retire at every Annual General Meeting and be subjected to re-election by shareholders. Newly appointed Directors shall hold office until the next Annual General Meeting ('AGM") and shall be subjected to re-election by the shareholders.</p> <p>The suitability of a Director as a Board member is in accordance with the Bank Negara Malaysia Guidelines on Corporate Governance and the Group's Fit and Proper Policies and Procedures for Key Responsible Persons. The GNRC considered the following criteria in determining the eligibility of the Directors to stand for re-election:-</p> <ul style="list-style-type: none"><li>(i) The Director's competency in specialised areas of practise and level of contribution to the Board through their knowledge, skills and expertise;</li><li>(ii) The level of independence demonstrated by the Directors, and their ability to act in the best interest of the company;</li><li>(iii) Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and</li><li>(iv) Financial integrity, where the Directors must manage their debts or financial affairs prudently.</li></ul> <p>The GNRC has also conducted an assessment on the independence of the Independent Directors seeking re-election based on the criteria set by the Company and guided by the definition of "Independent Director" as prescribed by the Main Market Listing Requirements of Bursa Securities and Bank Negara Malaysia Corporate Governance Policy. The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied									
<b>Explanation on application of the practice</b>	:	<p>As at 31 December 2021, the Board consisted of 10 members out of which seven (7) are Independent Directors.</p> <table border="0"> <tr> <td style="background-color: #e06666; padding: 2px;">1</td> <td>Executive Director (“ED”)/Group CEO</td> <td style="text-align: right;">10%</td> </tr> <tr> <td style="background-color: #e06666; padding: 2px;">2</td> <td>Non-Independent Non-Executives Directors (“NINED”)</td> <td style="text-align: right;">20%</td> </tr> <tr> <td style="background-color: #e06666; padding: 2px;">7</td> <td>Independent Non-Executive Directors (“INED”)</td> <td style="text-align: right;">70%</td> </tr> </table> <p>In facilitating that the decisions of the Board are independent and objective, the Board ensures-</p> <ul style="list-style-type: none"> <li>(i) Only one (1) ED as a member of the Board;</li> <li>(ii) That the role of the Chairperson of the Board is separate from the Group CEO;</li> <li>(iii) To retain the role of Senior Independent Director from among the INEDs, whose role is to serve as a sounding board to the Independent Chairperson of the Board;</li> <li>(iv) That the Chairperson of the Board does not chair any of the Board Committees; and</li> <li>(v) That the Board Committees comprise a majority of INEDs and only an INED is appointed as a Board Committee Chairperson.</li> </ul>	1	Executive Director (“ED”)/Group CEO	10%	2	Non-Independent Non-Executives Directors (“NINED”)	20%	7	Independent Non-Executive Directors (“INED”)	70%
1	Executive Director (“ED”)/Group CEO	10%									
2	Non-Independent Non-Executives Directors (“NINED”)	20%									
7	Independent Non-Executive Directors (“INED”)	70%									
<b>Explanation for departure</b>	:										
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>											
<b>Measure</b>	:										
<b>Timeframe</b>	:										

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Not applicable - Step Up 5.4 adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: For FYE 2021, no Independent Director had served on the Board for more than nine (9) years from the date of his/her first appointment. This is in adherence to CIMB's Board Charter that limits an Independent Director's tenure of service to a maximum of nine (9) years.

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	: Applied								
<b>Explanation on application of the practice</b>	<p><u>Board Diversity</u></p> <p>The Board continuously strives to ensure that Directors have a collective mix of skills, experience, expertise and diversity to add value to Board processes and decisions. Based on the Directors' profile, a majority of the Board members have Banking and Finance experience, with more than one-third being seasoned bankers, while the rest have extensive experience in other related industries. While on gender diversity, the Board has embraced the recommendation of the Code of having at least 30% women representation on the Board.</p> <p>The Board takes cognisance that 80% of its current members are 50 years old and more, and will strive to onboard younger generational talents with fresh, innovative and constructive ideas and perspective.</p> <p>Foreign nationals make 30% of the Board composition. They are Robert Neil Coombe, an Australian; Didi Syafruddin, an Indonesian and Shulamite Khoo, a Singaporean – all of whom bring with them vast international experience.</p> <p><u>Senior Management Diversity</u></p> <p>CIMB has in place a Group Employee Diversity &amp; Inclusion Policy which promotes diversity, in this context, refers to gender, age, backgrounds, beliefs, ethnicity, skills, and abilities above cover all employees from all levels (inclusive of Senior Management).</p> <p>The demographic of the of Senior Management as at 31 December 2021 based on their profiles in the CIMB Annual Report 2021 is set out below.</p> <p><b>Nationality</b></p> <table border="1"><thead><tr><th>Nationality</th><th>Number of Senior Management</th></tr></thead><tbody><tr><td>Malaysian</td><td>9</td></tr><tr><td>Singaporean</td><td>2</td></tr><tr><td>Indonesian</td><td>2</td></tr></tbody></table>	Nationality	Number of Senior Management	Malaysian	9	Singaporean	2	Indonesian	2
Nationality	Number of Senior Management								
Malaysian	9								
Singaporean	2								
Indonesian	2								

**Age**

Age	Number of Senior Management
35 years to 40 years	2
41 years to 45 years	3
46 years to 50 years	3
51 years to 55 years	3
56 years to 60 years	2

**Gender**

Gender	Number of Senior Management
Male	11
Female	2

The GNRC reviewed the succession plans and talent management updates for the mission critical roles in the organisation as presented by Group Human Resources ('GHR').

The GNRC also considered the succession bench strength of each senior critical roles and operational critical role, their current readiness levels to increase their leadership capabilities and potential. Talents were also identified by GHR to cultivate their leadership skills and prepare them to be successors to critical roles.

**Directors' External Commitments**

In evaluating the ability of a director to perform his role effectively, the Board considers among others whether a director is 'over stretched' in terms of his commitments to the board commitments, to meet the demands and expectations of the role.

Board Charter states that the Director shall notify the Chairman before accepting any new directorships and the notification shall provide for an indication of time that will be spent on the new appointment.

A Director of the CIMB Group shall not hold more than the maximum limit of directorships in public listed companies as stated in the following table:

No.	Designation	Maximum Limit
1.	Member of Board/Committee	5
2.	Senior Independent Director	4
3.	Chair of Board	4
4.	Chair of Audit Committee/Board Risk Committee	4
5.	Chair of other Committees	5
6.	Any combination of 2,3 and 4	3



	<p>A Director of the CIMB tGroup shall not hold more than fifteen (15) external professional commitments on board of trustees, advisory boards and board of directors of non-public listed companies. Directors who hold CEO/Managing Director positions on other Boards will not be considered for the roles of Chairman or member of Board Committees.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Suitable candidates will be identified to fill vacancies on the Board and Board Committees as and when they arise. The Group Nomination and Remuneration Committee has access to a wide pool of candidates which includes recommendations by existing Board Members or Management and through external sources such as the Directors' Register by FIDE FORUM, BNM and PIDM; professional associations and also from independent search firms.</p> <p>In addition, the behaviours likely to be demonstrated by potential Non-Executive Directors will also be considered by the during interview sessions for new appointments to ensure that an environment in which challenge is expected, achieved and maintained in the boardroom.</p> <p>Upon the completion of assessing candidates for the Boards, Board Committees and CEOs/EDs, Group Nomination and Remuneration Committee will recommend their nomination to the Board for approval, before an application for approval is submitted to Bank Negara Malaysia and/or other regulatory authorities.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The suitability of a Director as a Board member is in accordance with the Bank Negara Malaysia Guidelines on Corporate Governance and the Group's Fit and Proper Policies and Procedures for Key Responsible Persons. The GNRC considered the following criteria in determining the eligibility of the Directors to stand for re-election:-</p> <ul style="list-style-type: none"><li>• The Director's competency in specialised areas of practise and level of contribution to the Board through their knowledge, skills and expertise;</li><li>• The level of independence demonstrated by the Directors, and their ability to act in the best interest of the Company;</li><li>• Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and</li><li>• Financial integrity, where the Directors must manage their debts or financial affairs prudently.</li></ul> <p>The GNRC also conducted an assessment on the independence of the Independent Directors seeking re-election at the AGM based on the criteria set by CIMB and guided by the definition of "Independent Director" as prescribed by the Main Market Listing Requirements of Bursa Securities and Bank Negara Malaysia Corporate Governance Policy.</p> <p>For the 65<sup>th</sup> AGM , there are 3 Directors standing for re-election:</p> <ol style="list-style-type: none"><li>1) Teoh Su Yin</li><li>2) Dato' Lee Kok Kwan</li><li>3) Dato' Mohamed Ross Mohd Din</li></ol> <p>The Board has assessed their time and commitment to effectively discharge their respective roles as Directors of the Group. The above retiring Directors had abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant Group Nomination and Remuneration Committee and Board meetings, where applicable.</p>

	<p>The Board was satisfied and had recommended their re-election based on the following:</p> <ol style="list-style-type: none"> <li>1) Teoh Su Yin - The Board is of the view that Ms. Teoh's experience is invaluable to CIMB. She has extensive exposure and knowledge in the areas of banking, finance and sustainability all of which are complementary to the diversity of skill sets of the Board of CIMB. Ms. Teoh continues to offer sound judgment and broad perspective to the deliberations of the Board and Board Committees. She also challenges prevailing opinions, while balancing this with the need to remain a good team player.</li> <li>2) Dato' Lee Kok Kwan - Dato' Lee has continuously shown determination, commitment and professionalism as a Board member. The Board believes that with his vast experience as well as his extensive knowledge of financial and banking technicalities and deep understanding of the Treasury &amp; Markets business, Dato' Lee will continue to provide insights and varied perspectives to the Board and Board Committees, as well as provide the Board with the right mix and balance.</li> <li>3) Dato' Mohamed Ross Mohd Din - The Board is of the view that CIMB will benefit from having Dato' Mohamed Ross on the Board given his vast experience in banking. Dato' Mohamed Ross has been very open in expressing his views during meetings. He tends to have strong views in certain aspects but has proven to be a team player when it comes to making collective decisions. Dato' Mohamed Ross has contributed greatly as member of the Board and Board Committees.</li> </ol> <p>The profiles of Directors seeking re-election and re-appointment and the statement justifying their re-election are set out in the Statement Accompanying Notice of AGM section of the Annual Report 2021.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The GNRC is chaired by a Senior Independent Director, Teoh Su Yin. Her responsibilities, amongst others, are to lead the reviews on the procedure for appointment of Directors, Board Committees and Senior Management of the Group and their remuneration package.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has embraced the recommendation of the MCCG of having at least 30% women representation on the Board and they are:</p> <ol style="list-style-type: none"> <li>1) Teoh Su Yin (Senior Independent Director)</li> <li>2) Shulamite Khoo (Independent Director)</li> <li>3) Serena Tan Mei Shwen (Non-Independent Director)</li> </ol>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p><u>Board</u> The Board has established the Board Diversity Framework that is applicable to all the Directors of CIMB Group. The Framework sets out the principles on diversity on the Board that can be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. The five key principles are independence, skills and experience, gender, cultural background and age.</p> <p>The Board Diversity Framework is available on CIMB's website at <a href="http://www.imb.com">www.imb.com</a></p> <p><u>Senior Management</u> CIMB has in place a Group Employee Diversity &amp; Inclusion Policy which promotes diversity, in this context, refers to gender, age, backgrounds, beliefs, ethnicity, skills, and abilities above cover all employees from all levels (inclusive of Senior Management).</p> <p>Additionally, improving female representation of Key Management is a part of Sustainability's target which has been extensively discussed with Regional Business Units and Enablers to obtain buy in, and debated in the Group Sustainability Council and Group Transformation Committee to achieve balance of 'stretch' and achievability. The Sustainability Principles and Strategy are stated in the Sustainability Statement in the Annual Report 2021.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The GNRC makes an assessment once a year to determine whether the Board and Board committees are performing effectively and identify steps for improvement. Once every three (3) years, the GNRC obtains an independent perspective on the Board's effectiveness to gain insights on the Board's performance against peer boards and best practices. An external firm was last engaged to conduct the Board performance evaluation for FYE 2019.</p> <p>The GNRC considered to use substantially the same evaluation questionnaires for benchmarking purposes. The questionnaire included questions on corporate strategy and directors setting, Board governance and oversight, Board composition, Boardroom conduct and dynamics, Board management and operation. Each Director was asked to complete the questionnaire and submit it directly to the Group Secretary who collated the responses and produced a summary report for the GNRC. The GNRC analysed the report and submitted its findings and action plans to the Board.</p> <p>The exercise for board evaluation for FYE 2020 which was undertaken in 1Q 2021 had identified the following areas for improvement:</p> <ul style="list-style-type: none"><li>(i) Sustainability considerations to be sufficiently evaluated and integrated by the Board in deliberating Management's proposed strategic decisions, acquisitions, divestments, budgets, etc;</li><li>(ii) Effectiveness of the Board Investment Committee in discharging its roles in accordance with its Terms of Reference in assisting the Board in performing the oversight function and provide recommendations in respect of the investment strategies, management and performance of the investment account;</li></ul>



	<ul style="list-style-type: none"> <li>(iii) Well-defined leadership succession plan that is aligned to the Bank's strategic goals, direction and sustainability priorities;</li> <li>(iv) Structure of meeting Agenda to allow sufficient time to constructively challenge and deliberate on complex and critical decisions;</li> <li>(v) Quality of Board papers to facilitate informed decision making and not distributed timely; and</li> <li>(vi) Effectiveness of Chairpersons of the Board Committees in interfacing with Management for a more appropriate and conducive environment for the effective operation of the Committee.</li> </ul>		
<b>Explanation for departure</b> :			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b> :			
<b>Timeframe</b> :	<table border="1" style="width: 100%; height: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>		



\* *Benefits-in-kind for the Chairperson of the Board include, amongst others, a driver, corporate club membership subscription and leave passage*

In FYE 2021, the Board undertook an extensive review of the Framework, taking into consideration the remuneration and benefits of Directors of other peer banks and benchmarking it to industry as well as market standards.

In a show of solidarity with the nation and our stakeholders during the Covid-19 pandemic, the Board had reduced the Directors' remuneration which was implemented throughout FYE 2021 as follows.

CIMB Group Holdings Berhad		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)
Board	Chairperson*	150,000	450,000	4,000
	Member	150,000	N/A	4,000
Audit Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000
Board Risk and Compliance Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000
Group Nomination and Remuneration Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000

Effective 1 January 2022, the Board reinstated the original remuneration framework for Board fees and meeting allowance in view of the improving condition surrounding the Covid-19 pandemic and in line with the increasing expectation by the stakeholders for the Directors to discharge their duties and responsibilities effectively given the challenging economic situation.

### **CIMB Group Remuneration Policy**

The CIMB Group Remuneration Policy applies to all subsidiaries and overseas offices within CIMB Group and acts as a guiding principle in relation to the design and management of CIMB's remuneration programmes. The Group Remuneration Policy is to be reviewed every year or as and when it is required. Three key principles of CIMB's Remuneration Policy are as follows:

Principle	Purpose	Approach
Strong governance	To ensure strong and independent oversight of the remuneration system	<ul style="list-style-type: none"> <li>Oversight and review by GNRC</li> <li>Guided by input from control functions, AC and BRCC</li> </ul>
Appropriate assessment of performance	To support a performance based culture which promotes prudent risk-taking and long-term sustainability	<ul style="list-style-type: none"> <li>Performance measurement through balanced scorecard which includes both financial and non-financial goals, short-term and long-term perspectives and incorporates measures</li> </ul>

			<p>related to risk, compliance and process controls</p> <ul style="list-style-type: none"> <li>Financial goals include profitability and return on equity (ROE). Additional risk-adjusted metrics i.e. risk-adjusted return on capital (RAROC) and economic profit are also measured and tracked.</li> <li>Deferral and claw back arrangements in variable remuneration schemes</li> </ul>
	Market competitiveness	To offer rewards that allow CIMB to attract, motivate and retain the right talent	<ul style="list-style-type: none"> <li>Benchmarking against similar organisations in the geographies and industries in which CIMB operate</li> </ul>
<p>The CIMB Group Directors' Remuneration Framework and Summary of the CIMB Group Remuneration Policy documents are available on CIMB's website at <a href="http://www.cimb.com">www.cimb.com</a></p>			
<b>Explanation for departure</b> :			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<b>Measure</b> :			
<b>Timeframe</b> :			

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of CIMB had delegated to the GNRC to set the principles, parameters and governance framework relating to the Group's remuneration matters. The framework/policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management are documented in the CIMB Group Directors' Remuneration Framework and CIMB Group Remuneration Policy respectively.</p> <p>The GNRC also oversees the nomination process and remuneration package of Non-Executive Directors and Key Senior Management of the local and regional subsidiaries and joint-venture entities of CIMB.</p> <p>The terms of reference of the GNRC are available on CIMB's website at <a href="http://www.cimb.com">www.cimb.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The remuneration payable to the Directors by CIMB Group in FYE 2021, are as follows:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Mohd Nasir Ahmad	Independent Director	150	194	Input info here	Input info here	35	450	829	333	361	Input info here	Input info here	35	645	1374
2	Teoh Su Yin	Independent Director	150	208	Input info here	Input info here	Input info here	120	478	212	228	Input info here	Input info here	Input info here	182	622
3	Robert Neil Coombe	Independent Director	150	108	Input info here	Input info here	Input info here	23	281	150	108	Input info here	Input info here	Input info here	23	281
4	Dato' Lee Kok Kwan	Non-Executive Non-Independent Director	150	100	Input info here	Input info here	Input info here	Input info here	250	285	202	Input info here	Input info here	Input info here	Input info here	487
5	Dato' Mohamed Ross Mohd Din	Independent Director	150	210	Input info here	Input info here	Input info here	90	450	275	342	Input info here	Input info here	46	215	878
6	Afzal bin Abdul Rahim	Independent Director	0	0	Input info here	Input info here	Input info here	Input info here	0	0	0	Input info here	Input info here	Input info here	Input info here	0
7	Didi Syafruddin Yahya	Independent Director	150	158	Input info here	Input info here	Input info here	68	376	748	613	Input info here	Input info here	Input info here	67	1428
8	Shulamite Khoo	Independent Director	150	128	Input info here	Input info here	Input info here	Input info here	278	150	128	Input info here	Input info here	Input info here	Input info here	278
9	Serena Tan Mei Shwen	Non-Executive Non-Independent Director	150	140	Input info here	Input info here	Input info here	Input info here	290	285	246	Input info here	Input info here	Input info here	Input info here	531
10	Dato' Abdul Rahman Ahmad	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	5009	Input info here	30	Input info here	5039
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board has decided not to disclose, on a named basis, the top 5 Senior Management's remuneration components including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.</p> <p>Across the Group, however, CIMB currently discloses the remuneration of the Top 4 Key Senior Management positions in their respective financial statements, as follows:</p> <ol style="list-style-type: none"><li>1. CEO, CIMB Group Holdings Berhad*</li><li>2. CEO, CIMB Bank Berhad*</li><li>3. CEO, CIMB Investment Bank Berhad</li><li>4. CEO, CIMB Islamic Bank Berhad</li></ol> <p><i>* Positions 1 and 2 are held by the same individual</i></p> <p>The Board believes that disclosure of these key executives' remuneration is neither to CIMB's advantage nor in its business interests, given the sensitive nature of such information and the fierce competition for talent in the banking industry.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	The Board will closely monitor developments in the market in respect of such disclosure for future considerations.
<b>Timeframe</b>	:	Monitoring of market developments is on on-going basis



No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The AC is chaired by Dato' Mohamed Ross Mohd Din who is not the Chairperson of the Board.  The other two members are Teoh Su Yin and Didi Syafruddin Yahya (who succeeded the Board Chairperson, Datuk Mohd Nasir Ahmad effective 1 November 2021), all of whom are Independent Directors.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The AC must ensure that the objectivity, independence and effectiveness of the External Auditors are maintained. As per the Board Charter, the AC will not appoint former key audit partner as its member unless the former key partner has observed a cooling-off period of at least three years before being appointed as a member of the AC.</p> <p>None of the current members of the Board were former key audit partners of CIMB. Hence, there is no such person being appointed as a member of the AC.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b>	<p>Every year Group Corporate Assurance Division ("GCAD") and Group Finance Division will jointly perform the External Auditor reappointment to assess the suitability, objectivity and independence of external auditors. The external auditor is assessed in accordance with the Bank Negara Malaysia Guidelines on Corporate Governance for Licensed Institution and Guidelines on Appointment of External Auditors ("Guidelines") in respect of its audits of CIMB Malaysian entities. The Guidelines require the Audit Committee to assess the external auditor meeting the qualification criteria which includes the independence, objectivity and performance of the auditor.</p> <p>In its assessment, the AC Audit Committee considered several factors before recommending the re-appointment of the external auditors, as follows:</p> <ul style="list-style-type: none"><li>• Level of knowledge, capabilities, experience and quality of previous work;</li><li>• Level of engagement with Audit Committee;</li><li>• Ability to provide constructive observations, implications and recommendations in areas requiring improvements;</li><li>• Adequacy in audit coverage, effectiveness in planning and conduct of audit;</li><li>• Ability to perform audit work within agreed timeframe;</li><li>• Non audit services rendered by external auditors did not impede independence; and</li><li>• The external auditors demonstrated unbiased stance when interpreting standards/policies adopted by the company.</li></ul>
<b>Explanation for departure</b> :	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The AC is chaired by Dato' Mohamed Ross Mohd Din and the other 2 members are Teoh Su Yin and Didi Syafruddin Yahya, all of whom are Independent Directors.



## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The AC is chaired by Dato' Mohamed Ross Mohd Din and the members are Teoh Su Yin and Didi Syafruddin Yahya.</p> <p>The Chairperson of the AC has over 40 years of relevant banking and finance experience and was a Group Head of Audit in one of the global banks whilst Didi is a Fellow Chartered Accountant from Institute of Chartered Accountants in England and Wales. Additionally, all of the AC members have extensive working experience obtained from various industries especially in banking and finance which greatly reinforce their skills and knowledge when it comes to discharging their duties as the committee member.</p> <p>All AC members are aware of the need to continuously develop and increase their knowledge to keep themselves updated of relevant developments.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established governance and processes for reviewing the effectiveness, adequacy and integrity of CIMB's system of internal controls and risk management.</p> <p>The Board approved an Enterprise-Wide Risk Management ("EWRM") framework as a standardised approach to effectively manage the risks and opportunities. The EWRM framework provides the Board and management with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.</p> <p>The BRCC is responsible for formulating and reviewing the risk management policies and risk appetite of CIMB. The Board Risk and Compliance Committee also provides oversight and advice to the Board and Management in respect of the management of compliance risk. Similarly, the AC reviews the effectiveness of internal controls, risk management processes and governance within the Group.</p> <p>GCAD reports independently to the AC and provides independent appraisal on the adequacy, efficiency and effectiveness of risk management, controls and governance processes implemented by Management. GCAD adopts a risk centric audit plan that is approved by the AC; and covers emerging risks including elevated risks arising from changes in managing work and business processes following Covid-19 pandemic.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

## Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>CIMB employs a Group Enterprise-Wide Risk Management ("Group EWRM") framework as a standardised approach to effectively manage our risks and opportunities. The Group EWRM framework provides the Board and Senior Management with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.</p> <p>The design of the Group EWRM framework incorporates a complementary 'top-down strategic' and 'bottom-up tactical' risk management approach.</p> <p>The key features of the Group EWRM framework include:</p> <p>I) Risk Culture: The Group embraces risk management as an integral part of its culture and decision-making processes. The Group's risk management philosophy is embodied in the Three Lines-of-Defence approach, whereby risks are managed initially from the onset of risk-taking activities. There is clear accountability of risk ownership across the Group.</p> <p>II) Governance &amp; Organisation: A strong governance structure is important to ensure an effective and consistent implementation of the Group's EWRM framework. The Board is ultimately responsible for the Group's strategic direction, which is supported by the risk appetite and relevant risk management frameworks, policies, methodologies/standards, and procedures. The Board is assisted by various risk committees and control functions in ensuring that the Group's risk management framework is effectively implemented.</p> <p>III) Risk Appetite: Defined as the amount and type of risks that the Group is able and willing to accept in pursuit of its strategic and business objectives. Risk appetite is set in conjunction</p>

with the annual strategy and business planning process to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and risk.

IV) Risk Management Process:

- Business Planning: Risk management is central to the business planning process, including setting frameworks for risk appetite, risk posture, new products and business activities.
- Risk Identification & Assessment: Risks are systematically identified and assessed through the robust application of the Group's risk frameworks, policies, methodologies/standards and procedures.
- Risk Measurement: Risks are measured and aggregated using the Group-wide methodologies across each of the risk types, including stress testing.
- Risk Management & Control: Risk management limits and controls are used to manage risk exposures within the risk appetite set by the Board. Risk management limits and controls are regularly monitored and reviewed in the face of evolving business needs, market conditions and regulatory changes. Corrective actions are taken to mitigate risks.
- Risk Monitoring & Reporting: Risks on an individual, as well as on a portfolio basis, are regularly monitored and reported to ensure they remain within the Group's risk appetite.

V) Risk Management Infrastructure

- Risk Frameworks, Policies, Methodologies/Standards, and Procedures: These are in place to address all areas of material risks. Frameworks provide broad objectives and overarching risk management architecture for managing risks. Well-defined risk policies by risk type provide the principles by which the Group manages its risks. Methodologies/ Standards provide specific directions that help support and enforce policies. Procedures provide more detailed guidance to assist with the implementation of policies.
- People: Attracting the right talent and skills is key to ensuring a well-functioning Group EWRM framework. The organisation continuously evolves and proactively responds to the increasing complexity of the Group, as well as the economic and regulatory environment.
- Technology and Data: Appropriate technology and sound data management support risk management activities.

Further information on the Group EWRM can be found in the Statement of Risk Management of CIMB Annual Report 2021.

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The BRCC consists of five (5) members, of whom three (3) members (including the Chairperson) are Independent Directors.</p> <ol style="list-style-type: none"><li>1) Didi Syafruddin Yahya (Chairperson/Independent Director)</li><li>2) Datuk Mohd Nasir Ahmad (Independent Director)</li><li>3) Dato' Mohamed Ross Mohd Din (Independent Director)</li><li>4) Serena Tan Mei Shwen (Non-Independent Director)</li><li>5) Dato' Lee Kok Kwan (Non-Independent Director)</li></ol> <p>The primary responsibility of the BRCC is to ensure that the integrated risk management functions within the Group are effectively discharged. The BRCC assists the Board in, among others, formulating and reviewing the risk strategy of the organisation, approving and reviewing Group risk management policies, setting risk appetite, reviewing risk profile and ensuring a "risk-awareness" culture is embedded in the Group.</p>

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>GCAD reports to the Audit Committee and provides independent appraisal on the adequacy, efficiency and effectiveness of risk management, controls and governance processes implemented by Management. GCAD adopts a risk centric audit plan that is approved by the AC ; and covers emerging risks including elevated risks arising from changes in managing work and business processes. GCAD's function is reviewed periodically by the AC to ensure its adequacy in performing its role.</p> <p>To make sure an effective management and independence of the GCAD, the AC, among others-:</p> <ul style="list-style-type: none"><li>(a) ensures the internal audit function is well placed to undertake review or investigation on behalf of the AC , and be placed under its direct authority and supervision;</li><li>(b) reviews and approve the audit scope, procedures frequency and the annual internal audit plan;</li><li>(c) oversees the effectiveness of GCAD functions, staff competency requirements and adequacy of audit resources, and GCAD has the necessary authority to carry out its work;</li><li>(d) reviews key audit reports and ensures that senior management is taking necessary corrective actions in a timely manner to address control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by GCAD and other control functions;</li><li>(e) mediate disagreements between the Group Chief Internal Auditor and the Senior Management, irrespective of whether these have been resolved, in order to identify any impact, the disagreements may have on the audit process or findings;</li><li>(f) ensures GCAD's compliance with relevant guidelines on internal audit issued by regulators and that the reports of GCAD should not be subject to clearance by Management; and</li><li>(g) establishes a mechanism to assess the performance and effectiveness of GCAD.</li></ul>



<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- (k) whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- (l) the number of resources in the internal audit department;
- (m) name and qualification of the person responsible for internal audit; and
- (n) whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>GCAD reports independently to the AC and is independent of the activities and operations of the business and other support units.</p> <p>The Group Chief Internal Auditor, Amran bin Mohamad, is the person responsible for internal audit functions in CIMB. He is a member of the Malaysian Institute of Certified Public Accountants, the Institute of Internal Auditors Malaysia and the Malaysian Institute of Accountants. Under his leadership, GCAD has a staff strength of 333 individuals from diverse backgrounds and qualifications.</p> <p>The principal responsibility of GCAD is to provide independent appraisal on the adequacy, efficiency and effectiveness of risk management, control and governance processes implemented by Management. GCAD provides audit opinion based on the 5 components set out in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”); namely control environment, risk assessment, control activities, information and communication, and monitoring activities. COSO is an internationally recognized organization providing thought leadership and guidance on internal control, enterprise risk management and fraud deterrence. In addition, GCAD provides audit conclusion based on Level of Conformance in relation to regulatory audit/reviews, and whether objectives were met for assignments that are based on specific audit or review objectives.</p> <p>In addition, a qualified external independent reviewer conducts periodic external assessment of GCAD’s internal audit activity at least once every five years to assess its conformance with the IIA International Standards for Professional Practice of Internal Auditing and the pertinent regulations. The recent assessment</p>

	conducted in 2021 on GCAD Malaysia accords the internal audit activity as generally conforms to the IIA Standards.	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>CIMB investor relations activities promote regular, effective and fair communication with shareholders, analysts and fund managers. Quarterly results briefing sessions are conducted for analysts and fund managers after lodgement of results to Bursa Malaysia. All press statements and quarterly financial statements are published on the CIMB Group corporate website and the Bursa Securities website. A dedicated investor relations team supports the Group CEO and Group Chief Financial Officer in maintaining a close and active dialogue with external stakeholders. The CIMB website provides contact details for investors to submit their feedback and raise any questions. During the FYE 2021, CIMB engaged with approximately 560 analysts and fund managers and participated in 12 investor conferences. There were no non-deal roadshows attended during the FYE 2021 due to the pandemic.</p> <p>Furthermore, CIMB has a dedicated a section on the website in line with the Group's commitment to upholding the highest standards of corporate governance and stakeholder engagement. The Investors Relations (<a href="https://www.cimb.com/en/investor-relations/overview.html">https://www.cimb.com/en/investor-relations/overview.html</a>) section seeks to provide the most pertinent financial and relevant information such as Company Announcements, Financial Information, Annual Reports and Shareholding Information among others.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other’s objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.2**

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>In documenting reports, CIMB’s attempt has been to overcome silos, encourage cross-functional dialogues, and develop a holistic understanding of inter-relationships between the key factors that drive our business, direct resources, and deliver performance and impact.</p> <p>It is a continuous process of learning and improvement as CIMB adopts and works to the principles of Integrated Reporting, making CIMB narrative not just about the year under review, but about areas that will continue to deliver value to our stakeholders in the mid to long term, enhancing brand equity, strengthening our business relationships, and promising meaningful development for all.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board ensures that shareholders are given sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM. The AGM Notice includes details of the resolutions proposed, along with any relevant information and reports. CIMB held its 64th AGM on 15 April 2021 with the Notice and Agenda of the AGM delivered to the shareholders on 18 March 2021, this being 28 days before the Meeting. The Notice and Agenda were also published in the local English and Bahasa Malaysia newspapers and made available on CIMB's website at <a href="http://www.cimb.com">www.cimb.com</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The 64th AGM was attended by all Directors, Management and 728 shareholders as the Attendance List. The Chairperson, who chaired the proceedings, provided fair opportunity and time to all shareholders to exercise their rights to raise questions and make recommendations. The proceedings of the 64th AGM were recorded in the minutes of the meeting and made available within two weeks after the meeting on CIMB's website at <a href="http://www.cimb.com">www.cimb.com</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.3**

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders’ participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>CIMB has leveraged on technology to facilitate greater Shareholders’ participation and enhance the proceedings of the AGM.</p> <p>Resolutions during the 64th AGM were arrived at via online electronic poll voting to enable all Shareholders to cast their votes. The Share Registrar, Boardroom Share Registrars Sdn Bhd acted as the Poll Administrator to conduct the online electronic polling process and Messrs. Deloitte was appointed as the Scrutineer to verify the poll results.</p> <p>CIMB Group continuously review the cyber defence capabilities to protect customers’ data security, while continuously strengthening the resilience against potential cyber threats. As part of managing IT operations, CIMB Group continued to be vigilant and stay alert on the cyber threat landscape with close monitoring by the dedicated Cyber Security Defence Centre and Threat Monitoring &amp; Intelligence unit. Security awareness program has been elevated to equip staff with necessary skills in detecting and appropriately responding towards malicious attempts targeting at end-users. CIMB Group is also working closely with relevant authorities and industry players in heightening protection, detection and response capabilities for cyber resiliency .</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>At the 64<sup>th</sup> AGM held on 15 April 2021, the Chairman started the meeting by welcoming all the shareholders 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 informed that the virtual meeting was necessary in support of the Government's initiative to discourage mass gatherings as part of its safety measures to contain the spread of COVID 19.</p> <p>The Chairman informed that the year of 2020 was extraordinary and how the whole world has been impacted by the COVID-19. He further highlighted that in 2020 Financial Institutions assumed a critical role in the recovery efforts of governments, regulators and policymakers. He continued to brief the shareholders on Sustainability, Corporate Social Responsibility before inviting the Group CEO to present the 2020 CIMB Group Overview and 2021 Plans.</p> <p>The Group CEO then took the opportunity to engage the shareholders by giving a presentation which covered the following:</p> <ul style="list-style-type: none"><li>i) Group's key financial performance</li><li>ii) CIMB Today</li><li>iii) FYE 2020 Performance</li><li>iv) COVID 19 response</li><li>v) Forward23+</li><li>vi) Journey Towards a Purpose Driven Organisation; and</li><li>vii) Going Forward</li></ul>

The Chairman then tabled the Audited Financial Statements for the FYE 31 December 2020 and the Reports of the Directors and Auditors. The Chairman informed that CIMB had published the Annual Report and its Audited Financial Statements for FYE 2020 to Bursa Malaysia on 17 March 2021 and subsequently uploaded to CIMB's Website on the same day. The Audited Financial Statements for the FYE 31 December 2020 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) of the Companies Act 2016.

All the Directors and Senior Management were present at the 64<sup>th</sup> AGM to provide responses to the questions posed by shareholders via Boardroom Smart Investor Online Portal website [www.boardroomlimited.com/my](http://www.boardroomlimited.com/my) in relation to the agenda items for the 64<sup>th</sup> AGM, both prior to and during the 64<sup>th</sup> AGM.

The Chairman also 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 64<sup>th</sup> AGM dated 18 March 2021. The Chairman advised shareholders that any queries regarding banking related matters should be directed to CIMB's dedicated email at [cru@cimb.com](mailto:cru@cimb.com).

The queries addressed during the 64<sup>th</sup> AGM were as follows:

#### Questions from Minority Shareholder Watch Group

The Chairman mentioned that a letter and questions were received from Minority Shareholder Watch Group ("MSWG") and invited Dato' Abdul Rahman to address them accordingly. Dato' Abdul Rahman informed that CIMB had responded to the letter from MSWG in relation to the 64<sup>th</sup> AGM. He then 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.

#### Pre AGM Questions from Shareholders

CIMB received pre-AGM questions from shareholders prior to the 64<sup>th</sup> AGM which the Group CEO, Chairperson of the Group Remuneration and Nomination Committee ("GNRC") and himself read the questions and answered on behalf of the Board.

#### 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.

	<p>The Chairman further informed that CIMB had appointed the Independent Scrutineers, Messrs. Deloitte to verify and oversee the Q&amp;A process. The Board/Management then addressed twenty (20) questions from the shareholders,</p> <p>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.</p> <p>After the Q&amp;A session ended, The Chairman declared that the Audited Financial Statements together with the Directors and Auditors Reports for the FYE 31 December 2020 were deemed received.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>CIMB has leveraged technology to facilitate greater Shareholders' participation and enhance the proceedings of General Meetings.</p> <p>Resolutions during the 64th AGM were arrived at via online electronic poll voting to enable all Shareholders to cast their votes. The Share Registrar, Boardroom Share Registrars Sdn Bhd (Boardroom), acted as the Poll Administrator to conduct the online electronic polling process and Messrs. Deloitte was appointed as the Scrutineer to verify the poll results.</p> <p>As part of the initiatives to curb the spread of COVID-19, the 65th AGM of the Company will be conducted entirely on virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting facilities which are available on Boardroom Share Registrars Sdn Bhd's website at Boardroom Smart Investor Online Portal at <a href="http://www.boardroomlimited.com/my">www.boardroomlimited.com/my</a>.</p> <p>The venue of the 65th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The venue of the 65th AGM is to inform shareholders where the electronic AGM production and streaming would be conducted from. No shareholder(s)/proxy(ies) from the public will be physically present at the meeting venue.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	CIMB held its 64th AGM on 15 April 2021 with the Notice and Agenda of the AGM delivered to the Shareholders on 18 March 2021. The proceedings of the 64th AGM were recorded in the minutes of the meeting and made available within two weeks after the meeting on CIMB's website at <a href="http://www.cimb.com">www.cimb.com</a> .
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	



## SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

Corporate Information (as at 1 March 2022)	
<b>1.Composition</b>	
<b>Board of Directors</b>	
<b>Directors</b>	<b>Description</b>
Datuk Mohd Nasir Ahmad	Chairperson/ Independent Director
Teoh Su Yin	Senior Independent Director
Robert Neil Coombe	Independent Director
Dato' Mohamed Ross Mohd Din	Independent Director
Dato' Lee Kok Kwan	Non-Independent Director
Afzal Abdul Rahim	Independent Director
Didi Syafruddin Yahya	Independent Director
Shulamite N K Khoo	Independent Director
Serena Tan Mei Shwen	Non-Independent Director
Dato' Abdul Rahman Ahmad	Group Chief Executive Officer/ Executive Director
<b>Audit Committee</b>	
<b>Directors</b>	<b>Description</b>
Dato' Mohamed Ross Mohd Din	Chairperson/ Independent Director
Didi Syafruddin Yahya (Appointed as Member on 1 November 2021)	Member/Independent Director
Teoh Su Yin	Member/Senior Independent Director
Datuk Mohd Nasir Ahmad (Resigned as Member on 1 November 2021)	Member/Independent Director
<b>Board Risk and Compliance Committee</b>	
<b>Directors</b>	<b>Description</b>
Didi Syafruddin Yahya (Appointed as Chairperson on 1 April 2021)	Chairperson/ Independent Director
Datuk Mohd Nasir Ahmad	Member/Independent Director
Teoh Su Yin (Resigned as Member on 30 <sup>th</sup> Sept 2021)	Member/Senior Independent Director
Dato' Mohamed Ross Mohd Din	Member/Independent Director
Dato' Lee Kok Kwan	Member/Non-Independent Director
Serena Tan Mei Shwen	Member/Non-Independent Director
Robert Neil Coombe (Resigned as Chairperson on 1 April 2021)	Chairperson/Independent Director

### Group Nomination and Remuneration Committee

Directors	Description
Teoh Su Yin	Chairperson/ Senior Independent Director
Datuk Mohd Nasir Ahmad (Resigned as Member on 1 November 2021)	Member/Independent Director
Afzal Abdul Rahim	Member/Independent Director
Dato' Mohamed Ross Mohd Din	Member/Independent Director
Didi Syafruddin Yahya	Member/Independent Director
Shulamite N K Khoo	Member/Independent Director
Serena Tan Mei Shwen	Member/Non-Independent Director
Robert Neil Coombe (Resigned as Member on 1 April 2021)	Member/Independent Director

### Group Sustainability and Governance Committee

Directors	Description
Teoh Su Yin	Chairperson/ Senior Independent Director
Datuk Mohd Nasir Ahmad	Independent Director
Robert Neil Coombe	Independent Director
Didi Syafruddin Yahya	Independent Director
Shulamite N K Khoo	Independent Director

The roles and responsibilities of the Board are set out in the Board Charter which is available at [www.cimb.com](http://www.cimb.com).

### Board of Directors' Profiles

#### Datuk Mohd Nasir Ahmad

DESIGNATION	: Chairperson/ Independent Director
NATIONALITY	: Malaysian
AGE	: 67
GENDER	: Male
DATE OF APPOINTMENT	: 20 July 2015
LENGTH OF TENURE AS DIRECTOR	: 6 Years

- MEMBERSHIP OF BOARD COMMITTEES
- Member of Board Risk and Compliance Committee and Group Sustainability and Governance Committee
- 

#### QUALIFICATION:

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

#### AREA OF EXPERTISE:

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

**DIRECTORSHIP/RELEVANT APPOINTMENTS****LISTED ENTITIES (Other than CIMB):**

- Nil

**PUBLIC COMPANIES:**

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

**RELEVANT EXPERIENCE:**

Datuk Mohd Nasir Ahmad was appointed as Chairperson/Independent Director of CIMB Group Holdings Berhad on 20 October 2018. He was the President of MIA from August 2011 to July 2013. In September 2013 he was elected as a Council Member of the ACCA UK and re-elected in September 2016 and November 2019.

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

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

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

Datuk Mohd Nasir also holds directorships in private companies namely Prokhas Sdn Bhd and CIMB EOP Management Sdn Bhd and is a Trustee of Yayasan Canselor UNITEN.

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

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
17/17	11/11	7/7	11/11	-

**DECLARATION:**

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

**Dato' Abdul Rahman Ahmad**

DESIGNATION	: Group Chief Executive Officer/ Executive Director
NATIONALITY	: Malaysian
AGE	: 52
GENDER	: Male
DATE OF APPOINTMENT	: 10 June 2020
LENGTH OF TENURE AS DIRECTOR	: More than 1 Year

**MEMBERSHIP OF BOARD COMMITTEES**

- Nil

**QUALIFICATION:**

- Chartered Accountant – Member of Malaysian Institute of Accountants, Malaysia
- Chartered Accountant - Institute of Chartered Accountants England and Wales (ICAEW), England
- Master of Arts (Economics), University of Cambridge, England

**AREA OF EXPERTISE:**

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

**DIRECTORSHIP/RELEVANT APPOINTMENTS****LISTED Entities (Other than CIMB):**

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

**PUBLIC COMPANIES:**

- Chief Executive Officer/ Executive Director of CIMB Bank Berhad

**RELEVANT EXPERIENCE:**

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

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

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

**BOARD COMMITTEE AND ATTENDANCE:**

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

**DECLARATION:**

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

**Teoh Su Yin**

DESIGNATION	: Senior Independent Director
NATIONALITY	: Malaysian
AGE	: 50
GENDER	: Female
DATE OF APPOINTMENT	: 8 October 2014
LENGTH OF TENURE AS DIRECTOR	: 7 Years

**MEMBERSHIP OF BOARD COMMITTEES**

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

**QUALIFICATION:**

- Bachelor of Arts (Hons) in Business Studies, Sheffield Hallam University, United Kingdom
- Business and Technology Education (BTEC) Higher National Diploma (HND) Business Studies, Sheffield Hallam University, United Kingdom
- Diploma, Chartered Institute of Marketing, United Kingdom
- Licensed Investment Adviser by Securities Commission of Malaysia

**AREA OF EXPERTISE:**

- Banking, Finance and Sustainability

**DIRECTORSHIP/RELEVANT APPOINTMENTS**

**LISTED ENTITIES (Other than CIMB):**

- NIL

**PUBLIC COMPANIES:**

- NIL

**RELEVANT EXPERIENCE:**

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

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

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

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

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
17/17	14/14	5/6	13/13	1/1

**DECLARATION:**

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

**Robert Neil Coombe**

DESIGNATION	: Independent Director
NATIONALITY	: Australian
AGE	: 58
GENDER	: Male
DATE OF APPOINTMENT	: 16 April 2014
LENGTH OF TENURE AS DIRECTOR	: 7 Years

**MEMBERSHIP OF BOARD COMMITTEES**

- Member of the Group Sustainability and Governance Committee

**QUALIFICATION:**

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

**AREA OF EXPERTISE:**

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

**DIRECTORSHIP/RELEVANT APPOINTMENTS**

**LISTED ENTITIES (Other than CIMB):**

- Non-Executive Chairperson of Generation Development Group, Australia

**PUBLIC COMPANIES:**

- Nil

**RELEVANT EXPERIENCE:**

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

He was previously a Chairperson of Craveable Brands, the largest Australian owned Quick Service Restaurant business and was the CEO of Craveable Brands between 2013 and April 2017. Before joining Craveable Brands, Mr. Coombe was responsible for all of Westpac's Retail, Business and Agri banking operations throughout Australia. Prior to this role, Mr.

Coombe spent six years as the CEO of BT Financial Group, responsible for all of Westpac's funds management, financial planning, insurance, private banking, broking, platform and superannuation businesses in Australia. In total, he has over 35 years' corporate experience in both Australia and Asia.

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

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
16/17	-	3/3	5/5	1/1

**DECLARATION:**

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

**Dato' Mohamed Ross Mohd Din**

DESIGNATION	: Independent Director
NATIONALITY	: Malaysian
AGE	: 69
GENDER	: Male
DATE OF APPOINTMENT	: 19 April 2016
LENGTH OF TENURE AS DIRECTOR	: 5 Years

**MEMBERSHIP OF BOARD COMMITTEES**

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

**QUALIFICATION:**

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

**AREA OF EXPERTISE:**

- Banking and Finance, Operations and International Experience

**DIRECTORSHIP/RELEVANT APPOINTMENTS**

Listed Entities (Other than CIMB):

- Nil

Public Companies:

- Chairperson/ Independent Director of CIMB Islamic Bank Berhad

**RELEVANT EXPERIENCE:**

Dato' Mohamed Ross joined HSBC Bank Malaysia Berhad (HSBC) in early 1972 and served in various capacities ranging from Corporate and Retail Banking and Branch Management. He also served as Head of Treasury Malaysia and Head of Group Audit Malaysia between

1987 and 1996. During this period, he also worked for a year in Hong Kong, London and New York in areas of Foreign Exchange and Treasury. As the Managing Director (2003), he was responsible for HSBC's Islamic onshore business franchise in Malaysia until he retired on 31 December 2007.

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

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

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
17/17	14/14	7/7	13/13	-

**DECLARATION:**

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

**Dato' Lee Kok Kwan**

DESIGNATION	: Non-Independent Director
NATIONALITY	: Malaysian
AGE	: 56
GENDER	: Male
DATE OF APPOINTMENT	: 20 July 2015
LENGTH OF TENURE AS DIRECTOR	: 6 Years

**MEMBERSHIP OF BOARD COMMITTEES**

- Member of the Board Risk and Compliance Committee

**QUALIFICATION:**

- Masters in Business Administration, Simon Fraser University, Canada
- Bachelor of Business Administration (First Class), Simon Fraser University, Canada

**AREA OF EXPERTISE:**

- Capital Market, Banking and Finance

**DIRECTORSHIP/RELEVANT APPOINTMENTS:**

**LISTED ENTITIES (Other than CIMB):**

- Nil



## PUBLIC COMPANIES

- Non-Independent Director of CIMB Bank Berhad
- Non-Executive Director of Cagamas Holdings Berhad

## RELEVANT EXPERIENCE:

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

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

Dato' Lee is also a member of the Board of Trustees of the Capital Markets Development Fund (CMDF) and Adviser to the Securities Commission Malaysia. He was appointed as First Director and Chairman of the Bond and Sukuk Information Platform Sdn Bhd with effect from 3 November 2017 and 22 November 2017, respectively. He also holds directorships in various other private companies.

## BOARD COMMITTEE AND ATTENDANCE:

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

## DECLARATION:

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

## Afzal Abdul Rahim

DESIGNATION	: Independent Director
NATIONALITY	: Malaysian
AGE	: 44
GENDER	: Male
DATE OF APPOINTMENT	: 31 January 2019
LENGTH OF TENURE AS DIRECTOR	: 3 Years

## MEMBERSHIP OF BOARD COMMITTEES

- Member of the Group Nomination and Remuneration Committee

## QUALIFICATION:

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

**AREA OF EXPERTISE:**

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

**DIRECTORSHIP/RELEVANT APPOINTMENTS**

Listed Entities (Other than CIMB):

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

Public Companies:

- Nil

**RELEVANT EXPERIENCE:**

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

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

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

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
17/17	-	-	4/4	-

**DECLARATION:**

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

**Didi Syafruddin Yahya**

DESIGNATION	: Independent Director
NATIONALITY	: Indonesian
AGE	: 54
GENDER	: Male
DATE OF APPOINTMENT	: 7 May 2019
LENGTH OF TENURE AS DIRECTOR	: 2 years

**MEMBERSHIP OF BOARD COMMITTEES**

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

**QUALIFICATION:**

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

**AREA OF EXPERTISE:**

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

**DIRECTORSHIP/RELEVANT APPOINTMENTS**

## Listed Entities (Other than CIMB):

- President Commissioner of PT Bank CIMB Niaga Tbk

## Public Companies:

- Independent Director of CIMB Investment Bank Berhad

**RELEVANT EXPERIENCE:**

Encik Didi Syafruddin previously worked for J.P. Morgan for more than 20 years based in Indonesia and subsequently Malaysia where he was the Managing Director and Head of Investment Banking. At J.P. Morgan, Encik Didi Syafruddin was responsible for client coverage and providing advice on mergers and acquisitions, equity and debt capital markets transactions. He started his banking career with Morgan Grenfell & Co. in London after qualifying as a Chartered Accountant. He is currently a Member of Investment Panel of Urusharta Jamaah Sdn Bhd.

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
17/17	3/3	4/4	13/13	1/1

**DECLARATION:**

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

**Shulamite N K Khoo**

DESIGNATION	: Independent Director
NATIONALITY	: Singaporean
AGE	: 60
GENDER	: Female
DATE OF APPOINTMENT	: 15 May 2020
LENGTH OF TENURE AS DIRECTOR	: More than 1 Year

**MEMBERSHIP OF BOARD COMMITTEES**

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

**QUALIFICATION:**

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

**AREA OF EXPERTISE:**

- Human Resource, International Experience

**DIRECTORSHIP/RELEVANT APPOINTMENTS**

Listed Entities (Other than CIMB):

- Independent Director of Kerry Logistics Network Limited, Hong Kong
- Independent Director of Shangri-La Asia Limited

Public Companies:

- Nil

**RELEVANT EXPERIENCE:**

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

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

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

**BOARD COMMITTEE AND ATTENDANCE:**

<b>BOD</b>	<b>AC</b>	<b>BRCC</b>	<b>GNRC</b>	<b>GSGC</b>
16/17	-	-	13/13	1/1

**DECLARATION:**

- She does not have any conflict of interest or any family relationship with any other Director and/or major shareholders of the Company
- She has not been convicted for any offences within the past five (5) years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies in 2020

**Serena Tan Mei Shwen**

DESIGNATION	: Non-Independent Director
NATIONALITY	: Malaysian
AGE	: 43
GENDER	: Female
DATE OF APPOINTMENT	: 30 September 2020
LENGTH OF TENURE AS DIRECTOR	: More than 1 Year

## MEMBERSHIP OF BOARD COMMITTEES

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

### QUALIFICATION:

- Master of Business Administration, MIT Sloan School of Management, USA
- Bachelor of Commerce, Accounting & Finance, Macquarie University, Australia

### AREA OF EXPERTISE:

- Banking and Finance, International Experience

### DIRECTORSHIP/RELEVANT APPOINTMENTS

Listed Entities (Other than CIMB):

- Nil

Public Companies:

- Non-Independent Director of CIMB Bank Berhad
- Independent Director of Aviva Ltd

### RELEVANT EXPERIENCE:

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

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

### BOARD COMMITTEE AND ATTENDANCE:

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

### DECLARATION:

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

### Number of meetings convened by the Board and each Board Committee

	Number of meetings in 2021
Board	17
Audit Committee	14
Board Risk and Compliance Committee	7
Group Nomination and Remuneration Committee	13
Group Sustainability and Governance Committee	1
Group Shariah Committee	9

## Director's Training

In FYE 2021, Directors attended various training programs to ensure that they are well equipped with the necessary skills and knowledge to perform their duties and meet the challenges facing the Board.

	Mode of Training	Day(s)
<b>Accounting and Audit</b>		
ACCA Council Workshop	Workshop	1
The International Accounting Standards Board IASB's Business Combinations under Common Control Discussion Paper	Workshop	1
BNM-FIDE Forum - MFRS Dialogue on MFRS 17 Insurance Contracts	Forum	1
Financial Reporting Council (UK) Webinar by ACCA	Seminar	1
ACCA Technical Symposium 2021	Conference	1
<b>Capital Markets &amp; Financial Industry</b>		
15th Asia-Pacific High Level Virtual Meeting on Banking Supervision by Bank for International Settlements	Seminar	2
Fifty Shades of QE: Conflict of Interest in Economic Research by Asia School of Business	Seminar	1
Malaysia Path to an Economic Recovery by The Oxford & Cambridge Society Malaysia	Workshop	1
Rise of Market Disruption through Short sellers by Ernst & Young HK	Workshop	1
FIDE / BNM Forum: The future of Malaysia's financial sector	Forum	1
The JC3 Flagship Conference 2021: #financeforchange by Bank Negara Malaysia & Securities Commission Malaysia	Conference	3
Webinar: BlackRock Asia Corporate Directors Forum	Seminar	1
28th Annual CITIC CLSA Flagship Investors' Forum 2021 by CLSA	Forum	1
World Standard-Setters Virtual Conference 2021 by IFRS	Conference	1
BNM-FIDE Forum: Annual Dialogue with Governor of Bank Negara Malaysia	Dialogue	1
Features of adaptation and how it impacts financing and capital allocation by McKinsey	Conference	2
SC-Fide Forum Dialogue on Capital Market Plan 3	Dialogue	1
Securities Commission Industry Dialogue	Dialogue	1
The transition journey for the real economy: how do you get companies to transition?	Workshop	1
<b>Governance</b>		
Effektivas Pengawasan Dekom dalam menjaga kepatuhan Bank dalam menuju era Pengaturan Principle Based by OJK	Workshop	1
FIDE FORUM's Board Effectiveness Project	Forum	1
Manfaat UU Cipta Kerja Kluster Investasi by Lembaga Komisaris Direktur Indonesia	Forum	1

Board Effectiveness Evaluation framework by FIDE Forum	Forum	1
Board Role in the Changing World of Work by Asia School of Business	Conference	2
Corporate Governance Regulatory Updates for the Capital Markets by Asia School of Business	Conference	2
FIDE Forum - Briefing on Implementing Amendments In The Malaysian Code On Corporate Governance (MCCG) by Dr Elsa Satkunasingam	Forum	1
Global Business Services (GBS) Summit 2021 - Reimagining Business Services by Outsourcing Malaysia/Pikom	Workshop	1
Implementing Amendments in the Malaysian Code on Corporate Governance by Asia School of Business	Workshop	1
Webinar: Governance Pada Perusahaan Holding by Lembaga Komisaris dan Direktur Indonesia (LKDI)	Seminar	1
FIDE FORUM's Webinar: "The Board's Role and Responsibilities in Crisis Communications"	Seminar	1
<b>Information Technology</b>		
Rethinking Our Approach to Cyber Defence in FIs by FIDE Forum	Forum	1
CIMB - 2021 Digital Leadership Series by Digital & Data Academy Turning Data into Gold with Data Science	Seminar	1
Data Trust & Privacy Pilot	Workshop	1
eKYC - Cybersecurity in a Neo/Digital Bank Era by Share/Guide Association- Malaysian IT Users Group	Workshop	1
Future of Cybersecurity Summit by Pikom	Conference	1
Pikom Digital Summit - Technology Leadership	Conference	1
KPMG Board Leadership Center Exclusive the New Reality of Cyber Hygiene	Seminar	1
TED Talk by CIMB Group Tech & Data	Seminar	1
How Intelligent Automation will Power the New Realm of Digital Business by Malaysia IT Users Association/SGAM	Seminar	1
Malaysia Cyber Security Landscape & Data Breach Case Study by SGAM, CyberSecurity Malaysia & Center for Advanced Computing & Telecoms	Workshop	1
SCxSC FinTech Conference 2021 by Securities Commission Malaysia	Conference	3
Security Awareness by CIMB Thai	Workshop	1
<b>Islamic Banking</b>		
16th Kuala Lumpur Islamic Finance Forum 2021	Forum	1
Shariah Investing Dialogue with Public Listed Companies 2021 by Securities Commission	Dialogue	1
Islamic Finance for Board Programme (IF4BOD) by ISRA International Consulting	Conference	2
Chartered Institute of Islamic Finance Professionals Series: Alternative Fundraising Channels eating Banker's Lunch? Transforming Work to Worship	Seminar	1
Islamic Finance for Board of Directors Programme by ISRA International Consulting	Conference	2

Islamic Finch Leaders Forum: Envisioning Tomorrow - Pioneering The Islamic Fintech Wave	Forum	2
IFD2021: Sustainability and Inclusivity through Islamic Fintech by ISRA and INCEIF	Seminar	1
Islamic Finance for Board of Directors Programme by ISRA International Consulting	Conference	2
Shariah Capacity Building by CIMB Islamic	Conference	2
Shariah Governance Updates and Insights by CIMB	Conference	2
Webinar Islamic Family Office by Wassiyah Family Office	Seminar	1
<b>Leadership &amp; Strategy</b>		
FIDE Core Programme – Module A	Workshop	2
FIDE Core Programme – Module B	Workshop	5
KPMG INED Forum by KPMG HK	Forum	1
Managing Human Rights: Why is it important to corporations? By KPMG Board Leadership Center	Seminar	1
Power-X: Building the Mindsets of Tomorrow by ICDM	Seminar	1
Rewiring Leadership for High Impact by University of Cambridge Institute for Sustainability Leadership	Conference	2
Workforce of the Future by HK Institute of Directors	Seminar	1
BNM-FIDE FORUM Dialogue on The Role of Independent Director in Embracing Present and Future Challenges	Forum	1
CIMB Leadership Forum	Forum	1
AML Culture Leadership Communication Plan by Oliver Wyman	Workshop	1
CIMB Strategy Immersion Workshop #1 by CIMB and McKinsey	Workshop	1
FIDE FORUM's Engagement Session on Board Leadership Framework: Shaping the Future of FI Board Leadership	Forum	1
Permodalan Nasional Berhad Knowledge Forum 2021: Rising Above Covid-19: Reimagining Work In Malaysia & Beyond	Forum	1
KPMG Asia Pacific Board Leadership & Assurance Summit 2021.	Conference	1
Perdana Leadership Foundation: CEO Forum 2021	Forum	2
<b>Risk Management</b>		
AML training for Senior Management Group	Workshop	1
CIMB: Managing Conduct Risk in Investment Banking	Workshop	1
Raising Defences: Section 17A, MACC Act by Asia School of Business	Conference	2
Anti-Money Laundering/Counter Financing of Terrorism (C0121) by CIMB	Workshop	1
BNM-FIDE Forum Dialogue on Risk Management in Technology (RMIT)	Dialogue	1
CIMB Risk Posture 2022	Workshop	1
Risk Management Committee – Banking Sector by Asia School of Business	Conference	2



Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 by CIMB / Wong & Partners	Workshop	1
AICB Cyber Risks in a Digital Ecosystem – Cyber Risk Management in the New Normal	Workshop	1
Conflict of Interest by KWAP	Seminar	1
<b>Sustainability</b>		
Climate Governance Initiative Global Summit by Climate Governance Malaysia	Conference	4
Climate Governance Initiative Summit : Life Below Water - Conservation Efforts in Malaysia	Conference	1
Climate Governance Malaysia - Aligning Executive Compensation with Climate Targets	Seminar	1
JC3's 2nd Workshop on Climate Change by Bank Negara Malaysia Series	Workshop	3
Looking at ESG - Why it Matters by Deloitte	Seminar	1
Online Webinar: Joint Committee on Climate Change and Sub-Committee 4 ("JC3 SC4")'s Engagement & Capacity Building	Seminar	1
The Heart of the Matter: Inspiring Climate Action Through Culture and Art by New Development Bank	Seminar	1
TIME dotcom Berhad's Board Members' Sustainability Awareness Training	Workshop	1
Green Finance and Central Banking by Asia School of Business	Seminar	1
ICAEW Industry Insights #1: ESG in Malaysia - Priority or Fad?	Seminar	1
Let's Discuss Climate: The Essential Guide to Bank-Client Engagement by University of Cambridge Institute for Sustainability Leadership	Workshop	1
SRI 2021 - Paving the Way For Profitability through Sustainability by SIDC	Conference	2
Sustainability Training Program for Leaders by CIMB Niaga	Workshop	1
Cambridge Sustainability Leadership ESG by University Cambridge	Conference	2
National OGSE Sustainability Forum by Economic Planning Unit, Prime Minister's Department and Malaysia Petroleum Resources Corporation	Forum	1
Sustainability Leadership Programme for Financial Institutions by IBFIM-CISL	Conference	2
The Cooler Earth Sustainability Summit 2021 by CIMB	Conference	3
WWF-BCG Roundtable on Net Zero Emissions Pathways Study by CEO Action Network	Forum	1
2050 Net Zero Carbon Emission Target- Finance's Role by FIDE	Seminar	1
Bursa-FIDE Forum Dialogue on Sustainability	Dialogue	1
CA ANZ Asia Webinar – How to drive 'Sustainability' in face of profitability and growth by Chartered Accountants Australia and New Zealand	Seminar	1

CIMB Expert Talk Series: Peat Conservation & Management	Workshop	1
CIMB Private Banking Webinar: Building a Sustainable Future	Seminar	1
Decarbonizing transport by McKinsey	Seminar	1
How to deliver investment in nature by McKinsey	Seminar	1
Net-Zero Banking Alliance by CIMB	Seminar	1
Reflections on COP26 by McKinsey	Seminar	1
Road to Glasgow and Kunming: Combating Climate Change and Biodiversity Loss in Malaysia by McKinsey	Seminar	1
Securing Our Future: Net Zero Pathways for Malaysia report by WWF	Seminar	1
Solving the net zero equation by McKinsey	Seminar	1
The decisive decade: Accelerating action for urban sustainability and resilience by McKinsey	Seminar	1
The next wave of climate technology and innovation and green business growth by McKinsey	Seminar	1
Training on Sustainability for Board by CIMB: Human Rights Risk Management and Implications for Financial Institutions	Workshop	1
Virtual Conference: Road to Glasgow – Kunming “Combatting Climate Change and Biodiversity Loss in Malaysia” by WWF-Malaysia and the European Union (EU) Delegation to Malaysia	Conference	1
<b>Others – Banking &amp; Finance Related</b>		
Wealth Management Strategy Workshop #1 by CIMB	Workshop	1
Beyond Pandemic & Politics: Behold Southeast Asia and the World by Rajah & Tann Asia	Seminar	1
Deloitte Seminar on "Future of Assurance"	Seminar	1
Finance for non-finance professional training by Deloitte	Workshop	1

**Time spent on training during FYE 2021:**

<b>Directors</b>	<b>Time Spent in day(s)</b>
Datuk Mohd Nasir Ahmad	34
Teoh Su Yin	38
Robert Neil Coombe	3
Dato' Mohamed Ross Mohd Din	21
Dato' Lee Kok Kwan	6
Afzal bin Abdul Rahim	8
Didi Syafruddin Yahya	27
Shulamite Khoo	19
Serena Tan Mei Shwen	10
Dato' Abdul Rahman Ahmad	31

## **2.FUNCTION AND CONDUCT**

### **Roles and responsibilities of the Board and Board Committees**

#### **Board**

<b>Main Areas of Oversight in FYE 2021</b>	<b>Key Matters Reviewed/Deliberated/Approved</b>
<ul style="list-style-type: none"> <li>• Strategic/business plans and Management’s performance in implementing the strategies and plans</li> <li>• Annual budget</li> <li>• Principal risks, appropriate internal controls and mitigation measures</li> <li>• Succession planning</li> <li>• Communications Policy</li> <li>• Governance and Integrity framework</li> <li>• Group CEO’s and Directors’ appointments and their emoluments and benefits</li> <li>• Annual effectiveness and performance of the Board Committees</li> <li>• Financial statements and interim dividend</li> <li>• Corporate organisation structure</li> <li>• Controls and systems to measure implementation of policies</li> <li>• Internal control systems and management information systems</li> <li>• Plans/strategies for a sustainable organisation, taking into account environmental, economic and social aspects</li> </ul>	<p>17 meetings held to deliberate, amongst others, on the following:</p> <ul style="list-style-type: none"> <li>• Budget</li> <li>• Group CEO’s Quarterly Report</li> <li>• Quarterly Capital Management Update</li> <li>• Quarterly Shareholder Statistics Update</li> <li>• Quarterly Report on Directors’ Training, Directorships and Summary of Dealings outside of Closed Period</li> <li>• Reports from Board Committees</li> <li>• Group Risk Posture</li> <li>• Financial Statements</li> <li>• Interim Dividends</li> <li>• Formalisation of/Updates to Group policies</li> <li>• Re-appointment of external auditors for FYE 2021</li> <li>• Business Units updates and projects</li> <li>• Basel II/Pillar 3 Disclosures</li> <li>• Performance assessment and proposed compensation for Executive Director</li> <li>• Revision terms of references of Board or Board Committees</li> <li>• Compliance Work Plan</li> <li>• Annual evaluation exercise for Board and Key Responsible Persons</li> <li>• Forward 23+ Strategy</li> <li>• Annual insurance programme renewal</li> <li>• Touch &amp; Go related matters</li> <li>• Sustainability framework, policy and progress</li> <li>• Covid-19 impact analysis and risk updates</li> <li>• Proposed Sukuk Programme</li> <li>• Business and strategic plan</li> <li>• Corporate structure streamlining</li> <li>• Group Technology Blueprint</li> <li>• Composite risk rating</li> <li>• Regulatory updates</li> <li>• Brand Strategy Framework</li> <li>• Related Party Transactions</li> </ul>

Board Committee and Composition	Main areas of oversight in FYE 2021	Key Matters Discussed
<p><b>Audit Committee (AC)</b></p> <ul style="list-style-type: none"> <li>Comprises three Members, all of whom are Independent Non-Executive Directors</li> </ul>	<ul style="list-style-type: none"> <li>Financial Reporting</li> <li>Internal controls</li> <li>Internal audit function</li> <li>External audit reports</li> <li>Related Party Transactions*</li> <li>Corporate Governance disclosures</li> <li>Board's conflicts of interest policy</li> <li>Sustainability audit</li> </ul> <p><i>*CIMB has in place the Group Related Party Transactions Policy &amp; Procedures. As stated therein, the AC's roles are to review the related party transactions to ensure that they are carried out at fair and arms-length commercial terms and to also review the adequacy of the Group's policy and procedures in identifying, monitoring and reporting related party transactions. AC also keeps the Board informed of such transactions, and the findings and conclusions from its review. The related party transactions are disclosed in the Financial Statement.</i></p>	<ul style="list-style-type: none"> <li>Matters relating to CIMB, the three Malaysia banking entities and regional subsidiaries</li> <li>Matters relating to other non-banking subsidiaries of the Group</li> <li>Review of Financial Results and approval of Financial Statements</li> <li>Related Party Transactions</li> <li>MFRS/IFRS 9 Updates</li> <li>Audit and Non-audit Services provided by External Auditors</li> <li>Audit Committee Report and Internal Controls Report for FYE 31 December 2020</li> <li>Amendments to Group External Audit Policy</li> <li>Documents pertaining to Annual Report 2020</li> <li>Annual Performance Review of Group Corporate Assurance Division (GCAD) and Group Chief Internal Auditor (GCIA)</li> <li>Review of Performance Management System</li> <li>Technology Audit Strategy &amp; Transformation Journey from 2020 to 2022</li> <li>Corporate Assurance Singapore's Audit Plan Strategy for Audit of Outsourcing Service Providers</li> <li>Credit Related Control Issues – Management's Action Plans</li> <li>Section 17A Malaysian Anti-Corruption Commission Act Program – Update on Integrity Governance Unit Structure and Framework</li> <li>CIMB Singapore Branch: Auditor's Long Form Report for FYE 31 December 2020</li> <li>Audit Committee Report for FYE 30 June 2021</li> <li>PwC: Independence Charter</li> <li>Prohibited and Permitted Non-Audit Services for Group External Auditors</li> <li>Audit Plan for 2021</li> <li>CIMB Sustainability &amp; Risk Framework</li> </ul>

		<ul style="list-style-type: none"><li>• GCAD Forward23+ Strategy and Milestones</li><li>• Updates to Investigation Process Flow on Whistleblowing Cases</li><li>• GCAD Data Analytics Journey and Roadmap</li><li>• Red Team Exercise report</li><li>• Early Warning Report for FYE 31 December 2021</li><li>• Reappointment of External Auditors</li><li>• External Quality Assurance Review Report on GCAD</li><li>• GCAD Annual Audit Plan</li><li>• GCAD 2022 Financial Budget</li><li>• AC Evaluation on GCAD for Year 2021</li></ul>
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<p><b>Board Risk and Compliance Committee (BRCC)</b></p> <ul style="list-style-type: none"> <li>• Comprises five Members of whom four (including the BRCC Chairperson) are Independent Directors</li> <li>• All Members are Non-Executive Directors</li> </ul>	<ul style="list-style-type: none"> <li>• Risk appetite</li> <li>• Risk governance</li> <li>• Risk frameworks</li> <li>• Risk management practices and policies</li> <li>• Risk strategy</li> <li>• Compliance Risk</li> <li>• Risk and Compliance Culture</li> <li>• Oversight on IT Risks</li> <li>• Compliance Framework <ul style="list-style-type: none"> <li>• Anti-Money Laundering/Counter Financing Terrorism Risk Appetite</li> <li>• Compliance and Anti-Money Laundering/Counter Financing Terrorism Strategy</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• CIMB's Risk Appetite</li> <li>• Economic Outlook</li> <li>• Group Risk Report: <ul style="list-style-type: none"> <li>○ Material and Emerging Risk</li> <li>○ Risk Appetite Dashboard</li> <li>○ International Offices Risk Appetite Dashboard</li> <li>○ Non-Financial Risk &amp; Business Continuity Management Update</li> <li>○ Sustainability Risk Overview</li> <li>○ 2021 Risk Posture Compliance Checking</li> <li>○ Compliance to 2021 Risk Posture</li> <li>○ Asset Quality Heatmap</li> <li>○ Risk Hotspots and Emerging Risks Framework: A Forward Looking Assessment of Risk</li> </ul> </li> <li>• Group Legal and Compliance Report</li> <li>• 2021 Risk Appetite Statement for CIMB Group</li> <li>• FYE 2020 Annual Review and Compensation for Group Chief Risk Officer and Group Chief Legal &amp; Compliance Officer</li> <li>• 2021 Individual Scorecards for Group Chief Risk Officer and Group Chief Legal &amp; Compliance Officer</li> <li>• 2021 Compliance Work Plan</li> <li>• Basel II Pillar 3 Disclosure Policy and Basel II Pillar 3 Disclosure Procedures Manual</li> <li>• Proposed Appointment of Group Chief Risk Officer</li> <li>• CIMB's EXCO Diagnostics</li> <li>• Permanent Delegated Authority to CIMB Niaga Sekuritas</li> </ul>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<p><b>Group Nomination and Remuneration Committee</b></p> <ul style="list-style-type: none"> <li>• Comprises six Members of whom five Members (including the GNRC Chairperson), are Independent Directors</li> <li>• All Members are Non-Executive Directors</li> </ul>	<ul style="list-style-type: none"> <li>• Boards' and Board Committees' Composition by undertaking the process of identifying, among others, the experience and quality of directors aligned with CIMB's strategic direction.</li> <li>• Annual Evaluation exercise comprising: <ul style="list-style-type: none"> <li>– Board Effectiveness Assessment</li> <li>– Fit and Proper Assessment of Directors, Chief Executive Officers/Executive Directors (CEOs/EDs), Group Shariah Committee Members &amp; Company Secretary</li> </ul> </li> <li>• Succession planning for Boards, Board Committees and CEOs/EDs and Senior Management</li> <li>• Remuneration packages based on the Group's existing remuneration guidelines and framework for <ul style="list-style-type: none"> <li>– Directors</li> <li>– Members of the Board Committees</li> <li>– CEOs/EDs</li> <li>– Senior Officers (SOs)</li> <li>– Material Risk Takers (MRTs)</li> </ul> </li> <li>• Governance matters in relation to the Board and Directors</li> <li>• Directors' Development Plans</li> </ul>	<ul style="list-style-type: none"> <li>• 2020 Review by Control Functions</li> <li>• Long-Term Incentive Plan</li> <li>• Board and Board Committees' Composition</li> <li>• Annual Evaluation exercise</li> <li>• Remuneration of Board, Group CEO/EDs, SOs and MRTs</li> <li>• Setting of KPIs for Group CEO/ED and SOs</li> <li>• Policies and updates on corporate governance of the Group</li> <li>• Directors' Development Plan</li> <li>• Renewal of Appointment of Directors with Bank Negara Malaysia</li> <li>• Renewal of Appointment of Board Shariah Committee Members</li> <li>• Streamlining of Boards and Board Committees of CIMB Group</li> <li>• Board and Committee succession planning</li> <li>• Diversity on the Board and Senior Management</li> <li>• Succession Planning for SOs</li> <li>• Appointment of new SOs</li> <li>• Fit and proper assessment of Key Responsible Persons</li> <li>• Board Effectiveness Assessment Results</li> <li>• Assessment of the potential candidates for the position of Country CEO and SOs</li> <li>• Review of Framework for reduction of Board-related costs for FYE 2021</li> <li>• Leadership Changes for CIMB Group</li> <li>• Establishment of Terms of Reference for Group Sustainability and Governance Committee</li> <li>• Appointment of Board Search Firm</li> <li>• Establishment of Board Charter for subsidiary</li> <li>• Review of Compensation Framework</li> <li>• Reappointment of Retiring Directors at Annual General Meeting and Renewal of Directors Appointment with Bank Negara Malaysia for Tenures Expiring in 2022/2023</li> <li>• Review of Board Remuneration and Benefits to Directors</li> </ul>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

		<ul style="list-style-type: none"><li>• Group Remuneration Policy and Remuneration Disclosures</li><li>• FlexMyCareer Review</li></ul>
--	--	----------------------------------------------------------------------------------------------------------------------------------------



<p><b>Group Sustainability and Governance Committee</b> (established on 15 September 2021)</p> <ul style="list-style-type: none"> <li>Comprises five Members, all of whom are Independent Non-Executive Directors</li> </ul>	<ul style="list-style-type: none"> <li>Advocates and fosters a culture/DNA of sustainability, ethical conduct, and integrity across the Group.</li> <li>Provides oversight and input to the Management’s implementation, operation and assurance of policies and standards in alignment with the CIMB Group’s sustainability and climate change strategy.</li> <li>Takes a proactive approach to create a net positive impact on Environmental, Social and Governance material matters arising from the Group’s capacity as a lender / financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer.</li> <li>Oversees the management of bribery, corruption and other related risks and the consequence management of breaches thereof</li> </ul>	<ul style="list-style-type: none"> <li>Adoption of Terms of Reference of GSGC</li> <li>Review of Sustainability Strategy and Roadmap and Sustainability Commitments, including Net Zero 2050 Commitment and No Deforestation, No Peat and No Exploitation requirements</li> <li>Overview of Integrity and Governance Unit Function</li> </ul>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### **3.INTERNAL CONTROL FRAMEWORK**

The Internal Control Framework is set out in the Statement on Risk Management and Internal Control in the Annual Report 2021.

### **4.REMUNERATION**

The Board delegates to the GNRC the responsibility to set the overarching principles, parameters and governance framework relating to the Group’s remuneration matters. These have been documented in the CIMB Group Directors’ Remuneration Framework and CIMB Group Remuneration Policy.

#### **CIMB Group Directors’ Remuneration Framework:**

The CIMB Group Directors’ Remuneration Framework (Framework) sets out the methodology and formula on how Retainer Fees, Chairperson’s Premium and Meeting Fees of the Board are derived, as follows:

- Comparison against CIMB’s industry peers;
- BNM FIDE Forum Directors’ Remuneration Report 2015 formula; and
- Back testing the data against closest peers.

The implementation of the Framework has been approved by the Shareholders at the 60th Annual General Meeting which was held in 2017 and is reviewed every 3 years by the Board through the GNRC. In FYE 2021, the Board undertook an extensive review of the Framework, taking into consideration the remuneration and benefits of Directors of other peer banks and benchmarking it to industry as well as market standards.

The Framework is designed to recognise the contribution of the Directors in relation to its fiduciary and statutory duties, risks and time commitment. The Framework also serves to attract and retain Directors who have the desired experience and skills from various sectors.

CIMB has established the Framework as follows:

CIMB		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)
Board	Chairperson*	170,000	510,000	5,000
	Member	170,000	N/A	5,000
Audit Committee	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000
Board Risk and Compliance Committee	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000
Group Nomination and Remuneration Committee	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000

\* Benefits-in-kind for the Chairperson of the Board include, amongst others, a driver, corporate club membership subscription and leave passage.

In a show of solidarity with the nation and our stakeholders during the Covid-19 pandemic, the Board had reduced the Directors' remuneration which was implemented throughout FYE 2021 as follows.

CIMB		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)
Board	Chairperson*	150,000	450,000	4,000
	Member	150,000	N/A	4,000
Audit Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000
Board Risk and Compliance Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000
Group Nomination and Remuneration Committee	Chairperson	N/A	90,000	4,000
	Member	N/A	N/A	4,000

Effective 1 January 2022, the Board reinstated the original remuneration framework for Board fees and meeting allowance in view of the improving condition surrounding the Covid-19 pandemic and in line with the increasing expectation by the stakeholders for the Directors to discharge their duties and responsibilities effectively given the challenging economic situation.

The remuneration payable to the Directors by CIMB Group in FYE 2021, is as follows:

**CIMB**

Directors	Fees (RM'000)	Chairperson's Premium (RM'000)	Meeting Allowance (RM'000)	Benefits-in-kind (RM'000)	Salary and Remuneration (RM'000)	Total (RM'000)
<b>Non-Executive Directors</b>						
Datuk Mohd Nasir Ahmad	150	450	194	35	-	829
Teoh Su Yin	150	120	208	-	-	478
Robert Neil Coombe	150	23	108	-	-	281
Dato' Lee Kok Kwan	150	-	100	-	-	250
Dato' Mohamed Ross Mohd Din	150	90	210	-	-	450
Afzal bin Abdul Rahim	-	-	-	-	-	-
Didi Syafruddin Yahya	150	68	158	-	-	376
Shulamite N K Khoo	150	-	128	-	-	278
Serena Tan Mei Shwen	150	-	140	-	-	290
<b>Executive Directors</b>						
Dato' Abdul Rahman Ahmad	-	-	-	-	-	-

**CIMB Group**

Directors	Fees (RM'000)	Chairperson's Premium (RM'000)	Meeting Allowance (RM'000)	Benefits-in-kind (RM'000)	Salary and Remuneration (RM'000)	Total (RM'000)
<b>Non-Executive Directors</b>						
Datuk Mohd Nasir Ahmad	333	645	361	35	-	1,374
Teoh Su Yin	212	182	228	-	-	622
Robert Neil Coombe	150	23	108	-	-	281
Dato' Lee Kok Kwan	285	-	202	-	-	487
Dato' Mohamed Ross Mohd Din	275	215	342	46	-	878
Afzal bin Abdul Rahim	-	-	-	-	-	-
Didi Syafruddin Yahya	748	67	613	-	-	1,428
Shulamite N K Khoo	150	-	128	-	-	278
Serena Tan Mei Shwen	285	-	246	-	-	531
<b>Executive Directors</b>						
Dato' Abdul Rahman Ahmad	-	-	-	30	5,009	5,039

The Directors and Officers of CIMB are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the FYE 2021 amounted to RM1,481,842.

**CIMB Group Remuneration Policy**

The CIMB Group Remuneration Policy, which has been reviewed by the GNRC and approved by the Board, applies to all subsidiaries and overseas offices within CIMB and acts as a guiding principle in relation to the design and management of CIMB's remuneration programmes. Three key principles of CIMB's Remuneration Policy are as follows:

Principle	Purpose	Approach
Strong governance	To ensure strong and independent oversight of the remuneration system	<ul style="list-style-type: none"> <li>Oversight and review by GNRC</li> <li>Guided by input from control functions, AC and BRCC</li> </ul>
Appropriate assessment of performance	To support a performance based culture which promotes prudent risk-taking and long-term sustainability	<ul style="list-style-type: none"> <li>Performance measurement through balanced scorecard which includes both financial and non-financial goals, short-term and long-term perspectives and incorporates measures related to risk, compliance and process controls</li> <li>Financial goals include profitability and return on equity (ROE). Additional risk-adjusted metrics i.e. risk-adjusted return on capital (RAROC) and economic profit are also measured and tracked.</li> <li>Deferral and claw back arrangements in variable remuneration schemes</li> </ul>
Market competitiveness	To offer rewards that allow CIMB to attract, motivate and retain the right talent	<ul style="list-style-type: none"> <li>Benchmarking against similar organisations in the geographies and industries in which CIMB operate</li> </ul>

**Components of Remuneration**

Employee remuneration is composed of two main components – fixed and variable:

Principle	Purpose	Approach
Fixed	Consists of base salary and fixed allowances	<ul style="list-style-type: none"> <li>• Determined based on skills, competencies, responsibilities and performance of the employee, taking into consideration market competitive levels.</li> </ul>
Variable	Payable through annual cash bonus and share-based plans (through participation in the Equity Ownership Plan and/or Long Term Incentive Plan, as described below)	<ul style="list-style-type: none"> <li>• Purpose of motivating, rewarding and retaining high performing employees who generate shareholder value and contribute to the success of the Group.</li> <li>• Performance-based and not guaranteed, reflecting the individual employee's performance, and business unit or function performance as well as the Group's results.</li> <li>• Portions of cash bonus may be subject to deferral</li> <li>• Based on a selection criterion, shares and/or share options may be awarded to employees through participation in the Group's Equity Ownership Plan and/or Long Term Incentive Plan.</li> </ul>

The Equity Ownership Plan (EOP) and Long Term Incentive Plan (LTIP) serves as the Group's share-based plans, with the intent of:

- aligning the interests of key personnel to that of shareholders;
- mitigating a short-term mindset and cultivating a focus towards long-term sustainability; and
- retaining key personnel with the Group.

Shares under EOP are released progressively to the participants over 3 years. Over the last 5 years, 58 million shares (0.6% of issued ordinary shares of the Group) have been transferred to senior management employees via EOP.

The LTIP is a 7-year plan where shares and share options are vested in 2024 and 2025, and are subject to performance conditions set in line with the Group's strategy and targets. In FYE 2021, LTIP grants consisting of shares and share options (2.3% of issued ordinary shares) were awarded to top executives and key leaders of the Group, as disclosed in the financial statements.

Any deferred variable remuneration (cash bonus, shares and/or share options) that has not been paid to or vested to the employee is subject to forfeiture or adjustment in the event of:

- Resignation or cessation of employment with the Group
- Misconduct
- Material restatement of financial results

The mean annual compensation of all employees is broadly RM160,000.

#### **Measurement of Performance**

The Group's performance is determined in accordance with a balanced scorecard which includes key measures on profitability, cost, capital, medium to long-term strategic initiatives, sustainability performance and initiatives, as well as risk, audit and compliance positions. Additional risk-adjusted metrics i.e. RAROC and economic profit are also measured and tracked.

The Group's key measures are cascaded to the collective scorecards of business units and enabler functions accordingly and subsequently to individual goals.

For each employee, performance is tracked through a set of balanced goals. In addition to financial targets, goals in the scorecard usually include measures on customer experience, long-term initiatives (where progress of milestones or ROI may be monitored), risk management and process controls, audit and compliance findings, as well as people-related measures. At the end of the year, performance of each individual is then assessed through the Group's performance management framework which is based on the meeting of individual goals in the scorecard and qualitative feedback.

#### **Determination of Variable Remuneration**

Based on CIMB's performance, the GNRC will determine the overall variable remuneration pool taking into consideration key performance measures in the corporate scorecard and ensuring that CIMB does not pay variable remuneration at a level that would affect shareholders' interest. The GNRC has the discretion to adjust the pool where required, based on poor performance, capital requirements, economic conditions, competitive landscape and retention needs.

The Group pool will be allocated to the business units and functions based on their respective performance, measured through balanced collective scorecards and guided by the Group CEO. The allocation will also take into consideration inputs from the control functions such as Audit, Compliance and Risk.

Variable remuneration of each individual employee is then determined based on individual assessment and collective scorecard performance of the business unit/function to which the individual belongs, subject to adequacy of the allocated bonus pool. Variable remuneration of the individual may also be adjusted based on accountability of audit and compliance findings, or disciplinary action.

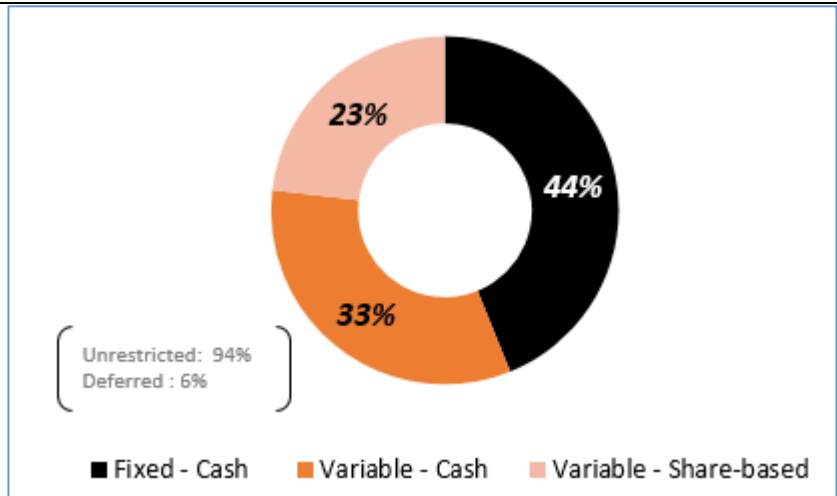
The control functions of Audit, Compliance and Risk operate independently from the business units in CIMB, and have appropriate authority to carry out their individual functions without intervention from the business units. To prevent conflict of interest, remuneration of employees in these control functions are not dictated by business units that they support. Remuneration of the Group Chief Risk Officer, Group Chief Legal & Compliance Officer and the Group Chief Internal Auditor are determined and approved by the BRCC and the AC.

### **SENIOR OFFICERS AND MATERIAL RISK TAKERS**

#### **Summary of 2021 Remuneration Outcome**

Breakdown of remuneration awarded to Senior Officers and Material Risk Takers for 2021:

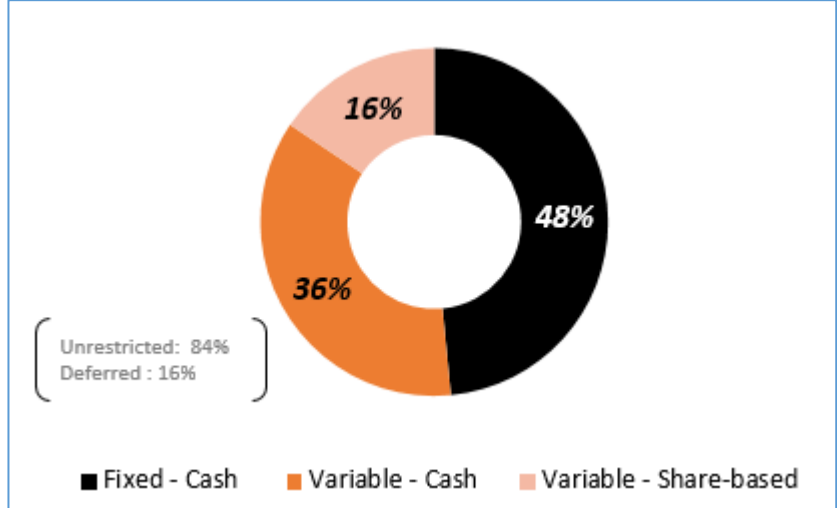
Senior Officers



Senior Officers (SOs) of the Group are defined as the Group CEO, Executive Directors and members of the Group Executive Committee (GEXCO) and key direct reports of the Group CEO.

Total remuneration awarded to 18 SOs for the FYE 2021 was RM82.9 million (included in this remuneration the allocation of LTIP attributed to 2021).

**Material Risk Takers**



Material Risk Takers (MRTs) are defined as senior management and employees whose responsibilities have a material impact on the Group’s performance and risk profile, and employees whose responsibilities require them to take on material risk exposures on behalf of the Group.

Total remuneration awarded to 50 MRTs for the FYE 2021 was RM135.6 million (included in this remuneration the allocation of LTIP attributed to 2021).

LTIP allocation awarded to SOs and MRTs amounted to 10 million shares and 135 million share options (1.5% of issued ordinary shares).

**Quantitative disclosures for 2021**

**Table 1: Guaranteed bonuses, sign-on bonuses and severance payments**

Category	SOs (RM'000)	MRTs (RM'000)
Number of guaranteed bonuses	-	-
Number of sign-on bonuses	2	-
Number of severance payments	-	-
Total amount of above payments made during the FYE 2021	482	-

**Table 2: Breakdown of deferred remuneration**

Category	SOs (RM'000)	MRTs (RM'000)
Total amount of outstanding deferred remuneration		
• Cash	3,951	10,014
• Shares	31,958	46,653
Total amount of deferred remuneration paid out during the financial year	850	471
• Cash	13,241	17,687
• Shares		
Outstanding deferred remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	100%	100%
• Reductions in current year due to ex-post adjustments (explicit)	-	-
• Reductions in current year due to ex-post adjustments (implicit)	-	-
Outstanding retained remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	-	-
• Reductions in current year due to ex-post adjustments (explicit)	-	-
• Reductions in current year due to ex-post adjustments (implicit)	-	-

- Examples of explicit ex-post adjustments include malus, claw backs or similar reversals or downward revaluations of awards.
- Examples of implicit ex-post adjustments include fluctuations in the value of shares or performance units.

**Table 3: Breakdown of Group CEO's remuneration**

Name	Category	Cash (RM'000)	Shares (RM'000)	Other Emoluments <sup>1</sup> (RM'000)	Total (RM'000)
Dato' Abdul Rahman Ahmad	Fixed remuneration	2,400	-	593	2,993
	Variable remuneration				
	• Non-deferred	1,800	-	216	2,016
	• Deferred	-	- <sup>1</sup>	-	-
	Total remuneration award for FYE 2021	4,200	- <sup>1</sup>	809	5,009

Deferred variable and conditional award under the Group's Long Term Incentive Plan (for alignment with long term performance, as described earlier)

Allocation attributed to 2021: 272,000 performance shares  
3,727,600 share options

These are vested over 2024 and 2025, and are subject to the following conditions:

Performance shares – meeting ROE targets

Share options – exercise price of RM4.96

1. *Deferred compensation in shares was awarded in the form of LTIP (as shown above), and the value of the LTIP awards are not shown here as they are only vested in 2024 and 2025.*
2. *Other emoluments include EPF and SOCSO contributions, and benefits-in-kind.*