

CIMB GROUP HOLDINGS BERHAD

(Company No. 195601000197 (50841-W))

Minutes of the Sixty-Seventh (67th) Annual General Meeting of CIMB Group Holdings Berhad ("CIMB" or "the Company") held virtually at the broadcast venue at Level 31, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Monday, 29 April 2024 at 10.00 a.m.

Present at Broadcast Venue : Datuk Mohd Nasir Ahmad – Group Chairman
Dato' Abdul Rahman Ahmad – Group Chief Executive Officer
Encik Afzal Abdul Rahim
Dato' Lee Kok Kwan
Dato' Mohamed Ross Mohd Din
Encik Didi Syafruddin Yahya
Ms. Ho Yuet Mee
Ms. Shulamite N K Khoo
Datin Azlina Mahmad

And 2,514 Shareholders attending or by proxy via RPV as per the Attendance List

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

Representatives from Messrs PricewaterhouseCoopers

Mr. Soo Hoo Khoon Yean
Ms. Elaine Ng Yee Ling
Mr. Chong Chee Kong
Ms. Vivian Chua

1. CHAIRMAN OF THE MEETING

Datuk Mohd Nasir Ahmad took the Chair.

2. QUORUM

The Group Company Secretary confirmed that there was a quorum in accordance with Article 63 of the Company's Constitution, and the 67th Annual General Meeting (AGM) of the Company was duly convened.

3. NOTICE OF MEETING

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

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4. CHAIRMAN'S OPENING REMARKS

The Chairman welcomed the Shareholders to the 67th AGM of CIMB. The Chairman took the opportunity to thank the Shareholders for their virtual presence and continuous support to CIMB.

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

The Chairman also introduced the representatives from PricewaterhouseCoopers, the External Auditors, Mr. Soo Hoo Khoon Yean, Ms. Elaine Ng Yee Ling, Mr. Chong Chee Kong and Ms. Vivian Chua who were also present at the broadcast venue.

The Chairman informed the Shareholders that this year marked CIMB's 67th Annual General Meeting, a milestone of which CIMB was truly proud, a milestone based on efforts and contributions owed to so many past leaders. This year's AGM was also the 5th AGM that CIMB had conducted virtually since the start of the COVID-19 pandemic in March 2020.

The Chairman stated in the retrospective analysis that numerous economies showed signs of recovery from the impact of monetary tightening. Factors such as the resilience of the US economy and the normalisation of supply chains contributed to global growth surpassing expectations. Lower energy prices, healthy consumer finances, and the reopening of the Chinese economy bolstered the year's strong beginning. Despite high inflation in 2022, GDP and employment exceeded forecasts, resulting in robust wage increases. However, risks continued to persist, including the potential resurgence of inflation and worsening geopolitical conditions that could disrupt commodity prices.

The Chairman continued by highlighting that analysts viewed the financial markets' recovery in 2023 as uneven, but CIMB saw it as an exciting period marked by the resurgence of pre-COVID momentum driven by the Forward23+ Strategic Plan. The Bank is nearing its goal of becoming the leading specialised bank in ASEAN within two (2) years. Noteworthy was the Bank's response to dynamic market challenges, undergoing numerous cycles of transformation, perhaps unprecedented in its history. CIMB currently stands at a crucial juncture, primed not just for new growth, but sustainable growth, remaining receptive to future possibilities and opportunities.

For Recovery and Progress in 2023 and Beyond, the Chairman revered CIMB's transformation into one of ASEAN's premier financial institutions over the past 2 years as remarkable. CIMB successfully navigated numerous challenges, from mobilising finance to implementing sustainable banking principles, adapting to market and policy shifts, and fostering organisational culture change. Despite these hurdles, CIMB demonstrated robust and resilient leadership, driving the Bank's growth and success.

The Chairman recounted that in 2023, CIMB's strategies faced continuous scrutiny but remained adaptable, focusing on understanding its customers and delivering tailored banking solutions. CIMB's commitment to Enabling Talent, Passion, Integrity & Accountability, Collaboration and Customer Centricity (EPICC) values and culture remained central, providing a competitive advantage. CIMB upheld responsible banking principles, leading to an evolution in its value proposition, improved performance, and the creation of positive impact and shared value. Throughout the year, addressing stakeholders' concerns remained paramount, and CIMB's commitment to transparency in this regard was unwavering. The Annual Integrated

Report underscores CIMB's dedication, displaying how it aligns to CIMB's business strategies with stakeholder interests and the creation of sustainable value.

On Risk and Governance Mechanism in 2023, the Chairman explained that in navigating a challenging business landscape, governance priorities for CIMB in 2023 centred on enhancing operational and risk management frameworks. The Board of Directors evaluated a range of risks, including technology, cybersecurity, employee well-being, and climate change, aiming to ensure business continuity while maximising stakeholder value.

The Chairman further highlighted that the Board of Directors was instrumental in striking a delicate balance between long-term value and short-term considerations in determining the best risk mitigation strategies. The Board of Directors also acknowledged various trade-offs – between the need for immediate solutions to address immediate risks, and foresight that catalyses profound transformative changes to strengthen the Group's resilience and responsiveness to anticipated/future risks.

The Shareholders were apprised that under CIMB's Forward23+ and Growth Strategy, CIMB had successfully regained their pre-COVID momentum through the implementation of the Forward23+ strategy, exceeding targets in some areas. The focus in 2023 was on rebuilding relationships with stakeholders, facilitated by portfolio restructuring, technological advancements, cost efficiencies, and fostering an EPICC culture. These efforts had significantly advanced Forward23+ objectives and reinforced CIMB's ability to create value across ASEAN markets. Looking ahead to 2024, CIMB was determined to achieve success across all priority areas, aiming for sustainable financial returns, disciplined execution, customer-centric approaches, fundamental transformations, and becoming a purpose-driven organisation.

With regard to the Sustainability Pillar of Forward23+ Strategy, the Chairman imparted that CIMB had maintained a strong focus on sustainability as part of its Forward23+ strategic plan, consistently meeting or exceeding targets. The Bank received recognition for its sustainability efforts, ranking seventh globally among 400 financial institutions in the 2023 Financial System Benchmark and achieving a high score in the S&P Global Corporate Sustainability Assessment. CIMB introduced Sustainability-Linked Financing (SLF) for SMEs to encourage emission reduction, alongside extending flood relief assistance and launching Electric Vehicle (EV) financing solutions. Furthermore, CIMB continued its support for education through scholarships and contributed seed funding to support agriculture-based careers. The Cooler Earth Sustainability Summit, CIMB's flagship event, convened leaders to discuss sustainability opportunities.

The Chairman referenced the Topline Priorities in Relation to #teamCIMB where CIMB believed that culture drives performance. CIMB strived to maintain a workplace culture that prioritises learning, development, and organisational values as the foundation of a high-performing and engaged workforce. The EPICC values, launched in 2022, were further integrated into #teamCIMB throughout 2023. Standing for 'Enabling Talent; Passion; Integrity and Accountability; Collaboration; and Customer Centricity', EPICC underlies the Target Empowerment and Alignment Model (TEAM) that was deployed as part of the People strategy.

As CIMB works towards becoming a Purpose-Driven Organisation, EPICC guides their people to deliver impact the right way and this was the Bank's top-line priority in 2023. The Chairman takes pride in working with a team that shares the same set of core values but also celebrates the value of diversity. CIMB's continued efforts to dedicate

resources for the well-being of their people, new ways of working and creating a happier workplace, motivating personal and professional development alongside business priorities.

With regard to Significant Leadership Movement and Developments on the Board, the Chairman listed seven (7) new appointments during the year, which includes: Datin Azlina binti Mahmad on the Board of CIMB Group Holdings Berhad; Ms. Christina Ong Soo Chan, Ms. Kee E-Lene, and Dr. Nurmazilah Dato' Mahzan on the Board of CIMB Bank Berhad; Puan Zuhaida Zulkifli on the Board of CIMB Islamic Bank Berhad; Ms. Tan Ting Min on the Board of CIMB Investment Bank Berhad; and Mr. Raymond Yeoh Cheng Seong as Chairman/Board Member of CIMB Investment Bank Berhad. CIMB now has a strong team of specialists on the Boards, and the Chairman was confident of the new Boards' leadership in accelerating CIMB's journey into the future.

The Chairman continued to report that for the fourth year in a row, the Board had maintained a female ratio of 30% in line with its commitment to increase Board-level diversity. The Board welcomed qualified female leaders in decision-making positions, not to mention the boost to governance capabilities that were attributable to gender diversity and increasing Board diversity, aligning with best practices for well-rounded risk management and blended competencies.

On the recent change at the leadership level, the Chairman highlighted that in June 2023, Encik Muhammad Novan Amirudin who was the Co-CEO of Group Wholesale Banking, was appointed as the Chief Executive Officer (CEO) of CIMB Investment Bank Berhad, taking over from Encik Jefferi Hashim who now heads Private Banking and ESG Advisory and Solutions of Group Wholesale Banking. On 2 October 2023, Group Commercial & Transaction Banking underwent a leadership change with the appointments of Encik Ahmad Shazli Kamarulzaman and Mr. Lawrence Loh as Co-CEOs. The joint heads were responsible for leading the Commercial & Transaction Banking business unit, which is a key contributor to the Group's regional presence. The Chairman expressed that the Board of Directors welcomed this strategic change in leadership and was confident of their positive contributions to the business.

Last but not least, the Chairman conveyed the Board's appreciation to all its stakeholders – #teamCIMB, regulators, customers, suppliers, partners, investors and the larger community, for being a part of CIMB's journey. He stated that the consistent progress the Bank had made on the Forward23+ Strategic Plan was significantly attributed by the trust and confidence of the stakeholders. He further expressed his enthusiasm in seeing another progressive year with the people, witnessing the completion of Forward23+ aspirations and closing the final leg of the that journey. CIMB would continue to remain steadfast with its stakeholders, committed to 'Moving Forward with You'.

The Chairman ended his speech by inviting the Group CEO to provide his presentation on the 2023 CIMB Group Overview.

5. GROUP CEO'S PRESENTATION

Dato' Abdul Rahman Ahmad thanked the Chairman and welcomed all Shareholders and guests to the AGM, and expressed his sincere appreciation to Shareholders for taking the time to be with CIMB at its AGM today.

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Dato' Abdul Rahman shared some economic perspectives for the past year. 2023 was a year marked by significant events, including escalating geopolitical tensions, trade conflicts and continuing inflationary pressures. This led to a prolonged period of high US Dollar interest rates, which affected global growth. Further, the sudden collapse of two (2) major banks revealed vulnerabilities within the global financial sector. However, regulatory authorities reacted promptly, implementing measures to bolster regulatory oversight and fortify the resilience of the global financial system.

For ASEAN economies, governments had to strike a balance between fostering economic expansion and managing their monetary policy in view of currency movements against the strong US Dollar. Loan demand remained robust, but banks encountered fierce competition for deposits, exerting pressure on Net Interest Margins (NIM) levels across the industry. Consequently, industry NIMs dipped below pre-pandemic levels, impacting income growth for banks across Malaysian and ASEAN markets.

Against the aforementioned economic backdrop, Dato' Abdul Rahman informed that the presentation covered four (4) key areas, as follows:

(i) CIMB Today

CIMB Group today remained the fifth largest bank in ASEAN, with an expanded total asset size of RM734 billion, a significant growth from RM667 billion in FYE 2022. CIMB's footprint spanned across 10 countries with 601 branches across the region, employing more than 33,000 talents.

CIMB Group's vision remained to be the leading focused ASEAN bank. Being a local ASEAN bank was CIMB's key differentiator, where it would focus on identified key markets and segments to win. This was strengthened by CIMB's driven purpose, which was to build a high-performing sustainable organisation to help advance customers and society together.

(ii) Forward 23+ Journey and FYE 2023 Performance

The Forward 23+ Strategic Plan was developed close to four (4) years ago, with the primary aim to deliver enhanced and sustainable financial returns through disciplined execution and transforming the Bank's Fundamentals. As CIMB entered into the final year of the Strategic Plan, The Group was pleased to report that significant impact was delivered despite the challenging industry environment.

In FYE 2023, CIMB Group recorded positive performance with Net Profit growing strongly by 12.5% year-on-year (YoY) to RM6.9 billion, translating into a Return on Equity (ROE) of 10.7%. This represents close to RM2 billion or a 40% increase in net profit and a 140bps improvement in ROE recorded in the pre-pandemic year of 2019.

Next, Operating Income recorded a 5.9% YoY growth across all segments and markets, reaching RM21 billion. This was achieved despite NII contracting marginally by 3.5% due to NIM compression as continued heightened deposit competition impacted the cost of deposits in all markets save for Singapore. The muted Net Interest Income (NII) was more than the offset by strong Non-Interest Income (NOII) growth of 36.5%, attributable to positive investment and market-related income and gains on NPL sales.

Dato' Abdul Rahman informed that CIMB was able to mitigate the impact on NII through strong growth in deposits and Current Account and Savings Account (CASA), where deposits grew by 8.1% YoY, while CASA expanded strongly by 11.5% YoY, underpinned by key countries and segments. This led to a CASA ratio of 41.2% as of December 2023, reflecting the positive impact of the Group's strategy to enhance its CASA franchise. Loans demand remained robust across all countries and segments, which enabled CIMB to grow Loans by 8.3% by focusing on targeted segments that could generate accretive Risk-Adjusted Return on Capital (RAROC).

Consequently, CIMB's Operating Expenses rose by 6.9% YoY to RM9.8 billion driven by inflationary pressures and technology investments. Given the constrained growth in operating income, this led to a negative JAW for the first time in 4 years with a slightly higher Cost-to-Income Ratio (CIR) of 46.9%. CIMB was fully committed to remaining disciplined in its cost management and would strive to get the right optimal balance between investments, cost and revenue growth as it marches forward.

As outlined in the Forward 23+ Strategic Plan, the key focus was to mitigate risks within CIMB's business through portfolio reshaping and rigorous asset quality management. CIMB continued to make significant progress in this regard. Total provisions declined by 26.4% YoY with credit cost improving from 51bps in FYE 2022 to 32bps in FYE 2023, in line with the moderated credit environment and sustained improvement in asset quality. CIMB was confident that this level of improved credit cost was sustainable, going forward, given that CIMB's loan loss allowance coverage stood at 97.0%, with a gross impaired loans ratio of 2.7%, compared to 3.3% recorded in FYE 2022.

The digital initiatives spearheaded by CIMB Philippines and Touch 'n Go Digital (TNGD) were progressing well, indicating they were on the right path towards profitability. CIMB Philippines successfully managed to break even in 2023 as per the target set at inception and has over 7.4 million customers, with deposits growing by about 24% to hit RM2 billion and loan growth almost doubling to RM1.6 billion. Touch 'n Go Digital continued to grow with 26.3 million registered users, 15.7 million Annual Transacting Users and over 1.2 million merchants on boarded. This affirmed TNGD as the clear market eWallet leader in Malaysia with Total Payment Value (TPV) growing 115.7% to RM62.5 billion.

The positive operating income growth and lower provision enabled CIMB to deliver a 12.4% YoY growth in Profit Before Tax (PBT) to reach RM9.54 billion. This strong performance was delivered across all business segments and countries, particularly Indonesia and Singapore.

The financial performance in FYE 2023 further cements the considerable improvements that CIMB has made over the last five (5) years. CIMB was now the clear top 2 Malaysian bank by absolute profit metric and considerably improved its benchmark ranking versus its peers in terms of CIR and ROE.

CIMB's CET1 ratio remained at 14.5%, reflecting CIMB's capital strength and resilience. This implies that the ROE improvements were achieved even with the increased capital levels.

Given the strong financial performance and capital position, CIMB paid an all-cash dividend of 36 sen per share for the full FYE 2023, translating to a 55%

pay-out ratio, as well as a special dividend of RM747 million or 7 sen per share. This brings CIMB's total annual dividend for FYE 2023 to 43 sen per share, translating to a total record dividend pay-out of RM4.59 billion, positively rewarding the Shareholders.

Dato' Abdul Rahman mentioned that CIMB's efforts and positive performance under the Forward23+ Plan were being recognised by investors and the capital market. CIMB's share price had increased from RM2.96 per share on 30 June 2020, when he first joined CIMB, to RM6.58 per share on 15 April 2024. This, together with dividend pay-out during the period, translates to a shareholder value creation of more than RM42 billion. CIMB also comfortably outperformed FBMKLCI and KL Financial Index in terms of Total Shareholders return (TSR) over the same period.

In summary, in a challenging industry landscape, CIMB successfully met all but one of the FYE 2023 targets in terms of ROE, loan growth and credit cost, in addition to distributing record dividends to its Shareholders.

The year 2023 also saw CIMB continuing to be recognised across the region. These include Best Bank for Investment Solutions from the Asset Triple A in Malaysia, Best Domestic Bank from Asia Money and the No.1 Bank in the Philippines by Forbes. In addition, HR Asia awarded CIMB as the Best Company to Work for in Vietnam, Singapore, Thailand and Indonesia whilst CIMB Malaysia won the Best Company to Work For in Asia Diversity, Equity & Inclusion Awards 2023.

(iii) Journey Towards a Purpose-Driven Organisation

Dato' Abdul Rahman informed that over the last 4 years, CIMB's focus was to improve the reliability of platforms to ensure customers could rely on CIMB when performing their banking activities. CIMB had invested close to RM3.5 billion since 2020 to enhance its digital platforms, which resulted in a positive impact as CIMB's digital platform's availabilities had remained above target, delivered strong growth in digital transactions and reduced the risk of operational lapses significantly. Given the scale and complexity of CIMB's digital operations, unforeseen platform downtime still could occur. However, the frequency and duration of such incidents had significantly reduced. And the Bank was fully committed to continue investing to further strengthen platform resiliency and sustain the high levels of uptime performance.

Over the last 2 years, CIMB had invested considerable time, resources, and effort in Programme Aquarius, which aims to strengthen operational resiliency. CIMB was seeing a clear, meaningful impact with strengthened product approval and account reconciliation processes, as well as the implementation of dedicated risk control units and a streamlined risk and controls framework. CIMB intends to fully institutionalise this programme to ensure the operational resiliency initiatives are fully embedded within the CIMB organisation going forward.

The multi-year Human Capital Transformation programme also significantly impacted the development of CIMB's talents and embedding EPICC values throughout the organisation. CIMB has increased regional mobility, rolled out the CIMB Signature Leadership programmes, refined the benefits scheme, and

undertaken greater engagements with employees to strengthen its employee value proposition.

Consequently, these initiatives had led to CIMB's latest independent employee OHI survey improving from 3rd quartile in 2021 to the top quartile in 2023, amongst ASEAN financial institutions, reflecting the remarkable progress in efforts to make CIMB the best organisation for the best talents with the right values to thrive.

On the sustainability front, CIMB continued to cement the position of an industry shaper and leader. Cumulative from 2021 to the end of 2023, CIMB had facilitated RM86.2 billion in sustainability financing given the accelerated demand for Green, Social & Sustainable Impact Products and Services (otherwise known as GSSIPs). As such, CIMB had once again revised the sustainable finance cumulative target by the end of 2024 to RM100 billion, which tripled the original target set in 2021. Other notable highlights for the year include publishing a whitepaper outlining the approach in setting the 2030 Net Zero targets and high-level transition strategies for selected carbon-intensive sectors such as palm oil, power, coal and cement, which represents around half of the Group's current financed emissions. CIMB was also the first global bank to unveil a science-based Net Zero decarbonisation target for the Palm Oil portfolio. Investors continued to recognise the efforts CIMB was making in sustainability, where in 2023, there was a further improvement to the S&P Global Corporate Sustainability Assessment score to the top 88th percentile, surpassing the Forward 23+ target.

(iv) CIMB Going Forward

Dato' Abdul Rahman shared CIMB's perspective and outlook for FYE 2023.

The 2024 outlook remained with world economic growth expected to further moderate from 2.6% in 2023 to 2.4% in 2024. CIMB remained cautious given the escalating geopolitical tensions, particularly in the Middle East, and the potential delayed effects of quantitative easing. Although policy rates in major advanced economies might have already peaked, any projected US interest rate cuts this year were expected to be gradual and occur later in the year which put continued pressure on ASEAN currencies. However, ASEAN economies were expected to remain resilient despite the challenging conditions, with Malaysia likely to grow at 4.4%, Indonesia 5.1%, Singapore 2.3% and Thailand 2.4%.

In the final year of the Forward 23+ Plan, CIMB's priority for 2024 was to complete the refined strategic initiatives and deliver on the targets set.

In summary, CIMB had identified four (4) main priorities for FYE 2024, details of which were as follows:

- (i) CIMB would continue to strengthen and expand its CASA and deposits franchise and be judicious on loans growth in targeted segments to deliver on NIM recovery. In addition, CIMB would continue to grow affluent and wealth management, transform transaction banking and drive NOII growth, particularly through the one-bank client approach for wholesale banking;

- (ii) CIMB would continue to double down on the digitisation initiatives to improve customer experience and delivery, automate the internal processes to reduce cost to serve, strengthen operational resilience and ensure that the digital ventures continue its trajectory to profitability;
- (iii) Remain focused on cost discipline, risk management and asset quality to mitigate downside risks; and
- (iv) CIMB would continue with the human capital transformation programme, embedding the EPICC and “Safeguard the bank culture” throughout CIMB as well as intensify the efforts to advance its sustainability agenda.

Based on this, CIMB had set ambitious targets for FYE 2024 with a target ROE of between 11.0% to 11.5%, loan growth of 5 to 7%, loan loss charge of 30 to 40bps, CIR of less than 46.9%, and maintaining the CET1 Capital Ratio to be more than 13.5%.

Dato’ Abdul Rahman stated that the targets set for FYE 2024 are stretched and may be challenging, but CIMB will work extremely hard to deliver them. If achieved, this would mean that CIMB would have delivered substantially on all the Forward23+ FYE 2024 ambitious targets that were set 4 years ago.

Before ending his presentation, Dato’ Abdul Rahman informed the Shareholders that this AGM would be his last, given that he would be leaving CIMB at the end of June to join Permodalan Nasional Berhad (PNB). He was confident that 2024 was going to be an exciting year as CIMB Malaysia celebrates its 100 Years. He recapitulated CIMB’s history of being built through mergers and acquisitions of a large number of banks, the oldest of which was Ban Chiang Bank, which started in Sarawak in 1924. CIMB has come a long way since then, and it has been a wonderful journey. He hoped CIMB continues to stay united and celebrates the shared pride of another 100 years to come.

6. POLLING PROCESS

The Chairman informed that the members, corporate representatives and proxies present had the right to speak and vote on the resolutions set out in the Notice of the 67th AGM dated 29 April 2024.

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

The Chairman further informed that in his capacity as Chairman of the Meeting, he had been appointed as a proxy by some Shareholders and would be voting in accordance with their instructions. Further to this, he highlighted that the Share Registrar, Boardroom Share Registrars Sdn Bhd (Boardroom), would act as a Poll Administrator to conduct the online electronic polling process and that KPMG Management & Risk

Consulting Sdn Bhd (KPMG) had been appointed as the Scrutineer to verify the poll results.

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

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

The Chairman highlighted that the Group Chief Financial Officer and the Group Company Secretary were also Shareholders of the Company. They offered to be proposers and seconders for all the resolutions. In this respect, Resolutions 1 to 10 were duly proposed and seconded.

7. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman tabled the Audited Financial Statements for the FYE 31 December 2023 and the Reports of the Directors and Auditors.

The Chairman informed that CIMB had published the Annual Report (AR) and Accounts for FYE 2023 to Bursa Malaysia on 27 March 2024, which was subsequently uploaded to CIMB's Website on the same day.

The Audited Financial Statements for the FYE 31 December 2023 were only for discussion and would not be put to vote, as it did not require Shareholders' approval under the provisions of Section 340 (1)(a) of the Companies Act 2016.

8. RE-ELECTION OF DIRECTORS WHO RETIRE PURSUANT TO ARTICLES 81 AND 88 OF THE COMPANY'S CONSTITUTION

The Chairman proceeded with items 2 and 3 of the Agenda, Ordinary Resolutions 1 to 4 on the Re-election of Directors who retire pursuant to Articles 81 and 88 of the Company's Constitution.

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

The Board approved the GNRC's recommendations that these Directors retire by rotation.

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

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- (i) Agenda 2 on Ordinary Resolution 1 was for the proposed re-election of Dato' Lee Kok Kwan who retired under Article 81 of the Company's Constitution;
- (ii) Agenda 2 on Ordinary Resolution 2 was for the proposed re-election of Dato' Mohamed Ross Mohd Din who retired under Article 81 of the Company's Constitution; and
- (iii) Agenda 2 on Ordinary Resolution 3 was for the proposed re-election of Encik Afzal Abdul Rahim who retired under Article 81 of the Company's Constitution.

The Chairman added that under Article 88 of the Company's Constitution, the Board had the power to appoint any person to be a Director, whether to fill a casual vacancy or as an addition to the existing Board of Directors. Any Directors so appointed shall hold office until the next AGM and be eligible for re-election. In view of this, the following Resolution was tabled pursuant to the said Article 88 of the Company's Constitution:

- (iv) Agenda 3 on Ordinary Resolution 4 was for the proposed re-election of Datin Azlina Mahmad who retired under Article 88 of the Company's Constitution.

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

The Chairman informed that the next item was Agenda 4, Ordinary Resolution 5 on the proposed payment of Non-Executive Directors' Remuneration with effect from the 67th AGM until the next AGM of the Company.

Being an interested party in Ordinary Resolutions 5 and 6, the Chairman handed the chair to the Group CEO to present these Resolutions.

Dato' Abdul Rahman informed that Section 230(1) of the Companies Act 2016, provided, amongst others, that fees of the directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. This proposal was also in line with the recommendation by BNM in its Directors' Remuneration Report.

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

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

Dato' Abdul Rahman presented the next item which was Agenda 5, Ordinary Resolution 6 on the proposed payment of allowances and benefits payable to Non-Executive Directors of the Company up to an amount of RM3,895,000 from the 67th AGM until the next AGM of the Company. The amount payable to Non-Executive Directors comprised allowances, benefits-in-kind and other emoluments payable to them by the Company and its subsidiaries.

In determining the estimated cap payable for the Non-Executive Directors, various factors were considered, including the number of scheduled meetings for the Board,

Board Committees and Boards of subsidiaries as well as the number of Non-Executive Directors involved in these meetings. The Board recommended up to an amount of RM3,895,000 as payment of allowances and benefits payable from the 67th AGM until the next AGM of the Company. There was no revision to the amount proposed since the last AGM.

The Group CEO then invited the Chairperson of GNRC, Encik Didi Syafruddin Yahya to present the details of the reinstatement of Board-related costs in 2023 and the annual cap payable to the Non-Executive Directors.

Based on the Annual Cap of RM3.895 million that was approved by the Shareholders at the 66th AGM for variable benefits payable to the Non-Executive Directors, the Board noted that the actual variable benefits payable for the financial year 2023 was RM2.456 million resulting in a positive gap of RM1.439 million. With the positive gap, the Board viewed that this amount would be sufficient to cover the Board-related cost for the year 2023, and had recommended that this amount be maintained for Shareholders' approval.

The Board proposed to maintain the Annual Cap of RM3.895 million for variable benefits payable to the Non-Executive Directors from the 67th AGM until the next AGM of the Company for approval by the Shareholders as specified under Ordinary Resolution 6.

At this juncture, Dato' Abdul Rahman thanked Encik Didi Syafruddin and handed over the Chairmanship to the Chairman for the next agenda.

11. RE-APPOINTMENT OF AUDITORS

The Chairman informed that Agenda 6, Ordinary Resolution 7 was on the proposed re-appointment of Messrs PricewaterhouseCoopers (PwC) as Auditors of the Company for the FYE 31 December 2024 and to authorise the Board of Directors to fix their remuneration.

Being satisfied with PwC's performance in 2023, their technical competency and audit independence as well as fulfilment of criteria set out in CIMB's Guidelines for the Appointment/Re-appointment of external auditor, the Board recommended the reappointment of PwC as external auditors of the company for the FYE 31 December 2024.

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

SPECIAL BUSINESS

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

The Chairman informed the Meeting that the next item on Agenda 7, under Special Business, Ordinary Resolution 8, was to give the authority to the Directors to issue shares at any time until the conclusion of the next AGM, provided the number of shares to be issued did not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all relevant governmental and/or regulatory authorities being obtained for such allotment and issue.

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

He added that Ordinary Resolution 8 was proposed for the purpose of renewing the general mandate for the issuance of Shares by the Company under Section 76 of the Companies Act 2016. If passed, it would give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate, if granted, would provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, for the purpose of improving and/or restoring its capital position under stressed conditions and also for the purpose of funding future investment project(s), working capital and/or acquisition(s).

The Chairman highlighted that the Company had not issued new shares pursuant to Section 76 of the Companies Act, 2016 under the general mandate sought at the 66th AGM held on 13 April 2023, which would lapse upon the conclusion of today's AGM.

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

The Chairman proceeded to the next item on Agenda 8, under Special Business, Ordinary Resolution 9, which was to consider and if thought fit, to pass the Ordinary Resolution to renew the authority for the Company to allot and issue new ordinary shares in the Company in relation to the DRS. The Shareholders had approved the DRS at the Extraordinary General Meeting held on 25 February 2013.

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

14. RENEWAL OF THE AUTHORITY TO PURCHASE OWN SHARES

The Chairman informed the Meeting that the item under Agenda 9, under Special Business, Ordinary Resolution 10, was for the Shareholders to consider and if thought fit, to pass the Ordinary Resolution to renew the authority for the Company to purchase its own ordinary shares, details of which were as stated in the Notice of AGM.

The Chairman further informed that the Shareholders had approved a similar motion for the past years and that the last approval would lapse at this meeting. In view of this, the Board sought the Shareholders' approval for a new mandate until the next AGM. The details of the Proposed Share Buy-Back were as stated in the Statement Accompanying Notice of AGM.

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

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

15. QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP (MSWG)

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

Dato' Abdul Rahman continued to read out CIMB's written responses to the seven (7) questions raised by MSWG, where a snapshot of the questions and responses was provided online for the benefit of the Shareholders.

Question 1:

On 16 April 2024, CIMB announced that Dato' Abdul Rahman Ahmad will step down as Group CEO of CIMB Group on 30 June 2024 after serving the Group for 4 years since 2020.

- (i) How was the progress of identifying suitable candidates to ensure a smooth takeover from Dato' Abdul Rahman Ahmad?
- (ii) While the Group was identifying a successor to take over the position, what steps were taken to prepare for the transition?

Response:

Dato' Abdul Rahman mentioned that the succession plan had been activated and the announcement of the new Group CEO would be made in due course, upon obtaining regulatory approval. Given that he would be leaving only on 30 June 2024, CIMB expects the successor to be appointed prior to his departure and as such, there would be no gap in transition.

To facilitate the leadership transition, Datuk Mohd Nasir Ahmad would remain as the Group Chairman, pending the approval of his tenure renewal by the regulatory authority. Datuk Mohd Nasir Ahmad, who was initially due to retire in July 2024 upon completion of his nine-year tenure as a Board member, would be re-designated as Non-Independent Non-Executive Director effective 20 July 2024 in compliance with good corporate governance practices.

Question 2:

In a press release dated 9 April 2024, BNM demanded that two (2) banks, CIMB and Maybank, fully explain the root cause of recent banking outages and undertake corrective and preventive measures to avoid a recurrence of similar issues.

As a perspective, the Bank experienced intermittent service disruptions on 8 April 2024, between 2.45 pm and 5.00 pm. All services were restored by 5.00 pm on the same day.

However, a similar service interruption resurfaced in the early morning of 9 April 2024, with all services restored by early afternoon.

- (i) Please explain the root cause of the recent banking outages as provided to BNM. Were the recent disruptions preventable, or could they be mitigated in the first place? Were the outages due to external or internal issues? What was the likelihood of preventing or minimising the recurrence of similar unexpected shutdowns?
- (ii) Please list your outages in the past 5 years, the total downtime, and their root causes.
- (iii) BNM's statement to demand a full explanation of service outages from banks was unprecedented. What messages did CIMB perceive from the statement made by BNM? Did BNM impose additional requirements, e.g., capital buffer and IT investments, on the Bank to improve system reliability?
- (iv) What targets/standards (e.g., system uptime, aggregate hours of downtime per year) are set by the central bank to ensure robust system reliability among local banks? How had the Bank performed vis-à-vis regulator's requirements in the past and present?

Response:

- (i) Dato' Abdul Rahman stated that the most recent service outage was due to a software issue at one of the main application components provided by a global vendor. The fix was provided by the vendor on 9 April 2024 and deployed immediately. This was one of those rare cases that was unpreventable from CIMB's point of view. Instead, CIMB took all the necessary actions to minimise the duration of the downtime and ensure services were restored as expeditiously as possible, in line with the service recovery protocols. It was regrettable that the service disruptions affected the customers, and CIMB strives to take all necessary steps to ensure the risk of such incidents occurring is minimised and mitigated in the future.
- (ii) Given the sensitivity of the information, CIMB was unable to provide the detailed list of outages in the past 5 years. However, the number and duration of downtime had significantly reduced since 2019 with significant investments made by CIMB to improve its platform reliability. To share, in 2019, there were 26 incidents of Severity 1 with average downtime of between 34 minutes to 12 hours. This had reduced to 2 incidents with an average downtime of between 48 minutes to 1 hour in 2022 and 4 incidents with an average downtime of 13 minutes to 1 hour 50 minutes in 2023. The root causes of disruptions were

generally multi folds from external vendor and service providers to unintended human and system errors.

- (iii) CIMB fully appreciates the content of BNM's statement and had undertaken a full investigation of the root cause behind the incidents, as well as the key learnings to improve in terms of communications to public in the event of such incidents. The report had just been completed and submitted for BNM's consideration and further action. CIMB was fully committed to working closely with BNM and take all necessary steps and to ensure the risk of such incidents occurring in the future was minimised.
- (iv) CIMB adheres to the RMIT guidelines issued by BNM:
 - a. Accumulative unplanned downtime of not more than 4 hours on a rolling 12 months.
 - b. A maximum tolerable downtime of 120 minutes per incident.

CIMB had been in full compliance with these RMIT requirements since 2021, with the exception of this most recent regretful incident.

Question 3:

The Basel III would come into effect on 1 January 2025, followed by phased implementation for credit risk, market risk, and others up to 2030.

- (i) What were the key differences between Basel II and Basel III?
- (ii) Please explain the impact changes to CIMB's capital adequacy, liquidity, and risk management upon implementation of Basel III.

Response:

- (i) The Basel Committee's revisions to the standardised approach for credit risk under Basel III enhance the regulatory framework by:
 - a. improving its granularity and risk sensitivity;
 - b. reducing mechanistic reliance on credit ratings, by requiring banks to conduct sufficient due diligence; and
 - c. providing the foundation for a revised output floor to internally modelled capital requirements and related disclosure to enhance comparability across banks and restore a level playing field.
- (ii) CIMB was in the midst of assessing the full impact of Basel III but in general, its implementation would be positive on risk management due to the enhanced risk sensitivity of capital computation, but might require all banks to hold additional capital which might dilute ROE.

Question 4:

Beginning in 2024, TNGD introduced several notable policy shift measures to discourage cash-outs through credit card reloads into Touch 'n Go eWallet (TNG eWallet), as well as to ensure long-term business sustainability. The measures introduced are a 1% fee on all credit card top-ups, effective 23 February, and a 1% conversion fee for overseas transactions, starting 25 April. However, eWallet users reacted negatively to these measures, deeming them unfriendly.

- (i) Please explain the effectiveness of the 1% fee charged on all credit card reloads to curb excessive cash withdrawals using credit cards to bank accounts and to reduce the costs associated with credit card reloads borne by TNGD.
- (ii) How did the past practice of unlimited amounts of credit card reload into TNG eWallet affect the business sustainability of TNGD? How significant was the cost incurred associated with credit card reloads borne by TNGD?
- (iii) Has TNGD witnessed a significant exodus of users (i.e., more than 50,000 users) upon implementing the 1% charge fee measure?

Response:

- (i) The 1% fee charge had led to some decrease in the overall volume of reloads via Credit Card into TNG eWallet, and subsequently, there had been an increase of TNG eWallet users using bank transfers or debit cards as their primary reload methods now, which remained free of charge to users.
- (ii) The introduction of this fee would enable TNGD to recover some of the costs incurred in such transfers, which it must pay to a third party. This was previously subsidised by TNGD. It is important given the cost of reloads, especially from credit cards paid to third parties, which constitutes a large portion of its operating expense. Hence, this was in line with the need for TNGD to move towards the path of profitability.
- (iii) CIMB had not seen any material impact on the number of users since the introduction of the fee measure, as most TNG eWallet users were already using bank transfers or debit cards as their primary reload methods, which both remained free of charge to users.

Question 5:

CIMB had applied Practice 4.4 of the Malaysian Code on Corporate Governance (MCCG), which states that 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 (page 24 and 25 of Corporate Governance Report 2023).

- (i) What was the weightage of sustainability-related KPIs (by percentage) vis-à-vis operational and financial metrics in the overall evaluation of the Board and Senior Management?
- (ii) How did the Board and Senior Management perform in relation to these metrics?
- (iii) Which area required more focus and attention from the Board and Management?

Response:

- (i) The Board did not set KPIs for Sustainability. However, the Board engages an external consultant every three (3) years to review and conduct its Annual Board Effectiveness Assessment (BEA) exercise, where ESG and Climate Risk are among the indicators measured for the Board. In the last BEA conducted in 2023, the Board scored a rating of 4.4/5 in addressing ESG and Climate Risk. Further, sustainability was part of the collective Group, country and

business division's balanced scorecard KPI that was linked to individual performance assessment and variable bonus pay-out for Senior Management and all key employees. Given the balanced scorecard covers financial performance, customer engagement metrics, risk and control elements and human capital development, the direct weightage of sustainability-related KPIs on the balanced scorecard was 5%.

- (ii) In terms of performance, the KPI achievement for sustainability had generally been positive given the achievement of significant progress in terms of the sustainability agenda particularly in the reduction of Scope 1 and 2 GHG, the significant mobilisation of transition financing and the market leading initiatives such the establishment of financed emission baselines and climate targets for selected sectors. This was reflected in CIMB continuing to be recognised globally and rated top 88th percentile under the S&P Global Corporate Sustainability Assessment (CSA). For further information, the detailed sustainability scorecard and its achievements for the year was published in the 2023 Sustainability Report (page 21 to 24)

Question 6:

To advocate good corporate governance, in 2022, the Group External Auditor Policy was enhanced to incorporate best practices, i.e. CIMB to run a Request for Proposal (RFP) for the appointment of an External Auditor for the financial year ending 2023 (i.e., appointment/ reappointment for FYE 2024) (page 149 of IR2023).

- (i) How many bids were received by CIMB under the RFP?
- (ii) CIMB seeks Shareholders' approval in this AGM to re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2024. How did PwC stand out compared to other bidders in terms of the criteria set?

Response:

- (i) In line with best practice and the revised Group policy, an RFP for the appointment of external auditor was conducted in 2023. Four (4) firms were identified and preliminary assessed but only one firm, PwC, fully participated and made full submission under the exercise.
- (ii) PwC was recommended after a comprehensive assessment by the joint Group and Banking Group Audit Committee that it met all the criteria set, which include audit quality, independence and objectivity, approach of future audits, regional audit experience, relationship with regulatory bodies as well as their commitment to continually enhance their services to CIMB Group.

Question 7:

Referring to Practice 13.5 of MCCG on the conduct of a virtual general meeting (fully virtual or hybrid) to support interactive participation and meaningful engagement between the board, senior management, and shareholders, will the Board consider holding an AGM via hybrid format in the future, as what has been seen in other major banks recently?

Response:

The Board and Management of CIMB were committed to continuously improving its engagement with the Shareholders and would revisit the best option for the AGM in 2025.

16. QUESTIONS FROM PERMODALAN NASIONAL BERHAD (PNB)

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

Dato' Abdul Rahman provided CIMB's written response to the five (5) questions raised by PNB and a snapshot of the questions and responses were also provided online for the benefits of the Shareholders.

Question 1:

Despite this, one major challenge faced by the Group and the sector was the pressure on NIM arising from the sustained deposit price competition in Malaysia as well as the higher cost of funds regionally.

CIMB's guidance to the market of at least maintaining or slightly improving NIM for 2024 suggests that the outlook on deposit competition was easing. How has it been so far, and does the Bank foresee any changes to the deposit competition dynamics for the remainder of the year?

The CASA ratio has improved substantially to 41.2% by the end of 2023, and CIMB intends to continue enhancing CASA to improve NIMs. What were the initiatives that contributed to this achievement and what other opportunities could contribute to further enhance your CASA ratio?

What was the targeted optimal CASA ratio?

Response:

- (i) The competition for deposits remains elevated although there were positive signs of moderation in the early months of 2024. CIMB's guidance is slightly positive as the prudent deposit-led growth strategy across all key operating countries is helping in managing the cost of deposits. This strategy includes focusing on loans that generate the appropriate yields, allowing CIMB to strike a better balance between loan growth and asset yields.
- (ii) CASA has been a core focus under the Forward23+ strategic plan with various initiatives undertaken, including numerous programs to improve retail customer experience, doubling down on specific CASA campaigns, leveraging on CIMB-At-Work initiatives and enhancing CIMB's non-retail client coverage model to increase non-retail CASA. This brought about the 11.5% YoY growth in CASA in FYE 2023 and it was expected that these CASA strategies to continue, going forward.
- (iii) CIMB does not set a specific CASA ratio target but was focused on expanding and strengthening the CASA franchise across all countries by offering greater ease of transactions, improved customer proposition, stronger digital banking

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solutions, as well as driving the transaction banking cash management initiatives.

Question 2:

“NOII was the key driver of operating income growth in 2023, expanding 36.5% YoY on the back of strong investment and market related income, as well as gains on non-performing loan (NPL) sales and recoveries from Indonesia.” A substantial portion of NOII in 2023 was contributed by an equally substantial narrowing of foreign exchange loss, which was arguably not sustainable.

- (i) Does CIMB expect NOII growth to normalise in 2024 onwards and what strategies were in place to support this NOII growth?
- (ii) What was the optimal mix for NOII to total operating income for CIMB?

Response:

The stronger FYE 2023 NOII was attributed to improved fees and markets-related flow income, higher NPL sales in Indonesia and Thailand, as well as stronger trading gains, which include the USD/RM swap trade, which contributed positively to NOII. CIMB recognised that trading related revenue, including the swap trade income are highly dependent on market environment. Accordingly, CIMB’s focus in 2024 remains on growing the recurring fees and markets related flow business from all business segments as well as generating sustainable NPL sales and recoveries.

CIMB NOII/operating income ratio stood at 30.6% for FYE 2023 compared to 23.6% in FYE 2022. Given that NOII is generally dependent on market conditions and opportunistic circumstances, the Group did not set a specific NOII to Total operating target but recognised that based on industry benchmarks, a ratio of between 30% to 35% is considered good.

Question 3:

- (i) Could CIMB provide a bit more detail on the “Others” cost relating to Personnel Costs?
- (ii) With reference to Establishment costs, “Repair and Maintenance” increased by approximately RM109 million YoY. Could CIMB provide more details on this line item and the reasons contributing to the increase? Would there be further increases in this line item moving forward?
- (iii) What were the factors that contributed to the substantial YoY reduction in “Legal and Professional fees”?

Response:

- (i) “Others” mainly comprises costs related to staff training, staff insurance, Flex My Career scheme and contribution to the Human Resource Development Fund.
- (ii) The higher repair and maintenance cost in FYE 2023 mainly relates to technology costs covering expenses and depreciation on new IT projects and increases in license fee subscription. CIMB expects more normalised

escalation, going forward, as the technology investments moderate after significant Capital Expenses (CAPEX) over the last 4 years.

- (iii) The decrease in legal and professional fees in FYE 2023 was mainly due to the release of unrequired legal accruals and provisions.

Question 4:

“We have since 8 March 2024 reinvested into the equities business by acquiring KAF Equities Sdn Bhd.”

What were the aspirations and targets for KAF Equities, and the strategies to achieve these aspirations?

Response:

KAF Equities, which has since been renamed CIMB Securities, will provide a full suite of equities services and enable CIMB's Investment Bank franchise to provide fully integrated wholesale services for the clients.

The immediate focus was to have a highly experienced and in-depth local research and sales team, combined with regional and global partnerships to provide high quality equities advisory content and value proposition to CIMB's institutional and corporate clients under its “one bank” approach.

CIMB Securities had made positive progress since the acquisition with improved market share and ranking on the back of conclusion of several sizeable and notable deals, underscoring CIMB's strength in delivering unique and comprehensive financial solutions to clients.

Question 5:

- (i) Given the widespread and increasingly complex threats on the cybersecurity front, how does CIMB stay ahead of the curve to safeguard its customers?
- (ii) How much does CIMB spend on cybersecurity relative to its total IT spend?
- (iii) What were the key findings by the cybersecurity experts that were engaged to validate CIMB's control environment against cyber threats?

Response:

- (i) To address the complex threat of cybersecurity, CIMB adopts a holistic and integrated approach across the following dimensions:
 - Adoption of the National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF) with an end-to-end framework to manage cybersecurity from identification, detection and recovery to proactive measures to minimise disruptions and early warning mechanism.
 - Significant investments in the resourcing and activities of cybersecurity. The Information and Cyber Security team had grown 4-fold over the past 4 years that includes a dedicated Cybersecurity Department with Cyber Threat Intelligence (CTI) team that monitors various CTI sources and proactively perform threat hunting.

- The establishment of Security Operations Centre (SOC) that operates 24/7 and utilises advanced capabilities such as Machine Learning (ML) to analyse and prevent any potential threats, with ability to analyse user behaviours for potential internal threats.
 - Participation in the National Scam Response Centre (NSRC) that acts as a command centre to coordinate rapid response for online scams, as well as an active member of BNM FinTIP (within Malaysia) and Financial Services Information Sharing and Analysis Centre (FS-ISAC for International FSI).
- (ii) CIMB's annual spending for cybersecurity was significant, amounting to between 11% to 15% of the total expenditure for technology.
- (iii) CIMB undertakes continuous assessments and validations of its cyber security performed by internal and external experts. In general, the results of these validation confirmed that CIMB's state of readiness against cyber security threats met with the required standards and cybersecurity maturity level expected of a financial institution. At the same time, CIMB continuously take into account and incorporate any recommendations made by the security experts to refine and improve its cyber security level of risk management framework.

17. PRE-AGM QUESTIONS FROM SHAREHOLDERS

The Chairman thanked the Group CEO and informed that CIMB had received pre-AGM questions from individual Shareholders of which a number of queries were on door gifts for those who attended the AGM today. The Chairman responded that this year, all Shareholders who registered and logged in for the AGM virtually will be given a RM50 TNG Reload Voucher as a door gift. The said voucher would be provided to the Shareholders via email. The delivery of the voucher was expected to take 30 days after the conclusion of the AGM.

The Chairman then invited the Group CEO to read all other questions and to answer them on behalf of the Board. The Group CEO then addressed the following questions from the Shareholders:

- (i) Loo Yeo Ming posed three (3) questions as follows:
- (a) He requested CIMB to reconsider increasing the door gift for attending the AGM as inflation had increased.
 - (b) He asked CIMB to provide bonus issue.
 - (c) He requested CIMB to provide a hardcopy of the Integrated Annual Report, which Ng It Sze or Ng Joo Sai requested for as well.

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

- (a) He reiterated that all Shareholders who registered and logged in for the AGM virtually would be given a RM50 TNG Reload Voucher as a door gift.
- (b) At present, there were no plans for a bonus issue. A bonus issue generally does not increase or change the worth of the company on its own.
- (c) The hardcopy of the Annual Report would not be distributed to the Shareholders given CIMB's sustainability agenda. Nonetheless, CIMB's

Shareholders may request for the hardcopy by downloading the request form which can be found on CIMB's website.

- (ii) Tan Eng Hock inquired on the reason he did not receive the door gift last year, which was the RM50 TNG Reload Voucher.

Dato' Abdul Rahman informed that from CIMB's record, although Tan Eng Hock had registered on RPEV to attend the AGM, he did not "log in" to the system to attend the virtual meeting, and as such, unfortunately, the system did not recognise his attendance to the 2023 AGM. Based on CIMB's policy, only those who registered and attended the AGM virtually were qualified to receive the door gift.

- (iii) Kueh Ngie Ang queried that with the current global/internal financial and political issues, how has it affected and/or would it affect the business growth of CIMB? He then continued with whether it was an opportunity or a threat and the strategies taken by CIMB to face global challenges like the increased/lowered interest rates in the US, wars, trade wars and/or sanctions.

In response, the Group CEO informed that the conflict in the Middle East, if escalated to a regional war would likely translate to a volatile economic environment and particularly higher oil prices. While this would directly benefit the Malaysian economy in the short term, the offset would be the fiscal impact on the subsidies bill, heightened inflationary pressure and likely downward pressure on the Ringgit, which could dampen economic growth prospects.

The Group CEO then highlighted that CIMB would not expect any material impact on CIMB's operations in the shorter term, but capital market uncertainties may drive volatility in NOII. However, should the conflict prolong with an extended period of inflationary pressure, weakened FX and slower economic growth, this may translate to lower loan growth and higher credit costs. This was in addition to the potential impact on NII with changes in OPR.

The Group CEO also mentioned that CIMB has a robust risk management framework and always monitors the development of global events closely. Accordingly, CIMB would adjust its risk management strategies to minimise the impact of such events on the Group's performance.

- (iv) Teo Cher Ming posed six (6) questions as follows:
- (a) How would the full implementation of Basel III in 2025 impact CIMB? Would additional capital buffers be required or will the additional capital be released as part of optimal capital management? Please share any numbers related.
 - (b) What was the 2024 target for NIM, loan growth, credit charge and CIR?
 - (c) UOB recorded a huge increase in card applications, as well as card-related income as a result of its affiliation with the Taylor Swift concert. Does CIMB experience the same impact through its affiliation with the Music Run and the Coldplay concert in Malaysia? Were there any numbers that can be shared?
 - (d) There were many rumours on Datuk Abdul Rahman Ahmad's tenure, even though in an interview by The Edge last year, the Group CEO mentioned that he would see through Forward23+. Can CIMB please put a stop to all these rumours? He was further confident that CIMB had groomed some internal talents to take over should the news be true.

- (e) The recent system outage was rather unfortunate. Was this due to an external vendor issue or was it an internal system issue? Did BNM impose any curbs on the Bank, such as additional capital requirements, or disallow any new investments/non-essential IT investments to improve system reliability? Does the Bank have any backup servers, if it was related to server, how can CIMB prevent this from happening again in the future?
- (f) With the emergence of digital banks, have CIMB and TNG eWallet seen any impacts to its CASA / deposits offerings, Go+ and Go Invest?

Dato' Abdul Rahman responded to the above questions and highlighted the following:

- (a) Based on the latest guidance from BNM, the implementation of Basel III output capital floor will likely take place later than 2025. The detailed impact to the Group's capital is currently being assessed although it is likely that the implementation of Basel III would result in all IRB banks having to retain more capital. To mitigate this, the Group would continue to seek RWA optimisation opportunities and would consider other suitable capital management tools as part of its efforts to optimise capital.
- (b) As highlighted in the Group CEO's presentation, the Group was guiding for FYE 2024 NIM to be stable to 5bps expansion, with a 5 to 7% loan growth, a projected credit charge of between 30 to 40bps and a CIR of below 46.9%.
- (c) Both the Music Run and Coldplay were Malaysia-specific initiatives and targeted at selected segments that align with CIMB's intended objectives. CIMB's performance indicators, in terms of business numbers, segment portfolio, and brand reputation, have thus far been positive and within the Group's expectations as reflected in their financial performance. For Coldplay, the Group witnessed double-digit growth in card spending and acquisitions during the campaign period.
- (d) On 16 April 2024, CIMB announced that Dato' Abdul Rahman would be stepping down as its Group CEO on 30 June 2024. Following this, a succession plan had been activated and the announcement of the new Group CEO would be made in due course, once regulatory approval had been obtained. In the meantime, to facilitate the leadership transition, Datuk Mohd Nasir Ahmad who was initially due to retire in July 2024 upon completion of his nine-year tenure as a Board member, would remain as the Group Chairman, pending the approval of his tenure renewal by the regulatory authority. Accordingly, Datuk Mohd Nasir Ahmad shall be re-designated as Non-Independent Non-Executive Director effective 20 July 2024 in compliance with good corporate governance practices.
- (e) The most recent service outage was due to a software issue at one of the main application components provided by a global vendor. The fix was provided by the vendor on 9 April 2024 and deployed immediately. This was one of those rare cases that was unpreventable from CIMB's point view. Instead, CIMB took all the necessary actions to minimise the duration of the downtime and ensure services were restored as expeditiously as possible, in line with CIMB's service recovery protocols. CIMB regrets the disruption of services to its customers and strives to take all necessary steps to ensure the risk of such incidents occurring are minimised and mitigated in the future.

CIMB had undertaken the investigation of the root cause behind the incident. The report had just been completed and submitted for BNM's consideration and further action. CIMB was fully committed to working together with BNM and taking all necessary steps to ensure the risk of such incidents occurring in the future is minimised.

As mentioned, the outage was due to a software issue at one of the main application components provided by a global vendor and is outside the direct control of CIMB. Rest assured, CIMB has a comprehensive redundancy and recovery system and over the last 4 years, has invested heavily to strengthen the stability and resiliency of its platform. This was demonstrated by the significant reduction in high severity incidents by more than 95%, over the period of 4+ years.

All of CIMB's critical services are configured with high availability mode, along with redundant systems hosted at its second data centres. Over the last 4 years, CIMB had invested more than RM3.5 billion in CAPEX investment to strengthen its technology platform and operational resiliency. Having said that, CIMB operates a complex technology system architecture servicing close to 9 million customers real-time basis, 24/7. CIMB was committed undertaking all necessary steps to ensure the risk of such incidents occurring in the future is minimised and, in particular, its services were always assessed to reduce single points of failures (if any).

- (f) To date, CIMB Bank and TNG eWallet had not seen any material impact on its deposit and CASA post-emergence of digital banks in Malaysia. CIMB Bank already had CASA products that could be digitally on boarded from end-to-end whilst TNG eWallet has Go+ and Go Invest to provide cash investment platforms for its customers to use. Both CIMB Bank and TNGD were committed to continue strengthening its deposit and cash investment franchise as well as innovate for better product and services on its digital platform.

- (v) Teh Kian Lang asked if 2024 would be a better year than 2023.

The Group CEO stated that barring unforeseen circumstances, the Group was cautiously optimistic of continued positive financial performance in 2024 as CIMB continued to execute the initiatives under its Forward23+ Strategic Plan. Nevertheless, CIMB remained extremely vigilant of global economic uncertainties such as the escalating geopolitical tensions and the likely prolonged elevated US interest rate as well as the impact these might have on the regional economies CIMB operates in.

- (vi) Haum Soon Kee asked to what extent have digital banks affected and/or impacted the business outlook of CIMB?

The Group CEO mentioned that the emergence of digital banks had yet to directly impact CIMB and that, Management would continue to monitor this space closely and will continue to focus on enhancing CIMB's core business fundamentals through digitisation.

- (vii) Kow Lih Shi posed three (3) questions as follows:
- (a) Would the Company impose any forms of money safeguarding with regard to the cybersecurity of money storage, e.g. eWallets. Is there any in-house insurance to cover all clients?
 - (b) What would be the impact of the Company on charges imposed by eWallets, such as the 1% fee to credit card users transferring to other eWallet brands in Malaysia? In which Teo Cher Ming also asked a similar question.
 - (c) Is there any increase in users with regards to CIMB eWallets?

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

- (a) TNG eWallet offers robust protection and services for users, including: Money-back Guarantee of up to RM5,000 for unauthorised transactions; WalletSafe (in-house insurance) for additional coverage on unauthorised transactions and personal insurance; and all funds placed in TNG eWallet are managed through an account placed with banks, which was a member of PIDM. Further, TNG eWallet was the first and only eWallet in Malaysia to implement the five (5) safety and security measures imposed on banks by BNM to combat financial scams.
- (b) CIMB had not seen any material impact as currently, most of TNG eWallet users were already using bank transfers or debit card as their primary reload methods, both remain free of charge. The implementation of this measure was done gradually. Prior to the 1% charge of credit card top-up implemented in February 2024, TNG eWallet implemented a 1% charge on credit card top-ups for amounts in excess of RM 1,000 in March 2023.
- (c) The number of customers for TNG eWallet (Malaysia) has seen strong growth where in 2023, the eWallet registered users increased by 41% to 26.3 million whilst total payment value increased by 116% to hit RM62.5 billion.

- (viii) Kong Kar Hoe posed four (4) questions as follows:
- (a) Does CIMB have any plans to offer Digital Asset-related products via Touch 'N Go (TNG) eWallet application, i.e. allowing TNG eWallet users to purchase and sell Bitcoin through the application?
 - (b) Does CIMB have any plans to convert part of its company reserve to Bitcoin? Sooner or later, other companies will start doing this, and it is up to CIMB to decide whether it will be a pioneer or a follower.
 - (c) TNG RFID often causes traffic congestion at the toll due to the machine not being sensitive and effective. What is the solution for this?
 - (d) Does TNG plan to expand the RFID service to parking entry as well? If not, TNG should really make use of existing facilities and find a way to integrate the RFID service into building parking entry, i.e. for shopping malls.

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

- (a) Over the recent years, CIMB Bank had collaborated with TNGD to introduce products such as Go Pinjam for personal loan financing whilst Principal Malaysia, which CIMB owns a 40% stake in, collaborated with TNGD to introduce Go Invest/Cash, which was a money market

- investment product. TNGD currently has no immediate plans to introduce Bitcoin investment on its platform but would remain vigilant in monitoring industry developments and trends regarding Digital asset-related products. TNGD was also committed to continuously working towards introducing innovative products for the benefit of its users.
- (b) There were no plans to convert the reserves to Bitcoin at this juncture. CIMB continues to focus on its core businesses and believes it was prudent at this stage for CIMB to allow the market and industry for digital currencies such as Bitcoin to further develop to reach a certain level of maturity before contemplating any such moves.
 - (c) TNG was encouraged by the adoption of RFID thus far, with volumes having surpassed SmartTag in terms of usage and adoption. TNG maintains an ongoing collaboration with government agencies and highway authorities to enhance the accessibility of RFID lanes. Additionally, TNG was committed to working closely with stakeholders who own the readers and systems at the toll gates to ensure that the service delivered to users is effective and optimised.
 - (d) RFID in parking requires significant investments in new equipment and gantry by relevant stakeholders, which may not be a feasible solution. TNG was working with its partners involved in the parking space to explore other relevant and innovative technology and parking solutions for customers.
- (ix) Tan Wei Siang enquired on the service experience at TNG, as he had encountered bad customer service from TNG. For road tax renewal service, TNG was just the payment provider. Should there be any issues, customer had to refer to an outsource party. He hoped that Management could clarify whether TNG was just a payment service for the services hosted on the TNG application.

The Group CEO clarified that TNG eWallet was a payment service provider and as such, provides payments fulfilment services to CIMB's platform partners hosted on the TNG eWallet.

18. ONLINE QUESTIONS FROM SHAREHOLDERS DURING THE AGM

The Chairman then opened the Questions and Answers (Q&A) session and invited the 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/Management would summarise them.

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

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

- (i) Chai Ming Chiuan posed two (2) questions as follows:
 - a. Would CIMB continue the Dividend Reinvestment Plan?
 - b. Would CIMB continue securities business for retail clients? As CIMB had fully disposed the retail business to CGS International.

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

- a. The Dividend Reinvestment Plan remained one of the capital management tools which CIMB could deploy when appropriate to manage its capital effectively and efficiently.
- b. CIMB's retail customers would continue to be served by CGS International with whom CIMB had entered into a collaborative agreement.

(ii) Chea Ah Chun posed two (2) questions as follows:

- a. How much Director fees in Resolution 5?
- b. Percentage of profit derived from TNG?

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

- a. The Non-Executive Directors' Fees under Ordinary Resolution 5 were summarised below:
 1. Retainer Fees as Director of CIMBGH - RM170,000
 2. Chairman's Premium for CIMBGH - RM510,000
 3. Chairman's Premium for CIMBGH Board Committees - RM100,000

The relevant fees for directors who sit on the board of the Subsidiaries were detailed on page 232 (under Notice of AGM) of the Annual Report.

- b. The TNG group played a core role in CIMB's digital financial services aspirations within the Forward23+ Strategic Plan. The portfolio was expected to be at or close to breakeven in 2024 with the underlying businesses remaining robust.

(iii) Chia Pern Lee queried on the key risks and challenges the company was facing, and how Management plans to mitigate them.

The Group CEO mentioned that deposits competition remains elevated, although there were positive signs of moderation in the early months of 2024. With expectations of the NIM environment remaining challenging in 2024, the Group intends to prioritise and emphasise NIM and balance sheet management as well as continuous efforts to strengthen its CASA and deposit franchise.

(iv) Chong Saw Twan asked how many infinite premier banking customers CIMB has and how many of them were active versus inactive.

Dato' Abdul Rahman responded that CIMB was unable to disclose detailed information pertaining to CIMB customer accounts.

(v) Chua Song Yun posed five (5) questions as follows:

- a. FYE 2023's profit increased mainly due to Other NOII increase from RM2.0 billion to RM3.4 billion (page 39). A check on Note 40 (page 168) shows that one major factor was the Forex Loss reduction from RM2.3 billion to RM283 million in FYE 2023. (a) Please explain why there was a big Foreign Exchange (FOREX) loss in FYE 2022 and why FYE 2023 reduced significantly? Please provide a breakdown and explanation of the FOREX Losses. (b) Are the high other NOII sustainable?
- b. FYE 2023 allowance coverage ratio was at 97%. In the past, other banks with low allowance coverage ratios would eventually would require an increase allowance in the following years to increase the ratio. Does CIMB

also require to do so to increase the coverage ratio to above 100%? Can Management also explain in detail why some banks had very high allowance coverage ratio, while some were below 100%, so that the Shareholders could better understand the Bank?

- c. Back in 2021, CIMB had inked a sustainability-linked derivative with Standard Chartered with a notional value of RM2.45 billion, which provided a reward if pre-determined targets were achieved, and penalty if the targets were not met. Can Management please share whether the derivatives ended, and were those targets achieved? If so, what was the financial implication to CIMB?
- d. Understand that the new digital bank GX bank offers deposits at an interest rate of up to 5%. This was significantly higher than what traditional banks are offering. (a) Is CIMB experiencing significant outflow of deposits so far? (b) How does CIMB compete?
- e. Referring to the Balance Sheet (page 37 of the Financial Report), debt instrument at fair value through OCI increases significantly from RM58 billion to RM71 billion, while debt instrument at amortised cost also increases significantly from RM64 billion to RM78 billion. (a) Can management please explain what these debt instruments are, how it works, and what was its risks in layman terms? (b) What was the purpose of significantly increasing these assets?

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

- a. (a) This foreign exchange loss should be viewed together with net gain from derivative financial instruments. For FYE 2022, this translated to a net gain of RM2.5 billion. For FYE 2023, this amount was relatively unchanged at RM2.46 billion. (b) Depending on the strategy deployed for specific market conditions, some of the other non-interest income was of a recurring nature.
- b. Over the past few years, CIMB had improved the coverage ratio through prudent provisioning and pro-active gross impaired loans management. There was no regulatory mandate to maintain coverage above 100% as the implementation of IFRS9 requires prudent provisioning at various stages of the asset life cycle, driven by actual historical loss experience and forward-looking projections.

The Group employed a comprehensive credit risk management practice which resulted in the GIL reducing and loan loss coverage rising in 2023, better than pre-pandemic levels. CIMB would continue to double down on Asset Quality improvement initiatives in 2024 and would strive to bring the coverage closer to 100%.

Coverage ratios are driven by provision levels, which take into account various factors such as collateral coverage, historical loss experience and forward-looking views. Different banks with differing ratios of unsecured and secured loans, restructured loans and delinquency levels, will have differing levels of provision and coverage ratios. Additionally, differing risk appetite, balancing between risk-reward trade-offs, and markets they operate in also drive differences in coverage ratios.

- c. CIMB Bank's Sustainability-Linked Interest Rate Swap agreement with Standard Chartered is effective until 2025. If CIMB achieves both targets set, SCB would pay CIMB a rebate of just below RM500k. If CIMB misses

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both targets, CIMB would pay the same amount in penalty. CIMB planned to allocate any proceeds received towards CIMB Foundation. CIMB was on track to meet both targets based on our latest performance.

- d. The Group had put in place strategies and initiatives in 2023 to strengthen and grow CASA. This brought relative success with the Group CASA expanding 11.5% YoY, raising the CASA ratio to 41.2% by end-23, above the pre-pandemic level of 34.4% in 2019. The Group intends to prioritise and emphasise NIM and balance sheet management as well as continuous efforts to strengthen its CASA and deposit franchise.
- e. (a) The Increase in Debt instruments at fair value through other comprehensive income was mainly due to higher holding in corporate bonds and Sukuk, other Government bonds and Government investment issues. The risk was minimal as the bonds are main investment-grade bonds. (b) The purpose of purchasing these assets was to enhance the Bank's income.

- (vi) In reference to the resolution on the proposed shares buy back, Foong Siew Chui queried whether the Bank has any plans to issue 100 odd lots of free shares to eligible staffs in conjunction with CIMB Malaysia's 100th anniversary.

Dato' Abdul Rahman responded that the Bank had no immediate plans to issue any new shares to staff.

- (vii) Gan Wei Fong then sought clarification to explain whether, given the recent service interruption, any corrective action had been taken by CIMB's Management to ensure this incident would not be repeated.

Gan Wei Fong then sought the view of Management on the digital banking service that has been introduced and whether it has any impact to CIMB's revenue. Lim Chee See posed similar question, seeking confirmation from Management on how it mitigates the threat of the rising of digital banks such as GX Bank and Boost Bank.

Dato' Abdul Rahman informed that as explained in his response to MSWG earlier, the most recent service outage was due to a software issue provided by a global vendor. All corrective actions had been implemented, and CIMB continues to assess to ensure that all critical services to customers are always up and available.

Dato' Abdul Rahman then affirmed that the emergence of digital banks has yet to directly impact the Bank. CIMB will, however, continue to monitor this space closely and will remain focused in its strategy to enhance the core business fundamentals through digitisation.

- (viii) Kow Lih Shi queried on the fractional trading in the perspective of CGS-CIMB.

The Group CEO highlighted that CIMB has fully divested its stakes in CGS-CIMB.

On 7 April 2023, CIMB Investment Bank Bhd acquired 100% interest in KAF Equities Sdn Bhd, now renamed CIMB Securities. It provides a full suite of

equity services and enable CIMB's Investment Bank franchise to provide a fully integrated wholesale services for its clients.

He added that the immediate focus is to have a highly experienced and in-depth local research and sales team, combined with regional and global partnerships to provide high quality equity advisory content and value proposition to CIMB's institutional and corporate clients under its "one bank approach".

CIMB would continue to have a collaborative agreement with CGSI for its retail customers. He stressed to the Shareholder to kindly reach out to the remisier/broker for further enquiries on fractional trading.

- (ix) Law Kung Hoo posed two (2) questions as follows:
- Referring to Page 60 of the integrated report. Please explain why CIMB Thai bank PBT margin, which is around 15%, is significantly lower than that of CIMB Bank Malaysia, Indonesia and Singapore?
 - Thai banks would need to lower the loan rates by 25 bps for 6 months for the vulnerable groups. How significant would this impact CIMB Thai's profit?

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

- CIMB Thai's PBT declined 45.5% in FYE 2023 due to an increase in provisions as the Bank adopted a more conservative provisioning policy, in addition to some asset quality weakness in the 4-wheel hire purchase portfolio. The lower PBT was also contributed by weaker NOI from Consumer and higher operating expenses
- The rate reduction was specific to the minimum retail rate (MRR) addressing the vulnerable segment. Based on preliminary assessment, CIMB does not expect a material impact to CIMB Thai's profitability as this is limited to a very small fraction of the mortgage portfolio. Additionally, CIMB continued to run down its commercial / SME portfolio over the years and did not expect any material impact to its profitability as a result of this temporary rate reduction.

- (x) Lee Siu Ming queried if there was any plan for a TNG IPO.

Dato' Abdul Rahman informed that CIMB would explore various opportunities, subject to feasibility, market conditions, plans and value to the Shareholders.

- (xi) Liew Chin Yip then queried whether the CEO and Directors would reduce their salary due of sudden interruption on 9 April 2024. As example, DBS Bank CEO Piyush Gupta's 2023 pay was cut by 27% due to the incidents of technical glitches.

Dato' Abdul Rahman responded that as mentioned in his earlier response, the recent service outage was due to a software issue from a global vendor which was quickly resolved. The overall system availability and resilience was a key expectation of Senior Management. This was appropriately reflected in the collective and individual scorecards of senior leaders, and may have consequential impact on performance and bonus outcomes for the year.

- (xii) Lim Je Wei queried on when CIMB would introduce Apple Pay.

Dato' Abdul Rahman informed that plans were in place to rollout Apple Pay in the near future.

- (xiii) Lim Jit Thin queried whether the Bank would hold a physical AGM in the future as it enhances the interactions between the Shareholders and the Board. He also highlighted that Bursa Berhad and many other listed companies have held a physical AGM this year. Yuen Juin Hoe posed similar question, enquiring whether the Bank would consider having a hybrid AGM or physical AGM from next year onwards to give the opportunity for the Shareholders to interact with the Board and Management of the company.

Dato' Abdul Rahman responded that the Board and Management of CIMB are committed to continuously improving its engagement with the Shareholders and will revisit the best option for the AGM in 2025.

- (xiv) Lim Kian Hong sought CIMB's view on digital banks to which Dato' Abdul Rahman responded that CIMB welcomes the emergence of digital bank entrants, which will bode well with improving access for financial products and services to the underserved segments.

- (xv) Lim San Kim posed four (4) questions as follows:
- a. Approximate how much fund were deposited by user in the TNG account at this juncture?
How much approximately did the Bank lose when the Ringgit weakened against the USD?
 - b. When to pay dividend and when to distribute treasury shares?
 - c. CGS was sold to who and at what cost?

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

- a. At the current juncture, the TNG eWallet fund balance was more than RM1 billion and this number was expected to grow further.
- b. The Profit & Loss impact was immaterial as CIMB was governed by its foreign exchange limit approved by Board Risk Committee. The sensitivity of profit and reserves against the major currencies were disclosed on page 252 in the 2023 Financial Statement Note 57.2.3 (b).
- c. CIMB Group has a dividend payout policy of between 40% to 60% for each financial year, subject to approval from BNM. The plan remains to declare 2 interim dividends in each financial year. There were currently no plans to distribute treasury shares.
- d. Under the 50:50 partnership agreement with China Galaxy International (CGI) in 2018, there was a put and call option for both parties to acquire or sell the remaining 50% stake.

CGI exercised the first call option and completed the acquisition of the 24.99% and 25% stake in the CGS-CIMB Securities International Pte Ltd (CSI) and CGS-CIMB Holdings Sdn Bhd (CCH) respectively in December 2021, and completed the acquisition for the remaining balance in December 2023 to gain 100% ownership of the regional stockbroking business.

The consideration for the transaction was based on a predetermined formula during the initial 50% divestment to CGI. The total proceeds for the sale of the 100% interest amounted to RM2.5 billion. There was no material gain or loss on the final divestment as the investment was carried at fair value based on the value of the put/call option.

- (xvi) Ong Ken Wai queried on the plan for Indonesia market.

The Group CEO informed that in Indonesia, CIMB Niaga's key priorities were on retail customer acquisition through partnerships, amplifying digital adoption and engagement to expand CASA, and targeting growth in profitable segments rather than just scale/growth. Management would continue optimising portfolio health through a focus on risk analytics and credit management with the objective to elevate risk adjusted NIM for key segments.

- (xvii) Ong Poh Geok queried on how the war in the Middle East is affecting CIMB's business.

Dato' Abdul Rahman stated that the conflict in the Middle East, if escalated to a regional war would likely translate to a volatile economic environment and particularly higher oil prices. While this would directly benefit the Malaysian economy in the short term, the offset would be the fiscal impact on the subsidies bill, heightened inflationary pressure and likely downward pressure on the Ringgit, which could dampen economic growth prospects.

CIMB did not expect any material impact on the operations in the shorter term but capital market uncertainties may drive volatility in NOII. However, should the conflict prolong with an extended period of inflationary pressure, weakened FX and slower economic growth, this may translate to lower loan growth and higher credit costs. This was in addition to the potential impact on NII with changes in OPR. CIMB has a robust risk management framework and always monitor the development of global events closely. Accordingly, CIMB would adjust the risk management strategies to minimise the impact of such events to the Group performance.

- (xviii) Ooi Cheng Kooi posed two (2) questions as follows:
- I read the report and found that the Board and Board Committees are entitled to claim RM5000 per meeting as meeting fees. There was no detail listing of usage of such meeting fees. Can the annual report list out in detail?
 - In this AGM, there was no door gift mentioned for the attending Shareholders, I would suggest that the Chairman declare door gift of minimum TNG RM100 to each of the Shareholders who spent time attending AGM, this is also a mean of CSR to appreciate the attending Shareholders.

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

- Directors were paid meeting allowances to compensate them for their time and expertise in attending board meetings. These allowances recognised the significant responsibilities and commitments Directors undertake in providing strategic guidance and governance oversight to the Group.
- The Group CEO mentioned that as highlighted earlier, the door gift was a RM50 TNG eWallet reload.

- (xix) Rajendharan A/L Gengatheran requested for the hardcopy annual report.

Dato' Abdul Rahman mentioned that CIMB received quite a few queries for hard copies of the Annual Report. As mentioned above, the Shareholders were

to send their requests to Boardroom Share Registrar using the form downloaded from CIMB's website.

- (xx) Seng Chong Boon queried on how Federal Reserve's decision on rate cut would affect CIMB business.

The Group CEO informed that Malaysia would be a beneficiary from any rate cuts by the Federal Reserve, as the lower interest rate could spur lending and spending in the US, prompting higher demand for Malaysian products. This augurs well for banks and CIMB in general.

- (xxi) Soon Lean Sim queried on the impact of the recent interest rate increase in Indonesia.

Dato' Abdul Rahman responded that interest rate changes in Indonesia have a relatively neutral impact to Group NIM.

- (xxii) Tee Yee Lam then queried on whether CIMB is going to implement AI to fight scam transfer. For example, when a fund transfer in and straight transfer out in a large amount, the system can trigger warning signal and the bank can block the account and questions the account holder. This would save a lot of people from being scam and flush out all the mule account.

The Group CEO informed that CIMB has robust fraud management systems that are continuously fine-tuned to protect against latest threats and mule accounts. As for usage of AI, Management was also continuously assessing its applicability to fight fraud and scams.

- (xxiii) Teh Peng Tin posed three (3) questions as follows:
- a. How much does the company spend on this virtual AGM?
 - b. I would like to request a printed hard copy of the company annual report
 - c. When would the company reward the Shareholders with bonus issue?

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

- a. The estimated cost for this virtual AGM was less than RM100,000 excluding door gift.
- b. For hard copy of the annual report, please send the request to the Boardroom Share Registrar using the form downloaded from CIMB's website.
- c. There were no plans for a bonus issue. A bonus issue generally does not increase or change the worth of the company on its own.

- (xxiv) Teh Seng Kong queried if CIMB's Management mapped out the next 5 years' growth drivers and its plan to achieve so.

Dato' Abdul Rahman informed that CIMB remained focused on completing the Forward23+ Strategic Plan and delivering on its targets in its final year of 2024. Discussions and work on formulating the plans beyond Forward23+ commenced 1.5 years ago and was currently in the final phase of development. The new strategic plan would build on the strong progress and momentum of Forward23+. Full details would be shared in due course.

- (xxv) Veiven Goon posed four (4) questions as follows:

- a. Please explain the difference between the TNG and TNGD businesses? Are either of these businesses profitable? If not when would they projected to become profitable? What was the Bank's ownership stake in TNG and TNGD?
- b. Can you provide more information on the nature of the CIMB Philippines and CIMB Vietnam businesses? Were these purely digital banking businesses? What were the target markets for these businesses?
- c. CIMB Thai has been underperforming for many years. Are there any plans to divest this business? If not what were the strategies to turn this business around?
- d. Does the Bank still own any stake in the Bank of Yingkou? If so how was this business performing?

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

- a. The Group CEO stated that TNG was a 100%-owned subsidiary of CIMB, while TNGD was a 45% subsidiary of TNG. TNG operates primarily in contactless card payments system and TNGD operates the eWallet business. In 2023, the TNG and TNGD portfolio was not profitable and Management was cautiously optimistic that the portfolio would achieve profitability in 2024.
- b. CIMB Philippines and CIMB Vietnam both operate on a digital banking business model. CIMB Philippines has no physical branches while CIMB Vietnam has 2 physical branches. Both digital banks offer financial products and services digitally to the masses via partners and its own digital app.
- c. The Group CEO remarked that the banking industry in Thailand was highly competitive where the average banking ROE is below 10%. CIMB Thai's 2023 performance was attributed to the weaker retail operations which were impacted by higher ECL and loss on sale of repossessions from the hire purchase business. However, CIMB Thai's Wholesale business continues to perform well despite the challenging macro-economic conditions. Going forward, the priority was to address the challenges within the Consumer business including optimising the portfolio and changing the operating model of certain businesses. Management would continue to focus on growing our areas of strength, namely Wealth, Wholesale Banking (ASEAN proposition) and Treasury; whilst keeping cost and asset quality under control.
- d. CIMB completed the disposal of the 18.21% stake in the Bank of Yingkou in December 2017.

- (xxvi) Wong Chal Khoon requested Management, in facing the challenges posed by the fintech-based eWallets and digital banks, to brief the Shareholders in detail the progress made on cross border real-time online fund transfers. In this respect, he then queried whether CIMB is in the forefront of the technology or rather behind.

Dato' Abdul Rahman informed that CIMB was one of the first few banks in Malaysia that had enabled cross-border real-time online fund transfers. In this regard, CIMB was in the forefront of the capability, as well as technology.

- (xxvii) Wong Chun Yew posed two (2) questions as follows:
- a. Does CIMB use external vendor for digital product delivery. Would CIMB list down the external vendors that have been given the tenders for further transparency?

- b. Younger digital banks such as GX banks had been expediting faster compared to CIMB in terms of users growth and attraction. What is the take of CIMB to keep competitive in the digital landscape, and how CIMB plans to provide value to the user differently in the next 5-years?

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

- a. CIMB has a mixture of internal and external technology teams to build and deliver our critical digital platforms. The mixture is 70:30, where at least 70% is CIMB's own internal technologist. The appointments of external vendors follow CIMB's stringent and approved procurement processes.
- b. CIMB had embarked on a 2-prong strategy that involves investing in digital capabilities and pursuing new-age digital businesses – (1) to continue modernisation of its technology, core banking platform and customer journey for better resiliency, speed of development and innovation; (2) build and operate new digital banks and platform oriented businesses outside the Group's core franchise in relevant markets (i.e.: CIMB PH, CIMB VN, TNG and TNGD) designed to deliver new capabilities as well as expected to add intrinsic value to CIMB.

(xxviii) Wong Wai Ling informed that she did not receive any physical mailing or email notification on the AGM notice as opposed to the previous years, to this, she queried whether the mode of communication has changed for this year onwards.

The Group CEO responded that, CIMB had sent the notice via post to all Shareholders listed in the database at their last known address as per Bursa Malaysia's record. This practice remained the same for the last 4 years.

The Chairman thanked all Shareholders for the questions and reiterated that if there were questions yet to be answered, Management would post the answers on the Company's Website soonest possible.

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

The Chairman then declared that the Audited Financial Statements, together with the Directors and Auditors Reports for the FYE 31 December 2023 deemed received.

19. POLLING AND CLOSE OF POLLING

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

20. ANNOUNCEMENT OF POLL RESULTS

The Chairman resumed the Meeting at 12.40 pm for the declaration of results. He informed that he had received the poll results from Boardroom and KPMG and proceeded to read out the poll results, as follows:

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

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

Poll Results	Number of Shareholdings	%
For	8,589,155,215	99.9962
Against	322,212	0.0038

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

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

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

Poll Results	Number of Shareholdings	%
For	5,811,867,278	99.4905
Against	29,762,929	0.5095

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

- (iii) Re-election of Encik Afzal Abdul Rahim who retired pursuant to Article 81 of the Company's Constitution

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

Poll Results	Number of Shareholdings	%
For	7,935,693,311	92.7726
Against	618,221,694	7.2274

THAT Encik Afzal Abdul Rahim, who retired pursuant to Article 81 of the Company's Constitution, be re-elected as Director of the Company.

- (iv) Re-election of Datin Azlina Mahmad who retired pursuant to Article 88 of the Company's Constitution

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

Poll Results	Number of Shareholdings	%
For	8,583,581,182	99.9345
Against	5,627,757	0.0655

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THAT Datin Azlina Mahmad, who retired pursuant to Article 88 of the Company's Constitution, be re-elected as Director of the Company.

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

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

Poll Results	Number of Shareholdings	%
For	8,582,630,375	99.9410
Against	5,070,961	0.0590

THAT the payment of Non-Executive Directors' Remuneration with effect from the 67th Annual General Meeting until the next Annual General Meeting of the Company be approved.

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

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

Poll Results	Number of Shareholdings	%
For	8,222,605,636	96.1044
Against	333,306,937	3.8956

THAT the payment of Allowances and Benefits payable to Non-Executive Directors' of the Company up to an amount of RM3,895,000 from the 67th Annual General Meeting until the next Annual General Meeting of the Company be approved.

(vii) Reappointment of Auditors

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

Poll Results	Number of Shareholdings	%
For	8,464,027,239	98.5434
Against	125,110,510	1.4566

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

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

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

Poll Results	Number of Shareholdings	%
For	8,301,104,998	96.6499
Against	288,030,018	3.3534

THAT pursuant to Section 76 of the Companies Act, 2016, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being **AND THAT** the Directors be and are hereby given full authority to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held in accordance with the provisions of the Companies Act, 2016, whichever is the earlier.

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

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

Poll Results	Number of Shareholdings	%
For	8,556,051,322	99.6147
Against	33,090,670	0.3853

THAT pursuant to the Dividend Reinvestment Scheme (DRS) approved at the Extraordinary General Meeting held on 25 February 2013 and renewed at the Annual General Meeting held on 13 April 2023, approval be and is hereby given to the Company to allot and issue such number of new CIMB Shares for the DRS until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new CIMB Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted 5-day volume weighted average market price (VWAMP) of CIMB Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price and not less than the par value of CIMB Shares at the material time;

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation

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of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company.

(x) **Renewal of the Authority to Purchase Own Shares**

The Chairman announced the poll result in respect of **Ordinary Resolution 10** which was carried as follows:

Poll Results	Number of Shareholdings	%
For	8,508,601,783	99.0653
Against	80,284,217	0.9347

THAT, subject to the Companies Act, 2016 (as may be amended, modified or re-enacted from time to time), the Company's Articles of Association and the requirements of the Bursa Malaysia Securities Berhad (Bursa Securities) and approvals of all the relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (Proposed Shares Buy-Back) as may be determined by the Board of Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time and an amount not exceeding the total retained earnings based on the Audited Financial Statements for the financial year ended 31 December 2023 be allocated by the Company for the Proposed Shares Buy-Back **AND THAT** the ordinary shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and cancel the remainder of the shares **AND THAT** where such shares are held as treasury shares, the Directors of the Company may distribute the shares as dividends, re-sold on Bursa Securities, transfer the shares under the employees' share scheme or as purchase consideration or otherwise use the shares for such other purposes as the Minister may by order prescribe **AND THAT** the Board of Directors of the Company be and are hereby given full authority generally to do all acts and things to give effect to the Proposed Shares Buy-Back with the full power to assent to any conditions, modifications, revaluations and/or amendments (if any) as may be imposed by the relevant authority with full power to do all such acts and things thereafter on any part of the shares bought back in accordance with the Companies Act, 2016, Company's Articles of Association, Main Market Listing Requirements of Bursa Securities and any other rules and regulations that may be in force from time to time **AND THAT** such authority shall commence immediately upon passing of this ordinary resolution until:

- (i) the conclusion of the next Annual General Meeting of the Company in 2024 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the Shareholders of the Company in a general meeting.

Whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by the Bursa Securities and/or any other relevant authorities.

21. ANY OTHER BUSINESS

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

Before closing the meeting, the Chairman informed the Shareholders that today's AGM served as the last Shareholders' meeting for Dato' Abdul Rahman, and that he would be ending his tenure as the Group CEO and Executive Director on 30 June 2024. He took the opportunity to record the Board's deepest gratitude and appreciation to Dato' Abdul Rahman for his selfless dedication and immense contribution to CIMB Group for these past 4 years.

The Chairman conveyed his gratitude for the complete support and cooperation Dato' Abdul Rahman Ahmad provided him and the Board, and for the sterling leadership he provided in rallying #teamCIMB.

The Chairman continued to state that Dato' Abdul Rahman was a remarkable leader who had steered the Group through challenges, namely during the pandemic, and helped build CIMB with unwavering dedication and exemplary vision. He also took the opportunity to invite the Group CEO, Dato' Abdul Rahman to say a few words to the Shareholders.

Dato' Abdul Rahman thanked the Chairman and mentioned that after 4 intense but amazing years, he was very much saddened to leave CIMB. He added that being the Group CEO of CIMB was truly a privilege and an honour and that he was very proud and thankful to have been given the opportunity to serve CIMB.

The Group CEO mentioned that when he first joined in June 2020, when CIMB faced considerable challenges amidst the COVID pandemic. Since then, as reflected by his presentation earlier, CIMB was now in a much stronger and stable footing. Over the last 4 years, the Group had improved its financial performance sustainably, created significant shareholder value and addressed and strengthened its technology and operational resiliency. He added that he was confident that with the guidance of the Board of CIMB Group of companies, the capable leadership of his eventual successor and CIMB Senior Management Team, and the passion and commitment of #teamCIMB, CIMB would excel further and deliver on its ambition to be the one of the leading ASEAN banks.

The Group CEO extended a heartfelt thanks to the Group Chairman, Datuk Mohd. Nasir Ahmad and the Board for their unwavering trust, counsel and guidance throughout his tenure. He further expressed his heartfelt gratitude for the dedication and perseverance showed by #teamCIMB and was honoured as well as privileged to be part of this exceptional team. Dato' Abdul Rahman continued to convey his thanks to all customers, partners, regulators and most importantly, valued Shareholders for their kind support, trust and understanding provided to him.

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The Chairman thanked Dato' Abdul Rahman and stated that as CIMB bids the Group CEO farewell, the Group also reflected on the profound impact that the Group CEO had on CIMB, achieving record profits and solidified CIMB's position as a leader in the industry. He added that the Group CEO did not only lead with strategic brilliance, but had also cultivated a culture of collaboration, integrity and excellence. The Chairman acknowledged Dato' Abdul Rahman's tremendous contributions and unwavering dedication to CIMB in the short 4-year stint and that Dato' Abdul Rahman had undoubtedly set a standard of leadership that would resonate for years to come.

On behalf of the Board, Management and the entire #teamCIMB, the Chairman extended his deepest appreciation and heartfelt thanks to Dato' Abdul Rahman for his exceptional leadership. The Chairman emphasised that Dato' Abdul Rahman remains a family to CIMB like many others who have helped make CIMB what it was today, and he wished the Group CEO all the best in his future endeavours, and new role at PNB.

22. CLOSE OF MEETING

The Chairman declared the 67th AGM of the Company closed and thanked all members present for their participation.

There being no other business, the Meeting concluded at 1:10 p.m. with a vote of thanks to the Chair.

Confirmed

DATUK MOHD NASIR AHMAD
Chairman

Date: 13 May 2024

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APPENDIX 1 – UNADDRESSED LIVE AGM QUESTIONS

- (i) Foong Siew Chui referred to the proposed shares buy back resolution and if there were any plans to issue 100 odd lots of free shares to eligible staffs in conjunction with CIMB Malaysia's 100th anniversary.

CIMB responded that there were no plans for any share distribution to staff at the current juncture.

- (ii) Chea Ah Chun inquired on which sector was profitable and which segment was making losses

CIMB responded that as presented by Dato' Abdul Rahman during the Annual General Meeting (AGM), all business segments in the Group were profitable in FYE 2023.

- (iii) Poon Tuck Wee inquired if it was possible to briefly explain the business model of digital bank, as he did not understand how revenue or profit were generated given the lack of products/loans in digital banking.

CIMB responded that the digital banking business model centres on providing banking services via online platforms and mobile applications without the need for physical branches. Examples of revenue streams include (but not limited to) interest income from loans and deposits, transaction fees, subscription models for premium features, and partnerships for services like insurance and investment products.

- (iv) Po Kwang Huei queried if CIMB would help the Government of Malaysia to abolish the RM25 credit card tax.

CIMB responded that the RM25 service tax for credit card was a requirement imposed and payable to the Malaysian Government under the Service Tax Act 2018.

- (v) Chong Kum Fatt and Ann Chih Lee, on behalf of Mr Stephen Lye conveyed a complaint regarding Boardroom where this was the second time he faced issues pertaining to Proxy registrations for Remote Participation & Voting (RPV) under Boardroom The first being on the 25 April 2024, for Maybank AGM, and for today's CIMB AGM. It was highlighted that Tricor's system was better as their proxy and registration process for RPV was far simpler and their system was fully integrated namely, there was only one (1) portal for RPV registration, attendance and voting virtually unlike Boardroom where there were two (2) separate systems – BSIP, for registration, and LUMI, to attend and vote, which was cumbersome. The Shareholder also mentioned that there were other Shareholders that had similar issues and had complaint against Boardroom in the past, but no improvement was noted. Mr. Stephen requested for CIMB to not continue using Boardroom in the future and to revert to him via email on the respond.

CIMB responded that the Board and Management of CIMB were committed to continuously improving its engagement with the Shareholders, including Shareholders' experience when using Boardroom. Management would take the matter up with Boardroom and would revisit the best option for the AGM in 2025.