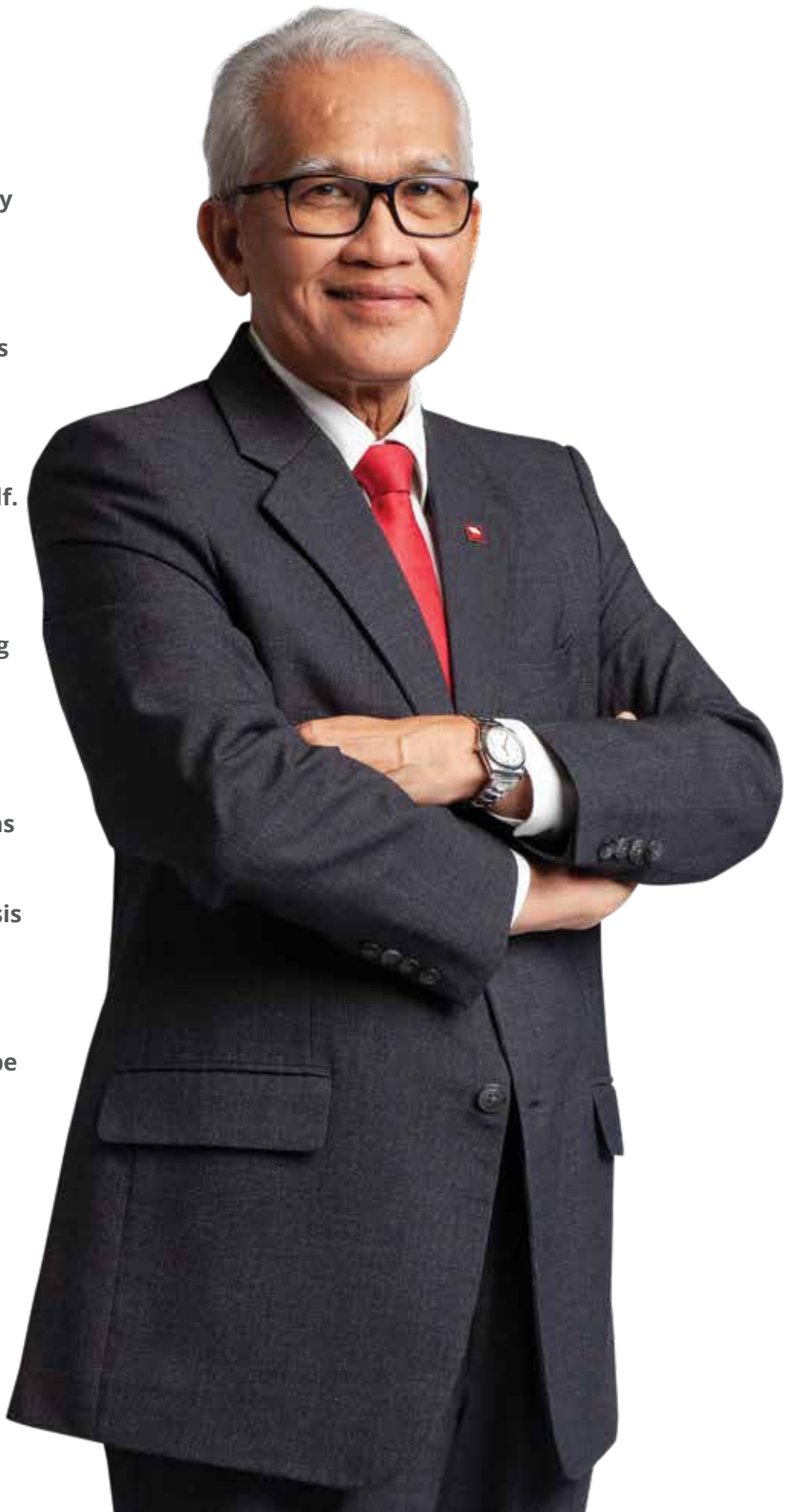




Dear Stakeholders,

2022 was the year where the COVID-19 virus was largely contained and the economy showed early signs of normalcy and healthy growth. Our collective efforts from the COVID-19 targeted assistance programmes accelerated significantly, with governments and the private sector firmly focused on rebuilding the economies. The formation of the new unity government of Malaysia was historical in itself. The new power brings with it a beacon of hope for positive change for the Rakyat as well as the country. As businesses made it through many looming uncertainties, some vital questions beg to be asked: where do we go from here, and how can we make that journey a positive one for all our stakeholders? The year was an opportunity to practice mindfulness in the process of building back, with an emphasis on rebuilding better. Besides the obvious business priorities of profit and recovery, the concern for leadership is to decide which legacies should be kept and improved on, and which to be left behind.



Message from the Chairman

DATUK MOHD NASIR AHMAD
Chairman

IN RECOVERING AND REBUILDING FROM COVID-19, WHAT IS YOUR TAKE ON THE NEED TO DEMONSTRATE RESILIENT LEADERSHIP AND YOUR ABILITY TO DRIVE CONTINUED VALUE CREATION?

During the recovery period, we learnt that resilience and value creation share a profound relationship. The pandemic caused the inequities of the current economic setup. We have defined our patterns of resilient leadership by thoughtfully navigating the numerous challenges that characterise the recovery process with particular sensitivity to the injustices that the pandemic has created. At CIMB, we have always recognised the building back journey as an opportunity to reimagine pathways to realise our corporate ambitions and value creation model. In response to the present needs of our stakeholders, CIMB has envisioned a new proposition

of 'Moving Forward with You'. If anything, this is even more relevant now than ever. Customers are rebuilding their lives, the economy is rebounding, countries are building back and they all need support. The challenges of the pandemic era have affirmed our conviction in our purpose to serve. Financial institutions are bearers of capital with the responsibility to allocate it where it is most needed, and our new brand proposition pivots the organisation to be ready to step up to that challenge in the new normal.

We continue to recalibrate our strategies with a commitment to leave no one behind, an underlying principle in the Group's orientation towards value creation. We continue to prioritise stakeholder concerns and we strive to be transparent in this process by disclosing our efforts throughout the year in our annual Integrated Report, drawing connections between business strategies, stakeholders, and value creation.

“ We continue to recalibrate our strategies with a commitment to leave no one behind, an underlying principle in the Group's orientation towards value creation. ”



With Team CIMB after the closing of The Cooler Earth.



Message from the Chairman



Addressing shareholders at the 65th AGM via live streaming.

“ We deployed rapid-response mechanisms during the crisis management period, leveraging on the inbuilt agility of our systems and processes. ”



HOW DID CIMB STRENGTHEN ITS RISK AND GOVERNANCE MECHANISM IN 2022, WITH WHAT YOU'VE LEARNT FROM THE GLOBAL PANDEMIC OVER THE LAST YEAR?

Year three of the pandemic provided many lessons in anticipating risks and strengthening the resilience of our governance systems. Governance concerns were focused on recovery outcomes, a process which involves testing and evolving existing contingency plans, our risk management architecture, and human capital strategies. Enhancing our risk assessment and mitigation systems was a top priority especially given the circumstances underscored by the COVID-19 pandemic. We deployed rapid-response mechanisms during the crisis management period, leveraging on the inbuilt agility of our systems and processes. The Group's Board of Directors undertook a comprehensive assessment of business risks stemming from technology, digital infrastructure, and cybersecurity; employee wellbeing, productivity, and performance; human rights; climate change; supply stability; and community relations, with an eye to minimising the potential risks to business continuity while maximising stakeholder value.

During this period, the tension between long-term value and short-termism was particularly evident in our considerations of business risks. The Board of Directors navigated trade-offs between temporary solutions to mitigate short-term risks and more deep-seated, transformative changes to keep the organisation robust and responsive to anticipated future risks.

HOW ARE YOU PROGRESSING WITH YOUR FORWARD23+ STRATEGY, ESPECIALLY WITH LESS THAN FAVOURABLE MARKET CONDITIONS IN 2022?

The pandemic offered invaluable lessons in resilience-building and in refocusing our energies in the pursuit of our five-year growth strategy. These were the years where our organisational resilience was put to the test, and I am pleased to report that we are on track to realise our Forward23+ strategy by 2024, which was pushed back a year from the original Forward23 timeline as we adapted to the delays brought about by the pandemic-related setbacks.

During the year, our five strategic priorities remained unchanged while the immediate focus at hand was to rebuild better with our stakeholders through reshaping our portfolio, strengthening our technological ecosystem, driving cost-efficiencies, fostering peak performance in the workforce, centering customers, and making strategic investments across our regional Group. Our turnaround efforts have allowed us to push forward with our Forward23+ objectives in the new normal and minimise any negative impact to our value creation abilities.

We made progress across all five priority areas of the Forward23+ strategy i.e. delivering sustainable financial returns, disciplined execution, customer centricity, transform fundamentals, and become a purpose-driven organisation. The Forward23+ strategy positions CIMB in our pursuit to be the leading focused ASEAN bank.



At the launch of CIMB's Sustainability Summit The Cooler Earth with royal keynote speaker Duli Yang Maha Mulia Paduka Seri Sultan Perak Darul Ridzuan, Sultan Nazrin Muizzuddin Shah Ibni Al-Marhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-Lah, with CIMB Foundation's Mah Meri Cultural Village.

HOW DID YOU PRIORITISE AND PERFORM ON THE SUSTAINABILITY PILLAR OF FORWARD23+ STRATEGY?

The 2022 Financial System Benchmark assessed 400 global financial institutions on their progress to supporting a just and sustainable economy. Proudly, CIMB has been ranked amongst the top 5 (4th) banks of the world. While this is a proud moment, such global recognition reinforces our critical role and responsibility towards advocating responsible banking principles and agenda for greater benefit of the industry and our stakeholders.

During the year, we doubled our sustainable finance target from RM30 billion to RM60 billion by 2024. Under our Green, Social, Sustainable Impact Products & Services (GSSIPS) framework,



Town hall with Team CIMB Niaga.

the initial RM30 billion target was mobilised two years ahead of schedule. We also entered into a strategic Memorandum of Understanding (MoU) with Bursa Malaysia to promote sustainable business practices. Under the MoU, we will be providing access to finance for public-listed companies in Malaysia for improving their sustainability performance and striving to be admitted into the FTSE4Good Bursa Malaysia index. This #financing4ESG initiative is in line with CIMB's responsibility as a financial services provider to facilitate ESG adoption among companies.

Meanwhile, through CIMB Foundation, we also continued to address the widening gap between low-income households, i.e. B40s and the growing middle class by alleviating the personal struggles of the B40 community and the institutional marginalisation they face when it comes to access to finance, housing, and entrepreneurial opportunities. In our bid to leave no one behind, RM33.4 million was channeled (through various programmes) to underprivileged communities in our operating markets. These efforts speak to CIMB's continued focus on integrating principles of

value-based intermediation (VBI) into our banking and community solutions.

In 2022, CIMB's flagship sustainability summit, The Cooler Earth was held for the fourth consecutive year, this time in a hybrid format. With an encouraging participation from more than 2,000 leaders and change-makers from public and private sectors as well as civil society, we focused the conversations on Facilitating a Just Transition. At the event, we launched the CIMB ESG-SME Pitch Challenge to provide an equity crowdfunding platform for SMEs with sustainability at the heart of their business models. The Pitch Challenge attracted applications from more than 50 sustainability-focused SMEs across ASEAN and had the participation of about 15 prospective investors and business partners. Subsequent to the pitches, one-on-one sessions for selected businesses from the top 20 SMEs were also held with prospective investors and business partners from venture capitalists, impact investors, and government-linked investment companies. This was our way to leverage our position in the economy to facilitate a just transition.



Message from the Chairman




At the inaugural CIMB Art & Soul and Artober Fashion Week, with royal guests YM Tengku Puteri Afzan Aminah Hafidzatullah bt Al Sultan Abdullah and YM Tengku Puteri Nadhirah Zahrah bt Sultan Mizan.

WHAT WERE YOUR TOPLINE PRIORITIES IN RELATION TO YOUR #TEAMCIMB?

Some normalcy returned to the workforce as recovery measures took effect three years into the pandemic. With the COVID-19 pandemic largely under control due to successful vaccination programmes, people in our operating markets were finally able to return to physical workspaces. Conditions in the new normal were kept to an optimum to minimise disruption to employees' productivity from movement fluctuations. We prioritised the safety and wellbeing of CIMB employees, including their mental health. Working arrangements were mostly hybrid, with employees offered the flexible option to work-from-home or at our premises, while frontliners continued to serve customers physically at our branches.

I would like to commend #teamCIMB for pulling through the recovery period remarkably. Productivity levels remained at an optimum despite the unprecedented circumstances and the many changes the Group has had to undergo during the year. I am convinced the resilience truly lies with the endurance of our people who kept the wheels turning on the ground, come rain or shine. Our ability as an organisation to pivot to these challenges, minimise losses, and turnaround what could have been major impairments is testament to the resilience of the #teamCIMB spirit. As always, I am proud to count myself a colleague to a stellar team.

 | Read more on our Group CPO's message on pages 52-55 of this report and/or pages 82-97 of the CIMB Group Sustainability Report 2022



Spending time with Team CIMB during Majlis Berbuka Puasa at Menara CIMB.



“ We prioritised the safety and wellbeing of CIMB employees, including their mental health. ”

WERE THERE ANY SIGNIFICANT LEADERSHIP MOVEMENTS OR SIGNIFICANT DEVELOPMENTS IN THE BOARD OR IN YOUR BUSINESS UNITS?

Yes. In 2022, Group Wholesale Banking underwent a leadership change with the appointment of Chu Kok Wei and Novan Amirudin as Co-CEOs. The joint heads are responsible for leading the Wholesale Banking business unit, which is a key contributor to the Group's regional presence. The Board welcomes them both and appreciates the experience and qualifications that they bring to the management team.

For the third year in a row, the Board maintained a female ratio of 30% in line with our commitment to increase Board-level diversity. We welcome qualified female leaders in decision-making positions, not to mention the boost to governance capabilities that are attributed to gender diversity. Increasing Board diversity aligns with best practices for well-rounded risk management and blended competencies.



“ The strength and speed of our recovery could not have been possible without the resilience and perseverance of our customers, partners, suppliers, and communities, each playing an integral role in the recovery of the economy and the health of our society. ”



Celebrating CIMB Singapore's new office at the famed Change Alley Mall which is renamed as CIMB Plaza.



CIMB Cambodia's staff Town hall with Chairman and Group CEO.



In Bangkok with CIMB Thai's President/CEO and Consumer Banking leaders.

“ The Board maintained a female ratio of 30% in line with our commitment to increase Board-level diversity. ”



FINAL REMARKS AND ACKNOWLEDGEMENT

I would like to put on record our appreciation to our many stakeholders – #teamCIMB, regulators, suppliers, partners, investors and members of the community, for being a part of our recovery journey. The strength and speed of our recovery could not have been possible without the resilience and perseverance of our customers, partners, suppliers, and communities, each playing an integral role in the recovery of the economy and the health of our society. I look forward to another progressive year with our people. As always, CIMB will continue to be a reliable pillar of strength for our stakeholders to build back better.

Datuk Mohd Nasir Ahmad
Chairman